



Board of Directors  
MEETING  
July 1, 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**

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

**Napa County Administration Building  
1195 Third Street, Suite 310  
County Executive's Office  
Napa, CA 94559**

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

**City of Mountain View City Hall  
City Council Conference Room  
Third Floor  
500 Castro Street  
Mountain View, CA 94040**

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

**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 <https://www.baaqmd.gov/bodagendas>**

**Members of the public may participate remotely via Zoom at <https://bayareametro.zoom.us/j/85253565592> or may join Zoom by phone by dialing (669) 900-6833 or (408) 638-0968. The Webinar ID for this meeting is:  
852 5356 5592**

## **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.**

**Written public comments can be emailed to [comments@baaqmd.gov](mailto:comments@baaqmd.gov) or through the Air District's website via the "Submit a Comment" feature for this meeting. Written public comments emailed by 10:00 a.m. on the business day prior to this meeting will be provided to the Board members in advance of the meeting. Written public comments emailed after that deadline will be provided to the Board members following the meeting's adjournment. Unless directed by the Chair, written public comments will not be read aloud during the meeting.**

**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, JULY 1, 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 10:30 A.M.**

3. **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 10:30 A.M.**

**OPENING ITEM(S)**

4. **Special Orders of the Day**

**CONSENT CALENDAR (Items 5 - 22)**

*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.*

5. **Approval of the Draft Minutes of the Board of Directors Meeting of June 3, 2026**

*The Board of Directors will consider approving the Draft Minutes of the Board of Directors Meeting of June 3, 2026.*

6. Board Communications Received from June 3, 2026 through June 30, 2026

*A copy of communications directed to the Board of Directors received by the Air District from June 3, 2026 through June 30, 2026, if any, will be distributed to the Board Members by way of email.*

7. Notices of Violations Issued and Settlements in Excess of \$10,000 in the Month of May 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 May 2026.*

8. Personnel Out-of-State Business Travel Report for May 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.*

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

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

10. Fiscal Year 2025-2026 Third Quarter Financial Report, from July 1, 2025 to March 31, 2026

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

11. Authorization to Execute a Contract with Dr. Deborah Jordan for Support Implementing the Air District's 2024-2029 Strategic Plan

*The Board of Directors will consider authorizing the Executive Officer/APCO to execute a contract with Dr. Deborah Jordan, an independent contractor, for a four-year term, in an amount not to exceed \$420,000, to support strategic plan implementation.*

12. Authorization to Accept One Bay Area Grant 3 Funds from the California Department of Transportation

*The Board of Directors will consider adopting a resolution authorizing the Air District to accept \$700,000 in One Bay Area Grant 3 funds to support implementation of the Commuter Benefits Program, and to execute all necessary agreements with the California Department of Transportation to accept the funding.*

13. Authorization to Amend Pick-n-Pull Dismantler Contract for Clean Cars for All Program

*The Board of Directors will consider authorizing the Executive Officer/APCO to amend a contract with Pick-n-Pull Auto Dismantlers for Clean Cars for All vehicle dismantling and scrapping services by increasing the contract amount by \$150,000. This authorization would bring the total contract amount to \$475,000 and support the continued dismantling and scrapping of eligible vehicles retired through the Clean Cars for All Program under the existing contract term through June 30, 2028.*

14. Authorization to Amend Contract with Aqua Terris Aeris Law Group for Legal Services Related to Enforcement of Air Quality Violations

*The Board of Directors will consider authorizing the General Counsel to amend the Air District's legal services agreement with Aqua Terris Aeris Law Group to increase the maximum dollar amount of the agreement by \$200,000, from \$200,000 to \$400,000, for legal services related to prosecution of enforcement cases against regulated entities that violate Air District regulations. The Air District recovers outside counsel costs from penalties collected in the cases the outside counsel works on under the Community Benefits Penalty Funds Policy.*

15. Authorization to Amend Contract with Naviant, Inc. to Support Records Retention Services

*The Board of Directors will consider authorizing the Executive Officer/APCO to amend the contract with Naviant, Inc. to increase the total not-to-exceed amount of the contract by \$183,574, from \$533,906.33 to \$717,480.33, to add an additional 3-year software license and associated support that will allow for secure public access to the Air District Document Management System.*

16. Authorization to Amend Contract with Oshyn, Inc. for Enterprise Technology Solutions Services

*The Board of Directors will consider authorizing the Executive Officer/APCO to amend the contract with Oshyn, Inc. to increase the total not-to-exceed dollar amount of the agreement by \$600,000, from \$1,154,568 to \$1,754,568. The changes will support Enterprise Technology Solutions projects, including website maintenance and operations for Online Services and software documentation and knowledge transfer services for Managed Software Development. The Finance and Administration Committee recommended this item at its meeting on June 17, 2026.*

17. Authorization of Hiring Recommendation at Step E of Salary Range 148M for the Limited Term Contract Employee Manager II (Backlog Manager) Position in the Engineering Division

*The Board of Directors will consider authorizing a hiring recommendation at Step E of salary range 148M for the Limited Term Contract Employee Manager II (Backlog Manager) position in the Engineering Division.*

18. Extension of Community Advisory Council Members' Terms Ending in Fall 2026

*The Board of Directors will consider extending the terms of four Community Advisory Council members to December 3, 2027, to align these terms with current Community Advisory Council members serving 2-year terms. The Board will consider extending the end of the terms of Council member and Co-Chair Patrick Messac, Council member Sejal Babaria, and Council member Dominick Ramirez, from September 4, 2026, to December 3, 2027, and extending the end of the term of Council member Cynthia Prieto-Diaz from November 6, 2026, to December 3, 2027. The Community Advisory Council recommended this item at its meeting on May 21, 2026.*

19. Report of the Stationary Source Committee Meeting of June 10, 2026

*The Board of Directors will receive a report of the Stationary Source Committee Meeting of June 10, 2026.*

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

20. Report of the Advisory Council Meeting of June 15, 2026

*The Board of Directors will receive a report of the Advisory Council Meeting of June 15, 2026.*

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

<https://www.baaqmd.gov/en/About-the-Air-District/Advisory-Council/AgendasReports>

21. Report of the Policy, Grants, and Technology Committee Meeting of June 17, 2026

*The Board of Directors will receive a report of the Policy, Grants, and Technology Committee Meeting of June 17, 2026.*

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

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

22. Report of the Finance and Administration Committee Meeting of June 17, 2026

*The Board of Directors will receive a report of the Finance and Administration Committee Meeting of June 17, 2026*

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

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

### **ACTION ITEM(S)**

23. Policy on Electronic Submission of Public Comments on Matters Relating to Rule Development or Planning

*The Board of Directors will consider adopting a policy requiring electronic comments to be submitted via an online portal only; under this new policy comments submitted via email would not be considered. This proposed policy would apply to comments regarding new regulations, changes to existing regulations or new regional or local clean air plans or related required planning documents. This item will be presented by Victor Douglas, Director of the Regulatory Development Division.*

24. Remote Teleconferencing Meeting Policy for Board and Committee Meetings

*The Board of Directors will consider amending its Remote Teleconferencing Meeting Policy. The Board adopted amendments to this Policy at its June 3, 2026, meeting, but it referred the amendments to the Finance and Administration Committee for further consideration. The Finance and Administration Committee discussed the amended Policy at its meeting on June 17, 2026. Committee members expressed a desire to (i) remove the requirement that remote meeting locations must be in public buildings within California, and (ii) add a provision for reporting issues with adherence to the policy to the Chair. This item will be presented by Alexander Crockett, General Counsel.*

**INFORMATIONAL ITEM(S)**

25. Bay Area Regional Evaluation of Air Toxics and Health Effects Program

*The Board of Directors will discuss the Bay Area Regional Evaluation of Air Toxics and Health Effects, or BREATHE, program. Key components of the BREATHE program include continuous measurements of key air toxic pollutants, updated air toxics emissions inventory, regional (basin-wide) modeling of all key toxic pollutants, exposure and health risk assessment to characterize cancer risk and chronic hazard indices. The BREATHE program will be the first comprehensive air toxics exposure study in the Bay Area. This item will be presented by Dr. Andrea Polidori, Deputy Executive Officer of Science.*

## **OTHER BUSINESS**

### 26. 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.*

### 27. 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)*

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

### 29. Chairperson's Report

### 30. Time and Place of Next Meeting

*Wednesday, September 2, 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.*

### 31. Adjournment

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

**CONTACT:**

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

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

- Any writing relating to an open session item on this Agenda that is distributed to all, or a majority of all, members of the body 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](http://www.baaqmd.gov/accessibility) to learn how and where to file a complaint of discrimination.

Questions regarding this Policy should be directed to the Air District's Non-Discrimination Coordinator, Kimberly Leefatt, Civil Rights Officer at 415-749-4610 or by email at [non-discriminationcoordinator@baaqmd.gov](mailto:non-discriminationcoordinator@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**

**JULY 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 <sup>st</sup> Floor Board Room
Board of Directors Stationary Source Committee	Wednesday	8	10:00 a.m.	1 <sup>st</sup> Floor, Yerba Buena Room
Board of Directors Community Equity, Health, and Justice Committee	Wednesday	8	1:00 p.m.	1 <sup>st</sup> Floor, Yerba Buena Room
Board of Directors Policy, Grants and Technology Committee - CANCELLED	Wednesday	15	10:00 a.m.	1 <sup>st</sup> Floor Board Room
Board of Directors Finance and Administration Committee - CANCELLED	Wednesday	15	1:00 p.m.	1 <sup>st</sup> Floor Board Room
Community Advisory Council	Thursday	16	6:00 pm.	1 <sup>st</sup> Floor, Yerba Buena Room

**AUGUST 2026**

**NO MEETINGS SCHEDULED**

**SEPTEMBER 2026**

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Meeting	Wednesday	2	10:00 a.m.	1 <sup>st</sup> Floor Board Room
Board of Directors Stationary Source Committee	Wednesday	9	10:00 a.m.	1 <sup>st</sup> Floor, Yerba Buena Room
Board of Directors Community Equity, Health, and Justice Committee	Wednesday	9	1:00 p.m.	1 <sup>st</sup> Floor, Yerba Buena Room
Board of Directors Policy, Grants and Technology Committee	Wednesday	16	10:00 a.m.	1 <sup>st</sup> Floor Board Room
Board of Directors Finance and Administration Committee	Wednesday	16	1:00 p.m.	1 <sup>st</sup> Floor Board Room
Community Advisory Council	Thursday	17	6:00 pm.	1 <sup>st</sup> Floor, Yerba Buena 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: July 1, 2026

Re: Approval of the Draft Minutes of the Board of Directors Meeting of June 3,  
2026

RECOMMENDED ACTION

Approve the Draft Minutes of the Board of Directors Meeting of June 3, 2026.

BACKGROUND

None.

DISCUSSION

Attached for your review and approval are the Draft Minutes of the Board of Directors Meeting of June 3, 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 June 3, 2026

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

Board of Directors Meeting  
Wednesday, June 3, 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](http://www.baaqmd.gov/bodagendas)*

### **CALL TO ORDER**

1. **Opening Comments:** Board of Directors (Board) Chairperson, Lynda Hopkins, who participated remotely, via just cause, called the meeting to order at 10:01 a.m., and turned the meeting facilitation over to Director John Gioia.

#### **Roll Call:**

Present, In-Person (Bay Area Metro Center, 375 Beale Street, 1<sup>st</sup> Floor Board Room, San Francisco, CA, 94105): Directors Dionne Adams, Monica Brown, Ken Carlson, Chris Clark, Noelia Corzo, Joelle Gallagher, John Gioia, Juan González III, David Haubert, Tyrone Jue, Bilal Mahmood, Rico E. Medina, Gabe Quinto, Mark Salinas, Linda Sell, Lena Tam, and Steve Young.

Participated Remotely, via Zoom pursuant to Section 54953.8.3 of the Ralph M. Brown Open Meetings Act: JUST CAUSE DESIGNATION: Chairperson Lynda Hopkins; and Vice Chair Vicki Veenker.

Absent: Directors Brian Barnacle, Brian Colbert, Otto Lee, Ray Mueller, and Shamann Walton.

2. **PLEDGE OF ALLEGIANCE**
3. **SPECIAL ORDERS OF THE DAY**

Director Gioia announced the following:

Forest Abbott-Lum was promoted to Senior Staff Specialist in Technology Implementation Office; Qi Zhang is a Supervising Air Quality Engineer in the Engineering Division; James Chen is a Principal Air Quality Engineer in the Engineering Division; and Salina Gebreamlak is a Staff Specialist in the Finance Division.

**CLOSED SESSION (ITEMS 4 – 6) (10:17 a.m.)**

Public Comments

Regarding Item 6 (Conference with Labor Negotiators Pursuant to Government Code Section 54957.6), public comments were given by Kennieth McKellar and John Del Arroz, representing the Air District's Employees' Association.

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

*Title: Executive Officer/APCO*

**Reportable Action:** Director Gioia announced that there was nothing to report.

**5. 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:

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

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

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

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

**Reportable Action:** Director Gioia announced that there was nothing to report.

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

*Agency Designated Representatives:*

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

*Hyacinth Hinojosa, Deputy Executive Officer of Finance and Administration*

*Lisa Baker, Director of Human Resources*

*Employee Organization: BAAQMD Employees Association*

**Reportable Action:** Director Gioia announced that there was nothing to report.

NOTED PRESENT: Director Corzo was noted present at 11:06 a.m.

**OPEN SESSION (11:03 a.m.)**

**CONSENT CALENDAR (ITEMS 7 – 21)**

7. Approval of the Draft Minutes of the Board of Directors Budget Hearing of April 29, 2026
8. Approval of the Draft Minutes of the Board of Directors Meeting of April 29, 2026
9. Approval of the Draft Minutes of the Board of Directors Meetings of May 6, 2026, and May 13, 2026
10. Board Communications Received from May 6, 2026 through June 2, 2026
11. Notices of Violations Issued and Settlements in Excess of \$10,000 in the Month of April 2026
12. Personnel Out-of-State Business Travel Report for April 2026
13. Report of County Populations
14. Authorization to Amend Represented Classifications
15. Authorization to Execute Contract with Robert Half for Temporary Staffing
16. Authorization to Execute Contract with Johns Hopkins University to Enhance Cumulative Health Impact Assessment
17. Authorization to Accept Community Air Protection Program Implementation Funds for Fiscal Year 2025-2026  
[Click here to view Board Resolution No. 2026-02](#)
18. Consideration of State Legislation (**adopt positions on pending state legislative bills** as recommended by the Policy, Grants, and Technology Committee at its meeting on May 20, 2026: **SUPPORT** Senate Bill 899 (Grove) and **OPPOSE UNLESS AMENDED** Assembly Bill 2635 (C. Rodriguez))
19. Report of the Community Equity, Health, and Justice Committee Meeting of May 13, 2026
20. Report of the Policy, Grants, and Technology Committee Meeting of May 20, 2026
21. Report of the Community Advisory Council Meeting of May 21, 2026

**Public Comments**

No requests received.

**Board Comments**

None.

**Board Action**

Director González made a motion, seconded by Director Tam, to approve Consent Calendar Items 7 through 21, inclusive; and the motion **carried** by the following vote of the Board:

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

**PUBLIC HEARINGS (ITEMS 22 – 25)**

**22. ASSEMBLY BILL 2561 VACANCY REPORTING**

The Board of Directors held a public hearing to discuss the status of vacancies and recruitment and retention efforts, as required California Assembly Bill (AB) 2561. AB 2561 amends the Meyers-Milias-Brown Act and requires public agencies to present the status of vacancies and recruitment and retention efforts at a public hearing at least once per fiscal year prior to the adoption of the final budget and entitles the recognized employee organization(s) to present at the hearing. Air District staff provided a written report on the status of vacancies and recruitment and retention efforts in the agenda packet materials published for this meeting. The Board of Directors held a public hearing to discuss the information presented in the report. The Board of Directors waived any need for an additional oral presentation, beyond what was published in the written report. The Air District’s Employees’ Association was invited to make a statement as part of the public hearing, but it declined to do so.

Public Comments

Public comments were given by Patrick Messac.

Board Comments

None.

Board Action

Director Medina made a motion, seconded by Director Tam, to accept the AB 2561 report provided by staff; and the motion **carried** by the following vote of the Board:

AYES: Adams, Brown, Carlson, Clark, Corzo, Gallagher, Gioia, González, Hopkins, Jue, Mahmood, Medina, Quinto, Salinas, Sell, Tam, Veenker, Young.

ABSTAIN: None.

NOES: None.

ABSENT: Barnacle, Colbert, Haubert, Lee, Mueller, Walton.

**23. ADOPTION OF PROPOSED BUDGET FOR FISCAL YEAR 2026-2027 AND AMENDMENTS TO AIR DISTRICT REGULATION 3: FEES**

The Board of Directors held a public hearing to consider the following:

1. Fiscal Year 2026-2027 Budget:

The Board considered adopting a resolution to approve the proposed Fiscal Year 2026–2027 Budget, which includes recommended staffing levels, the salary schedule and benefits, and other related budget actions. Staff also shared the Air District’s progress in implementing the 2024-2029 Strategic Plan, including overall progress and notable implementation highlights. The Finance and Administration Committee recommended

approval of the proposed budget on March 18, 2026, and the Board had held an initial public hearing to discuss the proposed Budget and to provide the public with an opportunity to comment on April 29, 2026.

## 2. Amendments to Air District Regulation 3: Fees:

The Board considered adopting a resolution to amend Air District Regulation 3: Fees, including revisions impacting fee schedules A, B, C, D, E, F, G-1 through G-5, H, I, K, M, P, R, S, V and W and other related changes, with the proposed changes to take effect on July 1, 2026. These amendments were intended to recover the costs of regulatory program activities in line with the Air District's Cost Recovery and Containment Policy. The Finance and Administration Committee recommended approval of these proposed fee amendments on April 15, 2026, and the Board had held an initial public hearing to discuss the proposed amendments and to provide the public with an opportunity to comment on April 29, 2026.

Director Gioia announced that Director Adams had informed him that she had a financial interest in the subject of Air District permit fees for regulated entities under Regulation 3, one of the topics up for discussion in this item. Prior to any further discussion, Director Adams explained that she needed to recuse herself from any consideration or discussion or action on permit fees for regulated entities under Regulation 3, due to a financial interest in the matter, as she receives income in the form of a salary for her position in Human Resources as the Director of Co-worker Inclusion and Belonging at Pacific Gas & Electric, a corporation that owns facilities that are subject to Air District fees.

Director Gioia noted for the record that Director Adams recused herself and left the meeting space.

Hyacinth Hinojosa, Deputy Executive Officer of Finance and Administration, Stephanie Osaze, Director of Finance, and Fred Tanaka, Engineering Manager, gave the staff presentation *Adoption of Proposed Budget for Fiscal Year 2026-2027 and Amendments to Air District Regulation 3: Fees*, including: outline; background; Budget summary; General Fund Budget revenue and expenditure year-to-year comparison; General Fund 5-year forecast (presented April 29, 2026); updated General Fund 5-year forecast; economic downturn – possible actions; summary of Budget resolution actions; 2024-2029 Strategic Plan implementation – 2024-2029 Strategic Plan, Strategic Plan progress report, implementation snapshot, feature stories; proposed Regulation 3 amendments – background on proposal impact, revenue, and costs, proposed fee amendments, fee comparisons, top ten facilities (permit renewal fees), key public comments; and recommended action.

### Public Comments

Public comments were given by Peter Okurowski, California Council for Environmental and Economic Balance (CCEEB); Todd Osterberg, Chevron; Kaitlin Alcontin, Communities for a Better Environment (CBE); Bob Brown, Western States Petroleum Association (WSPA); Rina Mansingh, MRC; Kathy Kerridge, Benicia resident; Patrick Messac; and Jed Holtzman, Rocky Mountain Institute.

### Board Comments

The Board and staff discussed the intended purpose of the Air District's cost-recovery and containment study, the date of the last review, and whether prior results exist, it would be helpful to have them for comparative analysis and measuring outcomes; previous permit renewal fees; the request for a breakdown of how Bay Area property taxes are allocated to the Air District as part of its revenue; whether fees that are to be increased by 15% are considered under-recovered, and whether the Air District is requesting that permitted facilities pay more than the whole cost that goes into their permit; how the Air District addresses situations in which fee revenues exceed the actual costs incurred; why the Air District may charge a closed business an ongoing annual fee, and whether the Air District would issue a refund if the permitted facility indeed closed; whether the transitioning of the Valero Benicia Refinery into a marine terminal would require a permit change; the allocated share of 9 Bay Area county property taxes that the Air District receives annually, and how the annual increase of 2% was calculated; the anticipated timeline of triggers that may precede an economic downturn; the belief that Air District fees have been perceived to exceed what is sustainable for regulated industry, persisting at high levels even when the rate of cost-recovery was much lower than the current rate; the desire for a 100% funded pension ratio; the desire for improved efficiency in Air District processes to reduce costs and optimize cost-recovery; the importance of demonstrating significant reductions in the Air District's permit backlog; the concern that restricting expenditures on additional staffing and updated technology may slow the momentum the Air District is building in addressing its permit backlog; the request for a definitive timeline indicating when the permit backlog will be resolved; the request that the Board's Policy, Grants, and Technology Committee discuss the fact that the loss of revenue in California's Greenhouse Gas Reduction Fund directly threatens loss of funding for the Community Air Protection Program (AB 617); the suggestion of establishing a running log of the Air District's cost-containment actions to show that the Air District's strategies are producing measurable results; and the need affordable for energy, especially in rural and exurban areas, and the need for preserving California's industry, to keep energy prices down and avoid increased reliance on imported fuel.

### Board Action

Director González made a motion, seconded by Director Tam, to **adopt** a resolution to adopt the Fiscal Year 2026-27 Proposed Budget and related budget actions, effective July 1, 2026, and **adopt** a resolution to adopt the Regulation 3 Amendments, effective July 1, 2026; and the motion **carried** by the following vote of the Board:

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

[Click here to view Board Resolution No. 2026-03](#)

[Click here to view Board Resolution No. 2026-04](#)

24. **ADOPTION OF PROPOSED AMENDMENTS TO REGULATION 11: HAZARDOUS POLLUTANTS, RULE 18: REDUCTION OF RISK FROM AIR TOXIC EMISSIONS AT EXISTING FACILITIES (RULE 11-18) AND PROPOSED UPDATES TO THE RULE 11-18 IMPLEMENTATION PROCEDURES**

Prior to this item, Director Adams had announced that she had a financial interest in the subject of Health Risk Assessments required under Rule 11-18, topic being discussed in this item. Director Adams had explained that she needed to recuse herself from any consideration or discussion or action on Health Risk Assessments required under Rule 11-18, due to a financial interest in the matter, as she receives income in the form of a salary for her position in Human Resources as the Director of Co-worker Inclusion and Belonging at Pacific Gas & Electric, a corporation that owns facilities that are subject to Rule 11-18. Director Adams continued to be absent from the meeting space during this item.

The Board of Directors held a public hearing to consider the following:

- Amend Regulation 11: Hazardous Pollutants, Rule 18: Reduction of Risk from Air Toxic Emissions at Existing Facilities (Rule 11-18);
- Make findings of necessity, authority, clarity, consistency, non-duplication, and reference for the Rule 11-18 amendments;
- Update the Rule 11-18 Implementation Procedures;
- Adopt an Addendum to the previously certified Environmental Impact Report for Rule 11-18 pursuant to the California Environmental Quality Act; and
- Adopt a Mitigation Monitoring and Reporting Program for Rule 11-18 pursuant to the California Environmental Quality Act.

Katie Gong, Senior Air Quality Engineer, gave the staff presentation *Proposed Amendments to Regulation 11: Hazardous Pollutants, Rule 18: Reduction of Risk from Air Toxic Emissions at Existing Facilities*, including: abbreviations/acronyms; recommended action; outline; background of Rule 11-18: Reduction of Risk from Air Toxic Emissions at Existing Facilities – air toxics in the Bay Area, overview of Rule 11-18, feedback on Rule 11-18 implementation, delays in Rule 11-18 implementation, Air District actions, proposed amendments overview; proposed amendments to rule language – Health Risk Assessments (HRA), Risk Reduction Plans; proposed updates to implementation procedures – overview of implementation procedures, general, Dispute Resolution Panel; Rule 11-18 amendments package – public participation project, public comments received, Air District oversight of facility-prepared HRAs, emissions inventory review training, cost-effectiveness and incremental cost-effectiveness, compliance costs, socioeconomic impacts, commitment to small businesses, Air District impacts, California Environmental Quality Act requirements, statutory findings; and recommended action.

Public Comments

Public comments were given by Courtney Mizutani, Bay Area Clean Water Agencies; Kaitlin Alcontin, CBE; Peter Okurowski, CCEEB; Todd Osterberg, Chevron; Kevin Buchan, Western States Petroleum Association; Kathy Kerridge, Benicia resident; and Charles Davidson, Hercules resident.

### Board Comment

The Board and staff discussed the number of Air District-prepared HRAs that have been completed; who will prepare the HRAs (facilities or Air District); ways in which the Air District's method of conducting HRAs compares to those of other air districts in California; which entities may serve on the Dispute Resolution Panel; the average number of HRAs that are conducted by the South Coast Air Quality Management District each calendar year; and CCEEB's suggested modifications to Rule 11-18.

### Board Action

Director Salinas made a motion, seconded by Director Sell, to **adopt** a resolution, which includes:

- Amending Regulation 11: Hazardous Pollutants, Rule 18: Reduction of Risk from Air Toxic Emissions at Existing Facilities
- Making findings of necessity, authority, clarity, consistency, non-duplication, and reference for the Rule 11-18 amendments
- Updating the Rule 11-18 Implementation Procedures
- Adopting an Addendum to the previously certified Environmental Impact Report for Rule 11-18 pursuant to the California Environmental Quality Act
- Adopting a Mitigation Monitoring and Reporting Program for Rule 11-18 pursuant to the California Environmental Quality Act

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

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

[Click here to view Board Resolution No. 2026-05](#)

### 25. **TOXIC AIR CONTAMINANT CONTROL PROGRAM ANNUAL REPORT - 2026**

The Board of Directors held a public hearing to present the Air District's Toxic Air Contaminant Control Program Annual Report for 2026, and discuss its content and significance. The report fulfills the reporting requirements under the California Assembly Bill 2588 Air Toxics Hot Spots Program.

Dr. Fine waived this presentation.

NOTED PRESENT: Following her recusal from Items 23 and 24, Director Adams returned to the Board Room at 2:14 p.m.

Public Comments

No requests received.

Board Comments

None.

Board Action

No action taken.

**ACTION ITEM**

26. **ADOPTION OF PROPOSED POLICY UPDATES TO IMPLEMENT RECENT BROWN ACT CHANGES AND IMPROVE LANGUAGE ACCESS AND PUBLIC ACCESSIBILITY**

Mr. Crockett and Kimberly Leefatt, Civil Rights Officer, gave the staff presentation *Adoption of Proposed Policy Updates to Implement Recent Brown Act Changes and Improve Language Access and Public Accessibility*, including: recommended action; summary of relevant Senate Bill 707 (2025) mandates; amendments to Remote Teleconferencing Meeting Policy; new Broadcast Technology Disruption Policy; summary of changes and next steps; and recommended action.

Public Comments

No requests received.

Board Comments

The Board and staff discussed whether the changes to the Brown Act would mean that a quorum for an Air District Board meeting must be present and participating from a single, physical location within the Air District's territorial jurisdiction; and the belief that translation into Tagalog may not provide significant added value.

Board Action

Director González made a motion, seconded by Director Carlson, to **adopt** a proposed Broadcast Technology Disruption Policy; and **amend** the Remote Teleconferencing Meeting Policy to implement mandates in Senate Bill 707 (2025) and make other language access and public accessibility improvements; and the motion **carried** by the following vote of the Board:

AYES: Adams, Brown, Carlson, Clark, Corzo, Gallagher, Gioia, González, Hopkins, Jue, Sell, Tam, Young.  
ABSTAIN: None.  
NOES: Quinto.

ABSENT: Barnacle, Colbert, Haubert, Lee, Mahmood, Medina, Mueller, Salinas, Veenker, Walton.

***At 2:26 p.m., during Item 26, a quorum of Board members was lost, and the meeting was forced to adjourn. Items 27 through 30 were not able to proceed.***

**OTHER BUSINESS**

- 27. **PUBLIC COMMENT ON NON-AGENDA MATTERS**
- 28. **BOARD MEMBER COMMENTS**
- 29. **REPORT OF THE EXECUTIVE OFFICER / APCO**
- 30. **CHAIRPERSON'S REPORT**
- 31. **TIME AND PLACE OF NEXT MEETING**

Wednesday, July 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.

32. **ADJOURNMENT**

The meeting was adjourned at 2:26 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: July 1, 2026

Re: Board Communications Received from June 3, 2026 through June 30, 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 June 3, 2026, through June 30, 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: Shantel Reyes  
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: July 1, 2026

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

**NOTICES OF VIOLATIONS ISSUED**

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

<b>Alameda</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comment</b>
AAA San Pablo Fuel Inc.	C0168	Oakland	A65658A	5/26/26	8-7-301.5	Gasoline Dispensing Facility Violation
Blusky Restoration Contractors	S790856	Hayward	A64998A	5/6/26	11-2-401.5	Asbestos Violation
Centeno Cabinets	S789226	Oakland	A65378A	5/4/26	2-1-301	No Authority to Construct and No Permit to Operate
Centeno Cabinets	S789226	Oakland	A65378B	5/4/26	2-1-302	No Authority to Construct and No Permit to Operate
Chevron Station #308613	D1443	Oakland	A65656A	5/19/26	8-7-301.5	Gasoline Dispensing Facility Violation
D&D Construction and Development Inc.	S790845	Fremont	A59445A	5/8/26	11-2-401.5	Asbestos Violation
Irvington Memorial Cemetery	A4134	Fremont	A65806A	5/28/26	2-1-307	Permit Requirement/Condition Violation
Irvington Memorial Cemetery	A4134	Fremont	A65806B	5/28/26	1-523.3	Parametric Monitor Violation
Irvington Memorial Cemetery	A4134	Fremont	A65807A	5/28/26	2-1-307	Permit Requirement/Condition Violation
Irvington Memorial Cemetery	A4134	Fremont	A65807B	5/28/26	1-523.3	Parametric Monitor Violation
Irvington Memorial Cemetery	A4134	Fremont	A65808A	5/28/26	2-1-307	Permit Requirement/Condition Violation
Irvington Memorial Cemetery	A4134	Fremont	A65808B	5/28/26	1-523.3	Parametric Monitor Violation
Irvington Memorial Cemetery	A4134	Fremont	A65809A	5/28/26	2-1-307	Permit Requirement/Condition Violation

Irvington Memorial Cemetery	A4134	Fremont	A65809B	5/28/26	1-523.3	Parametric Monitor Violation
Irvington Memorial Cemetery	A4134	Fremont	A65810A	5/28/26	2-1-307	Permit Requirement/Condition Violation
Irvington Memorial Cemetery	A4134	Fremont	A65810B	5/28/26	1-523.3	Parametric Monitor Violation
Leon's Powder Coating	S789218	Oakland	A65177A	5/4/26	2-1-301	No Authority to Construct and No Permit to Operate
Leon's Powder Coating	S789218	Oakland	A65177B	5/4/26	2-1-302	No Authority to Construct and No Permit to Operate
Silver Gas	C9906	Oakland	A65655A	5/6/26	2-1-307	Permit Requirement/Condition Violation
Tesla, Inc.	A1438	Fremont	A65066A	5/21/26	2-6-307	Title V Requirement/Permit Condition Violation
Tesla, Inc.	A1438	Fremont	A65067A	5/21/26	2-6-307	Title V Requirement/Permit Condition Violation
Tesla, Inc.	A1438	Fremont	A65068A	5/21/26	2-6-307	Title V Requirement/Permit Condition Violation
Tesla, Inc.	A1438	Fremont	A65069A	5/21/26	2-6-307	Title V Requirement/Permit Condition Violation
Tesla, Inc.	A1438	Fremont	A65070A	5/21/26	2-6-307	Title V Requirement/Permit Condition Violation
Tesla, Inc.	A1438	Fremont	A65071A	5/26/26	2-6-307	Title V Requirement/Permit Condition Violation
Tesla, Inc.	A1438	Fremont	A65072A	5/26/26	2-6-307	Title V Requirement/Permit Condition Violation
Tesla, Inc.	A1438	Fremont	A65073A	5/26/26	2-6-307	Title V Requirement/Permit Condition Violation
Tesla, Inc.	A1438	Fremont	A65074A	5/26/26	2-6-307	Title V Requirement/Permit Condition Violation
Tesla, Inc.	A1438	Fremont	A65075A	5/26/26	2-6-307	Title V Requirement/Permit Condition Violation

Tesla, Inc.	A1438	Fremont	A65076A	5/26/26	2-6-307	Title V Requirement/Permit Condition Violation
Tesla, Inc.	A1438	Fremont	A65077A	5/26/26	2-6-307	Title V Requirement/Permit Condition Violation
Tesla, Inc.	A1438	Fremont	A65803A	5/26/26	2-6-307	Title V Requirement/Permit Condition Violation
Tesla, Inc.	A1438	Fremont	A65804A	5/26/26	2-6-307	Title V Requirement/Permit Condition Violation
Tesla, Inc.	A1438	Fremont	A65805A	5/26/26	2-6-307	Title V Requirement/Permit Condition Violation
United 5191	C8267	Oakland	A65657A	5/20/26	8-7-301.3	Gasoline Dispensing Facility Violation
Vasco Road Landfill	A5095	Livermore	A63484A	5/28/26	2-6-307	Title V Requirement/Permit Condition Violation

<b>Contra Costa</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comment</b>
Brilliant Group, Inc.	E1927	Richmond	A66229A	5/12/26	2-1-307	Permit Requirement/Condition Violation
Brilliant Group, Inc.	E1927	Richmond	A66229B	5/12/26	8-35-501	Coatings Ink and Adhesive Manufacturing Violation
Burlington Northern & Sta Fe Co.	C9183	Richmond	A57290A	5/14/26	2-1-307	Permit Requirement/Condition Violation
BV Builders Inc.	S789432	Lafayette	A63636A	5/7/26	11-2-401.5	Asbestos Violation
Chevron Products Company	A0010	Richmond	A62973A	5/26/26	2-6-307	Title V Requirement/Permit Condition Violation
Henkel US Operations Corporation	B2855	Bay Point	A64385A	5/5/26	2-1-307	Permit Requirement/Condition Violation
Henkel US Operations Corporation	B2855	Bay Point	A64386A	5/5/26	2-1-307	Permit Requirement/Condition Violation

Henkel US Operations Corporation	B2855	Bay Point	A64387A	5/5/26	8-18-401	Equipment Leak Violation
Henkel US Operations Corporation	B2855	Bay Point	A64387B	5/5/26	8-18-402	Equipment Leak Violation
Henkel US Operations Corporation	B2855	Bay Point	A64388A	5/5/26	2-1-302	No Authority to Construct and No Permit to Operate
Henkel US Operations Corporation	B2855	Bay Point	A64388B	5/5/26	2-1-301	No Authority to Construct and No Permit to Operate
Henkel US Operations Corporation	B2855	Bay Point	A64389A	5/5/26	2-1-302	No Authority to Construct and No Permit to Operate
Henkel US Operations Corporation	B2855	Bay Point	A64389B	5/5/26	2-1-301	No Authority to Construct and No Permit to Operate
Henkel US Operations Corporation	B2855	Bay Point	A64390A	5/5/26	2-1-301	No Authority to Construct and No Permit to Operate
Henkel US Operations Corporation	B2855	Bay Point	A64390B	5/5/26	2-1-302	No Authority to Construct and No Permit to Operate
Henkel US Operations Corporation	B2855	Bay Point	A64391A	5/5/26	2-1-301	No Authority to Construct and No Permit to Operate
Henkel US Operations Corporation	B2855	Bay Point	A64391B	5/5/26	2-1-302	No Authority to Construct and No Permit to Operate
Henkel US Operations Corporation	B2855	Bay Point	A64392A	5/5/26	2-1-301	No Authority to Construct and No Permit to Operate
Henkel US Operations Corporation	B2855	Bay Point	A64392B	5/5/26	2-1-302	No Authority to Construct and No Permit to Operate
Henkel US Operations Corporation	B2855	Bay Point	A64393A	5/5/26	2-1-301	No Authority to Construct and No Permit to Operate
Henkel US Operations Corporation	B2855	Bay Point	A64393B	5/5/26	2-1-302	No Authority to Construct and No Permit to Operate
La Tech Auto Body	A8421	Richmond	A66230A	5/12/26	2-1-302	No Permit to Operate
Martinez Refining Company LLC	A0011	Martinez	A65905A	5/26/26	9-10-305	Refinery NOx or CO Violation

MECS Inc.	A0014	Martinez	A65300A	5/19/26	2-1-307	Permit Requirement/Condition Violation
Mt View Sanitary District	A4408	Martinez	A64610A	5/28/26	9-2-301	Hydrogen Sulfide Violation
Mt View Sanitary District	A4408	Martinez	A64611A	5/28/26	9-2-301	Hydrogen Sulfide Violation
Mt View Sanitary District	A4408	Martinez	A64612A	5/28/26	9-2-301	Hydrogen Sulfide Violation
Mt View Sanitary District	A4408	Martinez	A64613A	5/28/26	9-2-301	Hydrogen Sulfide Violation
Mt View Sanitary District	A4408	Martinez	A64614A	5/28/26	9-2-301	Hydrogen Sulfide Violation
Origami Design Build	S789834	San Ramon	A63685A	5/6/26	11-2-303.8	Asbestos Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A63002A	5/5/26	8-8-315	Wastewater Collection and Separation Systems Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A65683A	5/12/26	10	Code of Federal Regulation Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A65684A	5/12/26	2-1-307	Permit Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A65685A	5/12/26	2-1-307	Permit Requirement/Condition Violation
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A65685B	5/12/26	9-1-307	SO2 Emissions Violation
R.V. Stich Construction, Inc.	S790843	Richmond	A64999A	5/6/26	11-2-401.5	Asbestos Violation
State of California Department of Transportation	B4181	Richmond	A66228A	5/4/26	2-1-301	No Authority to Construct and No Permit to Operate
State of California Department of	B4181	Richmond	A66228B	5/4/26	2-1-302	No Authority to Construct and No Permit to Operate

Transportation						
Tesoro Refining & Marketing Company, LLC	B2758	Martinez	A65299A	5/8/26	8-8-315	Wastewater Collection and Separation Systems Violation

<b>Marin</b>						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
Graffeo Coffee Roasting Co.	E3872	San Rafael	A65629A	5/11/26	2-1-307	Permit Requirement/Condition Violation

<b>San Francisco</b>						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
A1 Demolition & Hauling	S790850	San Francisco	A59448A	5/22/26	11-2-401.5	Asbestos Violation
ELM Property Venture LLC	B8472	San Francisco	A66128A	5/14/26	2-1-307	Permit Requirement/Condition Violation
Woodside Shell dba Shell Car Wash	C8811	San Francisco	A65000A	5/13/26	8-7-302.3	Gasoline Dispensing Facility Violation

<b>San Mateo</b>						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comment
Canyon Gas & Propane	C8999	Emerald Hills	A65593A	5/7/26	8-7-408	Gasoline Dispensing Facility Violation
Canyon Gas & Propane	C8999	Emerald Hills	A65593B	5/7/26	8-7-408	Gasoline Dispensing Facility Violation
Chevron #3064	C5901	Menlo Park	A65595A	5/7/26	8-7-408	Gasoline Dispensing Facility Violation
Mobil Fifth Ave.	C5595	Redwood City	A65598A	5/27/26	8-7-408	Gasoline Dispensing Facility Violation

Nxedge San Carlos	B1551	San Carlos	A65145A	5/6/26	9-7-506	Boiler Emissions Violation
San Bruno Chevron	C9421	San Bruno	A65599A	5/26/26	8-7-302.3	Gasoline Dispensing Facility Violation
Vinod Chand Bansal Inc.	D0363	Redwood City	A65597A	5/22/26	2-1-302	No Permit to Operate

<b>Santa Clara</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comment</b>
Blaine Architects	S790861	San Jose	A59449A	5/22/26	11-2-303.8	Asbestos Violation
Blaine Architects	S790861	San Jose	A59449B	5/22/26	11-2-401.5	Asbestos Violation
Belmont Village Sunnyvale Tenant, LLC	B4288	Sunnyvale	A66129A	5/28/26	2-1-307	Permit Requirement/Condition Violation
Chevron	D2530	Mountain View	A65592A	5/6/26	8-7-408	Gasoline Dispensing Facility Violation
Green Planet Gas, Inc.	FB179	Sunnyvale	A65603A	5/11/26	8-7-301.5	Gasoline Dispensing Facility Violation
Lyten	E4188	San Jose	A65540A	5/27/26	2-1-307	Permit Requirement/Condition Violation
Meridian Chevron	C4035	San Jose	A59444A	5/5/26	8-7-302.3	Gasoline Dispensing Facility Violation
Rancho 76, Inc.	C8149	Los Altos	A65596A	5/20/26	8-7-408	Gasoline Dispensing Facility Violation
REF Builders	S790859	San Jose	A59447A	5/11/26	11-2-401.5	Asbestos Violation
Rotten Robbie #66	S701498	Milpitas	A66185A	5/21/26	8-7-302.2	Gasoline Dispensing Facility Violation
San Jose Country Club	S200062	San Jose	A66184A	5/7/26	8-7-408	Gasoline Dispensing Facility Violation
Western Digital Technologies Inc.	A0085	San Jose	A65416A	5/26/26	2-1-307	Permit Requirement/Condition Violation

Western States Oil Company	C0424	San Jose	A66183A	5/4/26	8-7-302.3	Gasoline Dispensing Facility Violation
San Jose Country Club	S200062	San Jose	A66184A	5/7/26	8-7-408	Gasoline Dispensing Facility Violation

<b>Sonoma</b>						
<b>Site Name</b>	<b>Site #</b>	<b>City</b>	<b>NOV #</b>	<b>Issuance Date</b>	<b>Regulation</b>	<b>Comment</b>
Petaluma School Bus Yard	D1267	Petaluma	A65615A	5/5/26	8-7-408	Gas Dispensing Facility Violation
Republic Services of Sonoma County, Inc.	A2254	Petaluma	A64527A	5/6/26	2-6-307	Title V Requirement/Permit Condition Violation
Republic Services of Sonoma County, Inc.	A2254	Petaluma	A64527B	5/6/26	8-34-301.1	Landfill Violation
Republic Services of Sonoma County, Inc.	A2254	Petaluma	A64527C	5/6/26	10	Code of Federal Regulation Violation
Republic Services of Sonoma County, Inc.	A2254	Petaluma	A65628A	5/7/26	2-1-307	Permit Requirement/Condition Violation

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

There was 1 settlement for \$10,000 or more completed in May 2026.

- 1) On May 2, 2026, the Air District reached settlement with Apple, Inc. for \$125,000, regarding the allegations contained the following 5 Notice

<b>NOV #</b>	<b>Issuance Date</b>	<b>Occurrence Date</b>	<b>Regulation</b>	<b>Comments from Enforcement</b>
A64215A	8/29/24	7/15/17	2-1-301	No Authority to Construct and No Permit to Operate
A64215B	8/29/24	7/15/17	2-1-302	No Authority to Construct and No Permit to Operate
A64216A	9/12/24	5/15/19	2-1-301	No Authority to Construct and No Permit to Operate
A64216B	9/12/24	5/15/19	2-1-302	No Authority to Construct and No Permit to Operate

A64218A	9/12/24	11/17/23	9-7-307.1	Boiler Emissions Violation
A64219A	9/12/24	7/1/24	9-7-307.1	Boiler Emissions Violation
A65128A	4/29/25	1/1/24	9-7-506	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: July 1, 2026

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

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

United States Leaders' Forum, Washington, District of Columbia, April 28 - May 1, 2026 attendee:

- Philip M. Fine, Ph.D., Executive Officer/Air Pollution Control Officer

Advanced Clean Transportation Expo, Las Vegas, Nevada, May 3 - 7, 2026 attendees:

- Daniel Anderson, Senior Staff Specialist, Strategic Incentives Division
- Hannah Behmaram, Staff Specialist, Strategic Incentives Division
- Cynthia Wang, Staff Specialist, Strategic Incentives Division

National Association of Clean Air Agencies Spring Membership Meeting, St. Louis, Missouri, May 11 - 14, 2026 attendees:

- Meredith Bauer, Ph.D., Principal Deputy Executive Officer
- Philip M. Fine, Ph.D., Executive Officer/Air Pollution Control Officer
- Andrea Polidori, Ph.D., Deputy Executive Officer of Science

Meeting of the NASA Health and Air Quality Applied Sciences Team, Madison, Wisconsin, May 12 - 15, 2026 attendee:

- Kelly Crawford, Deputy Executive Officer of Engineering & Compliance

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: July 1, 2026

Re: Fiscal Year 2025-2026 Third 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 third 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. FYE 2026 Q3 Report of Vendor Payments for Routine and Recurring Essential Services and Contracts

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

*Third Quarter Fiscal Year 2025 -2026, Ending March 31, 2026*

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 third quarter of Fiscal Year (FY) 2025 - 2026 to accompany the third 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 3 FY 2025 - 2026 Contract Renewals Executed for Select Essential Goods/Services:**

The following contract renewals were executed under this provision during the third quarter of FY 2025 - 2026.

<b>Vendor</b>	<b>Synopsis</b>	<b>Renewal Amount</b>	<b>Total Contract Value</b>	<b>Date Executed</b>
<b>Software Licenses, Warranties, Maintenance, and Support Services</b>				
Naviant Inc.	Hyland OnBase Subscription License and Software Support	\$274,330.80	\$555,988.60	01/14/2026

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

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

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

Payment Categories	Amount Paid (July 1, 2025 – March 31, 2026)
<b>AIR DISTRICT INSURANCE</b>	
ALLIANT INSURANCE SERVICES, INC.	\$1,009,245.72
BENEFIT COORDINATORS CORPORATION - LIFE INSURANCE	\$1,212,679.35
<b>BAY AREA HEADQUARTERS AUTHORITY (SHARED SERVICES EXPENSES)</b>	
BAY AREA HEADQUARTERS AUTHORITY	\$3,903,032.43
<b>CLOUD BASED INFORMATION INFRASTRUCTURE AND SERVICES</b>	
ASSET PANDA, LLC	\$45,900.00
CARAHSOFT TECHNOLOGY CORPORATION	\$108,593.36
DAYFORCE US, INC.	\$232,901.91
DELL MARKETING	\$1,263,520.50
DENOVO VENTURES, LLC	\$169,930.32
DOCUSIGN	\$54,909.86
EPLUS TECHNOLOGY, INC.	\$43,048.18
EUNA SOLUTIONS, INC.	\$69,180.64
MICROSOFT CORPORATION	\$745,368.00
OFFICESPACE SOFTWARE INC.	\$36,524.22
ORACLE AMERICA, INC.	\$98,682.07
THOMSON REUTERS - WEST PAYMENT	\$56,647.53
<b>EMPLOYEE HEALTH AND BENEFITS</b>	
BENEFIT COORDINATORS CORPORATION - DENTAL	\$728,232.23
CA PUBLIC EMP RET SYSTEM - HEALTH	\$9,698,242.83
CA PUBLIC EMP RET SYSTEM - PENSION	\$8,159,121.46
CALIFORNIA VISION SERVICE PLAN	\$103,624.38
METROPOLITAN LIFE INSURANCE CO.	\$50,160.00
P & A ADMINISTRATIVE SERVICES	\$742,843.14
SEDGWICK CLAIMS MANAGEMENT SERVICES	\$43,851.00
<b>EQUIPMENT LEASES</b>	
CANON FINANCIAL SERVICES, INC.	\$32,712.84
ENTERPRISE FLEET SERVICES	\$212,612.60
<b>FUEL AND CHARGE EXPENSES</b>	
WEX FLEET UNIVERSAL-ENTERPRISE	\$108,358.57

**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 – March 31, 2026)
<b>OEM EQUIPMENT MAINTENANCE AND WARRANTIES</b>	
<b>PROPERTY LEASES AND LICENSE AGREEMENTS</b>	
HOLLIS PROPERTY	\$118,786.67
LAO FAMILY COMMUNITY DEVELOPMENT	\$59,000.67
MARINA BAY CROSSING, LLC	\$49,236.06
NIBBI INVESTMENTS	\$36,860.00
PACIFIC GATEWAY PROPERTIES, INC.	\$58,452.00
WANG BROTHERS INVESTMENTS, LLC	\$367,540.02
WESTERN PACIFIC PROPERTY, LLC	\$75,204.76
ZUCKERMAN CONSTRUCTION CO.	\$48,139.78
<b>SOFTWARE LICENSES, WARRANTIES, MAINTENANCE, AND SUPPORT SERVICES</b>	
ADAPTALYTICS, LLC	\$32,987.25
AGREEYA SOLUTIONS, INC.	\$97,192.50
CALLTOWER, INC.	\$41,797.72
CASEWARE INTERNATIONAL INC.	\$39,816.00
CDW GOVERNMENT	\$54,152.27
CIPHEREX INC.	\$117,018.00
CLEARSPARC	\$973,581.00
COMPLETE DISCOVERY SOURCE INC.	\$35,008.36
DVBE CONNECT INC.	\$1,448,116.45
GOLDEN STAR TECHNOLOGY INC.	\$93,678.00
LIGHTBOX PARENT, L.P.	\$42,240.00
NAVIANT, INC.	\$165,338.87
NETCENTRIC TECHNOLOGIES	\$86,560.00
OSHYN INC.	\$429,037.38
PRODIGY CONSULTING LLC	\$65,000.00
SUPPORTFOCUS, INC.	\$89,070.00
TRYFACTA, INC.	\$72,314.05
<b>UTILITIES</b>	
AT&T CALNET; AT&T; AT&T MOBILITY; AT&T U-VERSE	\$123,088.06
COGENT COMMUNICATIONS, INC.	\$36,450.00
COMCAST; COMCAST CABLE COMMUNICATIONS	\$188,787.26
PACIFIC GAS & ELECTRIC COMPANY	\$225,632.31
VERIZON WIRELESS	\$188,229.92

**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 third quarter of FY 2025 - 2026.

**New Contracts Executed Under Section 9.4(b):**

<b>Vendor</b>	<b>Synopsis</b>	<b>Total Contract Value</b>	<b>Date Executed</b>
Civic Initiatives LLC	Public Procurement Assessment & Implementation Support	\$175,000.00	02/27/2026
Fluxx Labs, Inc.	Subscription Licenses for Fluxx Grants Management System for the Clean Cars for All Program	\$199,750.00	02/02/2026
Laura M. Eanes	Air District Photography Services	\$200,000.00	01/29/2026
Network Television Time, Inc. dba GovTV	Offsite Video Production and Language Services for various Air District meetings	\$200,000.00	01/14/2026
Prodigy Consulting, LLC	Azure Artificial Intelligence Development Services	\$194,500.00	03/27/2026
TRISTAR Claims Management Services, Inc.	Third Party Administrator for Workers Compensation Program	\$200,000.00	01/06/2026

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

**Contract Amendments Executed Under Section 9.4(c):**

<b>Vendor</b>	<b>Synopsis</b>	<b>Previous Approved Amount</b>	<b>Increase</b>	<b>Total Contract Value</b>	<b>Date Executed</b>
Best Best & Krieger LLP	Legal Services Contract for Insurance Coverage Advice related to Personnel Litigation	\$80,000.00	\$40,000.00	\$120,000.00	03/12/2026
Denovo Ventures, LLC	Statement of Work #5 – JDE EnterpriseOne NPS Integration Project	\$2,111,789.00	\$47,482.00	\$2,159,271.00	01/26/2026
InterEthnica	Facilitation Services for Community Investments Office	\$90,000.00	\$25,000.00	\$115,000.00	03/10/2026
KORE1, LLC	Employee Recruitment Services	\$70,000.00	\$62,000.00	\$132,000.00	03/24/2026
OpenGov, Inc.	OpenGov Procurement - Request Management Module and eSignatures	\$126,527.23	\$52,936.80	\$179,464.03	03/10/2026
Pacific Policy Group	Legislative Advocacy Services	\$72,000.00	\$90,000.00	\$162,000.00	01/30/2026

**BAY AREA AIR DISTRICT**  
Memorandum

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

From: Philip M. Fine  
Executive Officer/APCO

Date: July 1, 2026

Re: Fiscal Year 2025-2026 Third Quarter Financial Report, from July 1, 2025 to  
March 31, 2026

RECOMMENDED ACTION

None. This is an informational item only; 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 from the first quarter to the third quarter of fiscal year 2025-2026, including preliminary results for revenue, expenditures, cash account balances and investment earnings for the reporting period.

DISCUSSION

Attachment A provides the financial report for the Fiscal Year 2025-2026, from July 1, 2025, to March 31, 2026.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Jun Pan  
Reviewed by: Stephanie Osaze

ATTACHMENT(S):

1. A-FYE 2026Q3 March 31, 2026 Financial Report

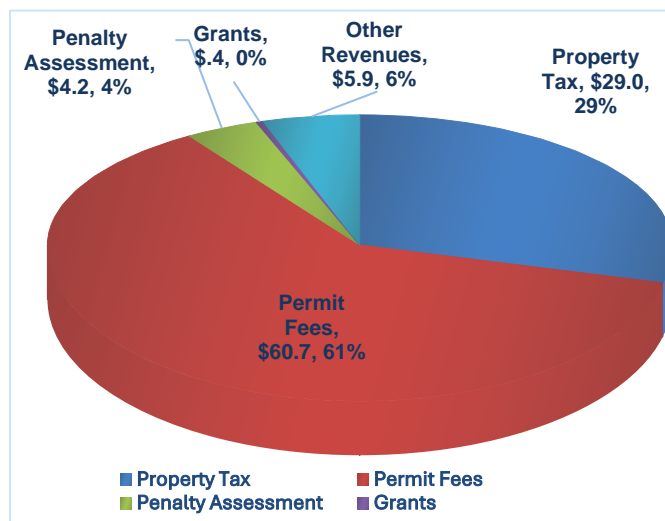
## Attachment A: Financial Summary for the First Three Quarters (from July 1, 2025 to March 31, 2026) of Fiscal Year 2025-2026

This report provides an update on the Air District's financial performance for the first three quarters of the 2025-2026 fiscal year, covering the period from July 1, 2025, through March 31, 2026. As of the third quarter, General Fund revenues total \$100.2 million, with expenditures at \$99.86 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 first three quarters financial results for fiscal year ending (FYE) 2025-2026 (July 1, 2025 to March 31, 2026)

**TABLE 1: FISCAL YEAR 2025-2026 GENERAL FUND REVENUE OVERVIEW**



FYE 2026 Q3 (as of 3/31/26) General Fund Revenues	in Millions	% of Total
Property Tax	\$29.0	29%
Permit Fees	\$60.7	61%
Penalty Assessment	\$4.2	4%
Grants	\$.4	0%
Other Revenues	\$5.9	6%
<b>Total</b>	<b>\$100.2</b>	<b>100%</b>

### **Summary of Table 1**

As of March 31, 2026, total revenue recognized a total of \$100.2 million. Permit Fees and Property Tax are the largest revenue sources in the General Fund, totaling \$60.7M and \$29M, 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 3/31/26)	Percentage of Amended Budget
Property Tax	\$47.6	\$47.6	\$29.0	61%
Permit Fees*	\$68.4	\$68.4	\$60.7	89%
Penalty Assessment	\$4.0	\$4.0	\$4.2	105%
Grants (includes AB617)	\$17.9	\$17.9	\$.4	2%
Other Revenues	\$8.6	\$8.6	\$5.9	69%
<b>Total Revenues</b>	<b>\$146.5</b>	<b>\$146.5</b>	<b>\$100.2</b>	<b>68%</b>

<b>* Permit Fees</b>				
Application & Renewal Fees	\$48.4	\$48.4	\$45.7	94%
Title V Permit Fees	\$8.5	\$8.5	\$6.2	73%
Asbestos Fees	\$3.3	\$3.3	\$2.8	84%
Toxic Inventory Fees	\$1.2	\$1.2	\$.4	33%
Community Health Impact Fees	\$1.2	\$1.2	\$1.1	89%
Criteria Toxic Reporting Fees	\$1.8	\$1.8	\$1.6	85%
Greenhouse Gas Fees	\$4.0	\$4.0	\$3.0	75%
Other Fees	\$.1	\$.1	\$.0	93%
<b>Total Permit Fees</b>	<b>\$68.4</b>	<b>\$68.4</b>	<b>\$60.7</b>	<b>89%</b>

**Summary of Table 2:**

- Overall revenue recognized for the first three quarters of the fiscal year represents 68% of the budget, which is on target with projections.
- Property tax is 61%, which is based on the normal timing of the revenues received by the end of March 2026. 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.
- 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 AB 617 and EPA programs.
- Other revenues are on target and consistent with market trend (mainly interest earning)

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

Major Categories	FYE 2024 (As of 3/31/2024)	FYE 2025 (As of 3/31/2025)	FYE 2026 (As of 3/31/2026)	\$ DIFF FY26 - FY25
Property Tax	\$27.0	\$28.8	\$29.0	\$.1
Permit Fees*	\$60.3	\$58.4	\$60.7	\$2.2
Penalty Assessment	\$3.0	\$4.6	\$4.2	(\$.4)
Grants (includes AB617)	\$.4	\$1.9	\$.4	(\$1.5)
Other Revenues	\$4.1	\$5.7	\$5.9	\$.2
<b>Total Revenues</b>	<b>\$94.9</b>	<b>\$99.6</b>	<b>\$100.2</b>	<b>\$.6</b>

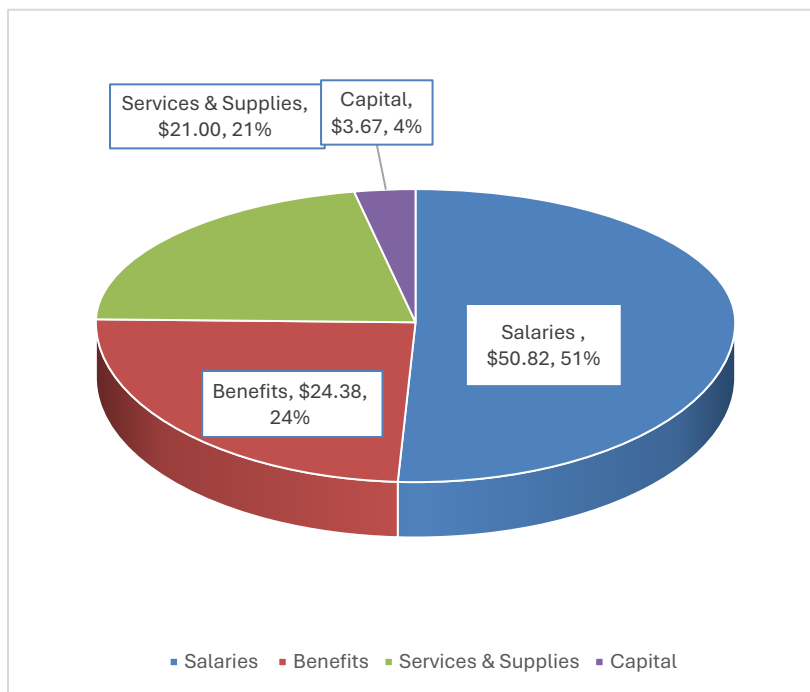
*Permit Fees	(As of 3/31/2024)	(As of 3/31/2025)	(As of 3/31/2026)	\$ DIFFERENCE
Application & Renewal Fees	\$45.1	\$43.8	\$45.7	\$1.9
Title V Permit Fees	\$5.6	\$5.7	\$6.2	\$.5
Asbestos Fees	\$2.7	\$2.7	\$2.8	\$.1
Toxic Inventory Fees	\$1.0	\$.9	\$.4	(\$.5)
Community Health Impact Fees	\$1.0	\$1.1	\$1.1	\$0
Criteria Toxic Reporting Fees	\$1.4	\$1.4	\$1.6	\$.1
Greenhouse Gas Fees	\$3.3	\$2.8	\$3.0	\$.1
Other Fees	\$.3	\$.1	\$.0	(\$0)
<b>Total Permit Fees</b>	<b>\$60.3</b>	<b>\$58.4</b>	<b>\$60.7</b>	<b>\$2.2</b>

**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 \$4.2M Penalty assessment represents the General Fund portion only which supports general activities.
- Grant revenue decreased due to EPA revenue delay (Timing)
- Other revenues increased mainly due to interest income earned as of March 2026.

**TABLE 4: FISCAL YEAR 2025-2026 GENERAL FUND EXPENDITURE OVERVIEW**

FYE 2026 Q3 (as of 3/31/26) General Fund Expenditures	in Millions	% of Total
Salaries	\$50.82	51%
Benefits	\$24.38	24%
Services & Supplies	\$21.00	21%
Capital	\$3.67	4%
<b>Total</b>	<b>\$99.86</b>	<b>100%</b>



**Summary of Table 4:**

As of March 31, 2026, total expenditure recognized a total of \$99.86 million. Salaries and Benefits are the largest expenditure costs in the General Fund, totaling \$50.82M and \$24.38M 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 3/31/26)	Percentage of Amended Budget
Personnel - Salaries	\$76.0	\$76.0	\$50.8	67%
Personnel - Benefits	\$34.3	\$34.3	\$24.4	71%
Operational Services and Supplies	\$46.5	\$61.5	\$21.0	34%
Capital Outlay	\$6.5	\$7.1	\$3.7	52%
<b>TOTAL</b>	<b>\$163.3</b>	<b>\$178.8</b>	<b>\$99.9</b>	<b>56%</b>

<b>*Consolidated Personnel Salaries &amp; Benefits</b>				
Personnel - Salaries	\$83.2	\$83.2	\$54.8	66%
Personnel - Benefits	\$37.5	\$37.5	\$26.0	69%
<b>Total</b>	<b>\$120.7</b>	<b>\$120.7</b>	<b>\$80.8</b>	<b>67%</b>

**\*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 3<sup>rd</sup> quarter 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 3/31/2024)	FYE 2025 (As of 3/31/2025)	FYE 2026 (As of 3/31/2026)	\$ DIFF FY26 - FY25
Personnel - Salaries	\$42.5	\$48.3	\$50.8	\$2.5
Personnel - Benefits	\$20.0	\$22.4	\$24.4	\$2.0
Operational Services and Supplies	\$19.7	\$22.8	\$21.0	(\$1.8)
Capital Outlay	\$3.0	\$5.9	\$3.7	(\$2.2)
<b>Total Expenditures</b>	<b>\$85.1</b>	<b>\$99.4</b>	<b>\$99.9</b>	<b>\$5</b>

<b>*Consolidated Personnel Salaries &amp; Benefits</b>				
Personnel - Salaries	\$46.3	\$52.2	\$54.8	\$2.6
Personnel - Benefits	\$21.4	\$24.0	\$26.0	\$2.0
<b>Total Consolidated</b>	<b>\$67.8</b>	<b>\$76.2</b>	<b>\$80.8</b>	<b>\$4.6</b>

**\*Consolidated includes both General Fund and Special Fund**

**Summary of Table 6:**

- Salary expenses are higher in FYE 2026, due to general wage adjustments and more filled positions
- Benefit expenses are higher in FYE 2026, due to the higher insurance premiums, transit, and retirement costs
- Capital costs are lower in FYE 2026 due to less science equipment purchase and less expending in Information Technology infrastructure, both major science equipment and IT infrastructure replacement in FYE 2025.

**TABLE 7: CASH ACCOUNT BALANCES – AS OF THE THIRD QUARTER:**

<b>CASH/INVESTMENTS</b>	<b>FYE 2025 (as of 03/31/2025)</b>	<b>FYE 2026 (as of 03/31/2026)</b>
General Fund	\$234,184,451	\$255,153,226
Transportation for Clean Air (TFCA)	\$155,745,493	\$152,549,627
Mobile Source Incentive Fund (MSIF)	\$86,704,213	\$93,810,368
Carl Moyer	\$166,594,046	\$158,162,805
CA Goods Movement	\$20,964,158	\$21,412,913
Air Quality Projects (Other)	\$1,585,539	\$1,302,839
Vehicles Mitigation	\$61,123,242	\$64,609,163
<b>Total</b>	<b>\$726,901,142</b>	<b>\$747,000,941</b>

**Summary of Table 7:** FYE 2026 third quarter cash increased by approximately \$20 million compared to the same period in FYE 2025. This increase in these cash accounts is caused by increasing funding opportunities, positive investment returns, and large penalty assessments collected in the current year.

**TABLE 8: DETAIL DESCRIPTION OF CASH ACCOUNTS**

<b>Cash and Investments with County Treasury:</b>	<b>Description/Purpose</b>
(Based on Mar 2026 Account Balance) (In Million \$)	
General Fund (GF)	
General Operation \$88.3	General Operation
Local & Regional Benefits \$122.4	Penalty Assessment Community Benefits
Restricted \$44.5	Section 115 Prefunding Pension Trust & Debt Service
<b>Total General Fund \$255.2</b>	
Special Funds (Grant Funds) \$491.8	Grant Funds
<b>Total \$747.0</b>	

**Summary of Table 8**

The Air District’s cash total on March 31, 2026, of \$747 million represents 7.7% of the \$9.7 billion in the San Mateo County Investment Pool.

- March 31, 2026, net investment earnings are 3.990%
- The average maturity of the portfolio is 2.76 years.
- The third quarter General Fund interest earned is \$2.47M
- Of the \$255.2M total General Fund balance, \$88.3 million is available for general operations.

**TABLE 9: Detail Description of Special Fund Grant Cash Account**

<b>Special Funds (Grant Funds):</b>	<b>Description/Purpose</b>
TFCA \$152.5 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 \$93.8 Mobile Source Incentive Fund	Mobile source emission reduction programs and match funds for Carl Moyer Program
Carl Moyer \$158.2	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 \$64.6	Volkswagen Environmental Mitigation Trust statewide programs reducing NOx emissions (Light-duty charging stations and zero-emissions port, freight, and marine projects)
<b>Total Special Funds \$491.8</b>	

**BAY AREA AIR DISTRICT**  
Memorandum

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

From: Philip M. Fine  
Executive Officer/APCO

Date: July 1, 2026

Re: Authorization to Execute a Contract with Dr. Deborah Jordan for Support  
Implementing the Air District's *2024-2029 Strategic Plan*

**RECOMMENDED ACTION**

Authorize the Executive Officer/APCO to execute a 4-year contract with Dr. Deborah Jordan, an independent contractor, to provide support in strategic plan implementation with a contract amount not to exceed \$420,000.

**BACKGROUND**

The Air District's *2024–2029 Strategic Plan* was adopted in September 2024 to guide the agency's efforts to modernize internal operations and prioritize environmental justice in communities most overburdened by pollution. Since its adoption, the Air District has aligned its annual budget and staff resources with the plan's core goals, established specific action plans to track performance metrics, and steadily advanced our regulatory development, enforcement, permitting, planning, internal operations and other core efforts to align with our strategic objectives. We now need to upgrade our existing “action plans” into a single, cohesive framework to make it easier to plan and collaborate on strategies, track progress, and to ensure success.

**DISCUSSION**

On May 19, 2026, the Air District issued Request for Proposal (RFP) No. 2026-017 to award a four-year contract for *2024-2029 Strategic Plan* implementation support. The Air District sought proposals from qualified firms under the “Strategic Advisory Services” category established through Request for Qualifications No. 2025-023 with direct experience in federal, state, and/or local air quality organizations to lead, coordinate, and support the implementation of the Air District's *2024-2029 Strategic Plan*. The strategic plan focuses on addressing air quality in communities most overburdened by pollution, while transforming the organization to align with core values like environmental justice, equity, partnership, and transparency. Because this requires extensive, specialized multi-decade expertise in federal and state air quality regulations and strategic oversight, specialized external advisory services are necessary to guide

the executive team.

Of the four proposals received, Dr. Deborah Jordan was the highest-ranked respondent. She is exceptionally qualified, bringing more than 30 years of experience with the U.S. Environmental Protection Agency, including serving as the Air Director and Deputy Regional Administrator for Region 9. Notably, she has already spent two years consulting directly with the Air District as a primary strategic advisor in the creation of the *2024-2029 Strategic Plan*. As an independent contractor, her proposed rates are reasonable as she can eliminate corporate agency administrative markups, blended management team fees, and multi-tiered overhead structures.

The other firms proposed much higher premium hourly rates due to senior and executive roles. In addition, the other firms offered expertise in areas not needed for the proposed work, e.g., graphic design and extensive internal team facilitation, including a high reliance on a fragmented network of boutique sub-consultants.

If approved, the term of this contract will be from July 1, 2026 to June 30, 2030.

#### BUDGET CONSIDERATION/FINANCIAL IMPACT

It is anticipated that this contract will result in \$420,000 in expenditures over the 4-year life of the contract, calculated at an hourly rate of \$175/hour for an average workload of 50 hours per month. Funding for this contract is included in the Fiscal Year 2026-2027 budget in Program 104.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Christy Riviere  
Reviewed by: Meredith Bauer

#### ATTACHMENT(S):

1. Draft Deborah Jordan Draft Professional Services Contract

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**PROFESSIONAL SERVICES CONTRACT**

**CONTRACT NO. 2026.125**

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 **Deborah Jordan** (“CONTRACTOR”) whose address is 1711 Beverly Place, Berkeley, CA 94707.
2. RECITALS
  - A. DISTRICT is the local agency with primary responsibility for regulating stationary source air pollution in the Bay Area Air Quality Management District in the State of California. DISTRICT is authorized to enter into this Contract under California Health and Safety Code Section 40701. DISTRICT desires to contract with CONTRACTOR for services described in the Scope of Work, attached hereto as Attachment A and made a part hereof by this reference. DISTRICT is entering into this Contract based on CONTRACTOR’s stated qualifications to perform the services.
  - B. All parties to this Contract have had the opportunity to have this contract reviewed by their attorney.
3. PERFORMANCE REQUIREMENTS
  - A. CONTRACTOR is authorized to do business in the State of California. CONTRACTOR attests that it is in good tax standing with federal and state tax authorities.
  - B. CONTRACTOR agrees to obtain any and all required licenses, permits, and all other appropriate legal authorizations from all applicable federal, state and local jurisdictions and to pay all applicable fees.
  - C. CONTRACTOR shall comply with all laws and regulations that apply to its performance under this Contract, including any requirements to disclose potential conflicts of interest under DISTRICT’s Conflict of Interest Code.
  - D. CONTRACTOR shall not engage in any performance of work during the term of this contract that is in direct or indirect conflict with duties and responsibilities set forth in the Scope of Work.
  - E. CONTRACTOR shall exercise the degree of skill and care customarily required by accepted professional practices and procedures.
  - F. CONTRACTOR shall ensure that any subcontractors, employees and agents performing under this Contract comply with the performance standards set forth in paragraphs A-E above.
4. TERM – The term of this Contract is from July 1, 2026 to June 30, 2030, unless further extended by amendment of this Contract in writing and signed by both parties, or terminated earlier. CONTRACTOR shall not submit any invoice for services performed under this Contract until the Contract is fully executed.

5. TERMINATION

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

6. INSURANCE

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

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

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

#### 7. INDEMNIFICATION

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

#### 8. PAYMENT

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

DISTRICT of an itemized invoice.

- D. The total amount for which DISTRICT may be held liable for the performance of services specified in this Contract shall not exceed \$420,000.
9. DISPUTE RESOLUTION – A party that disputes a notice of breach must first seek mediation to resolve the dispute in accordance with the provisions set forth below.
- A. Upon receipt of a notice of breach of contract, the party may submit a demand for mediation to resolve whether or not a breach occurred. The party must state the basis of the dispute and deliver the demand within ten (10) business days of the date of receipt of the notice of breach.
  - B. The mediation shall take place at DISTRICT’s office at 375 Beale Street, Suite 600, San Francisco, or at such other place as may be mutually agreed upon by the parties and the mediator.
  - C. The parties shall make good faith efforts to hold the mediation within thirty (30) days after receipt of the demand for mediation.
  - D. Each party shall bear its own mediation costs.
  - E. In the event the parties are unable to resolve the dispute, either party may file an action in a court of competent jurisdiction to enforce the Contract.
  - F. Maximum recovery under this section shall be limited to \$420,000. The mediation costs shall not reduce the maximum amount recoverable under this section.
10. NOTICES – All notices that are required under this Contract shall be provided in the manner set forth herein, unless specified otherwise. Notice to a party shall be delivered to the attention of the person listed below, or to such other person or persons as may hereafter be designated by that party in writing. Notice shall be in writing sent by e-mail, facsimile, or regular first class mail. In the case of e-mail and facsimile communications, valid notice shall be deemed to have been delivered upon sending, provided the sender obtained an electronic confirmation of delivery. E-mail and facsimile communications shall be deemed to have been received on the date of such transmission, provided such date was a business day and delivered prior to 4:00 p.m. pacific time. Otherwise, receipt of e-mail and facsimile communications shall be deemed to have occurred on the following business day. In the case of regular mail notice, notice shall be deemed to have been delivered on the mailing date and received five (5) business days after the date of mailing.

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

CONTRACTOR: Deborah Jordan  
1711 Beverly Place  
Berkeley, CA 94707  
Attn: Deborah Jordan

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

12. EMPLOYEES OF CONTRACTOR

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

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

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

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

15. PUBLICATION

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

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

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

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

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

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

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

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

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

26. GOVERNING LAW – Any dispute that arises under or relates to this Contract shall be governed by California law, excluding any laws that direct the application of another jurisdiction's laws. Venue for resolution of any dispute that arises under or relates to this Contract, including mediation, shall be San Francisco, California.
27. ENTIRE CONTRACT AND MODIFICATION – This Contract represents the final, complete, and exclusive statement of the agreement between the parties related to CONTRACTOR providing services to DISTRICT, and supersedes all prior and contemporaneous understandings and agreements of the parties. No party has been induced to enter into this Contract by, nor is any party relying upon, any representation or warranty outside those expressly set forth herein. This Contract may only be amended by mutual agreement of the parties in writing and signed by both parties.
28. SURVIVAL OF TERMS – The provisions of sections 7 (Indemnification), 13 (Confidentiality), 14 (Intellectual Property Rights), and 15 (Publication) shall survive the expiration or termination of this Contract.

DRAFT

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

DEBORAH JORDAN

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

By: \_\_\_\_\_  
Deborah Jordan, Ph.D.  
Independent Contractor

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

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

Approved as to form:

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

DRAFT

## ATTACHMENT A

### SCOPE OF WORK

CONTRACTOR shall support DISTRICT in advancing, coordinating, and implementing key elements of the DISTRICT's 2024-2029 Strategic Plan. Responsibilities include, but are not limited to:

- A. Supporting project planning, prioritization, and tracking strategic initiatives.
- B. Assisting with development of implementation frameworks, schedules, metrics, milestones, key performance indicators, and reporting tools.
- C. Assessing progress and creating plans and steps to remove bottlenecks and improve progress as needed.
- D. Providing facilitation, coordination, or support for cross-divisional projects, initiatives or strategies and strategic planning meetings.
- E. Preparing executive-level summaries, briefing materials, or decision-support documents.
- F. Providing support with preparing updates and reports for the Air District Board of Directors and the public as it relates to the Strategic Plan.
- G. Identifying implementation challenges and recommending strategies to enhance alignment, efficiency, and organizational readiness.
- H. Working and coordinating with internal and external stakeholders to advance the Strategic Plan.
- I. Providing support to executives to minimize implementation challenges and maximize effectiveness of the Strategic Plan.

CONTRACTOR will ensure that the core strategic planning staff and executive management are aligned on the current state of implementation. This includes identifying strategies or commitments of immediate concern to executive management that would need support in the near term and recommending whether and how to communicate the current state of implementation with the broader management team and DISTRICT staff, as needed.

CONTRACTOR will set up a structure, or join an existing structure, for working with the strategic planning staff and executive management on the key components of implementation: track key results, assess and evaluate progress, and report results internally and externally. CONTRACTOR will evaluate, in consultation with DISTRICT staff, what lessons can be learned from the experience of the past year to prepare for upcoming year. CONTRACTOR will collaborate with DISTRICT staff on a workplan describing the core strategic plan implementation work for the upcoming year, incorporating any improvements needed to the implementation processes and structures, including action plans, schedules, tracking tools, and reporting mechanisms. CONTRACTOR will support communicating the key milestones of the workplan with the executive team and management team, to reinforce their engagement.

CONTRACTOR will ensure that the executive team focuses at a regular cadence on implementation problems they identify or that are identified through tracking and reporting mechanisms. CONTRACTOR will facilitate these discussions, work through the executives' senior managers, or work with executives individually. Once problems are identified, CONTRACTOR will collaborate with managers and senior staff to determine a path forward. CONTRACTOR will facilitate process improvements with DISTRICT, develop options to present to senior management for decisions, or

seek support from other parts of the organization to collaborate on a solution.

CONTRACTOR will apply her expertise in administering and operationalizing to look for opportunities to recommend reinforcing the link between day-to-day work and strategic goals, strategies, and commitments, to celebrate successes, and to communicate the big picture, i.e., the progress made in pursuit of the DISTRICT's four strategic goals and the underlying vision and core values.

CONTRACTOR will support early planning of the next strategic plan or updating the current strategic plan. This includes tracking which strategies and commitments are completed, and which will carry over to the next strategic plan. Beyond that, CONTRACTOR will assist with identifying new strategies or changing existing ones to inform modifying the underlying framework of the strategic plan.

DRAFT

**ATTACHMENT B**

**COST SCHEDULE**

DISTRICT will pay CONTRACTOR an hourly rate of \$175 per hour for time spent completing work under this CONTRACTOR. CONTRACTOR will submit monthly invoices for work completed in the prior month and DISTRICT will make payments in accordance with Section 8, Payment, of this Contract.

**Total Cost of Contract Not to Exceed: \$420,000.**

DRAFT

**BAY AREA AIR DISTRICT**  
Memorandum

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

From: Philip M. Fine  
Executive Officer/APCO

Date: July 1, 2026

Re: Authorization to Accept One Bay Area Grant 3 Funds from the California  
Department of Transportation

RECOMMENDED ACTION

Adopt a resolution authorizing the Air District to accept \$700,000 in Program Supplement Agreement Funds to support implementation of the Commuter Benefits Program, and to execute all necessary agreements with the California Department of Transportation to accept the funding.

BACKGROUND

On January 20, 2026, the Air District was approved to receive One Bay Area Grant funding from the California Department of Transportation to further plan and implement the Commuter Benefits Program, including but not limited to, compliance and enforcement activities, program administration, program management, and employer communications.

DISCUSSION

The Air District, together with the Metropolitan Transportation Commission, established the Bay Area Commuter Benefits Program, to administer an air quality rule that requires employers with 50 or more full-time employees in the Air District's nine-county jurisdiction to provide commuter benefits options to their employees.

In January, the California Department of Transportation authorized awarding \$700,000 to the Air District to enhance the Commuter Benefits Program. Air District staff are working closely with Metropolitan Transportation Commission staff to develop a plan to re-initiate compliance and enforcement actions related to the program to improve the employer database and new program messaging. The Air District is also developing a staffing strategy for the available federal funds and will coordinate with Metropolitan Transportation Commission staff on program marketing plans to increase awareness of the program.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The funds awarded by the California Department of Transportation will be included in the Fiscal Year Ending 2027 budget.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Lisa Fasano  
Reviewed by: Viet Tran

ATTACHMENT(S):

1. California Department of Transportation Letter
2. Draft Caltrans Program Supplement Funds Resolution

## California Department of Transportation

DISTRICT 4 OFFICE OF LOCAL ASSISTANCE  
P.O. BOX 23660, MS-10B | OAKLAND, CA 94623-0660  
(510) 507-9943 | FAX (510) 286-5229 | TTY 711  
[www.dot.ca.gov](http://www.dot.ca.gov)



January 20, 2026

Philip Fine  
Executive Officer  
Bay Area Air District  
375 Beale Street, Suite 600  
San Francisco, CA 94105

Dear Executive Officer:

Your request for Authorization to Proceed with non-infrastructure project has been approved for the Bay Area Commuter Benefits Program, CMLNI-6297(011). A copy of the authorization document (E-76) is attached for your project files. The effective date of approval is January 15, 2026.

If you are using consultant(s) for this project, the consultant selection process must follow the requirements outlined in Chapter 10, Consultant Selection, of the Local Assistance Procedures Manual (LAPM). You can find the current version of the LAPM as well as Office Bulletins, the latest policy and procedural changes, at the Division of Local Assistance's website (<https://dot.ca.gov/programs/local-assistance/>).

It is imperative that project records are clear, well organized, up to date, and complete. All contract documentation and backup records must be available at any time for review by Caltrans and FHWA personnel. Use of a uniform project filing system, together with diligent maintenance of the system, greatly facilitates a process review and minimizes negative findings. The project files must be available at a single location using the uniform project filing system.

Prior to invoicing for eligible project costs, you must assure that the **master and project supplemental agreements** are fully executed. Please submit your invoice packages for this project to <[D4dlae.invoice@dot.ca.gov](mailto:D4dlae.invoice@dot.ca.gov)>. You must submit an invoice for this project at least every six months to avoid inactivity and potential loss of federal funds.

Philip Fine  
January 20, 2026  
Page 2

If you have any questions, please contact me at (510) 507-9943, or Ruben Izon, Area Engineer, at (341) 766-2527.

Sincerely,



TEPPITAK PANMAI  
Senior Transportation Engineer

Enclosures

1. Authorization/Agreement Summary – (E-76)
2. Top Five Local Agency Issues – Reminder

c: Lisa Fasano, External Affairs Officer, Bay Area Air District

**AUTHORIZATION / AGREEMENT SUMMARY - (E-76)**

**CALIFORNIA DEPARTMENT OF TRANSPORTATION**

**FEDERAL AID PROGRAM**

DLA LOCATOR: 04-SF-0-BAQM  
 PREFIX: CMLNI  
 PROJECT NO: 6297(011)  
 SEQ NO: 1  
 STATE PROJ NO: 0426000145L-N  
 ALT. PROJ NO:  
 AGENCY: BAQM  
 ROUTE:  
 DISASTER NO:  
TIP DATA  
 MPO: MTC  
 FSTIP YR: 25/26  
 STIP REF: 20600002938  
 FSTIP ID MTC050001

PROJECT LOCATION:  
 REGIONAL, SAN FRANCISCO BAY AREA  
 TYPE OF WORK:  
 IMPLEMENT THE BAY AREA COMMUTER BENEFITS PROGRAM. TASKS  
 FED RR NO'S:  
 PUC CODES:  
 PROJ OVERSIGHT: ASSUMED/LOCAL ADMIN  
 ENV STATUS / EIS 12/07/2022  
 RW STATUS / DT:  
 INV RTE:  
 BEG MP:  
 END MP:  
 BRIDGE NO:

PREV AUTH / AGREE DATES:  
 PE:  
 R/W:  
 CON:  
 SPR:  
 MCS:  
 OTH:  
 PROJECT END DATE (PED): 12/31/2028

PROG CODE	LINE NO	IMPV TYPE	FUNC SYS	URBAN AREA	URB/RURAL	DEMO ID
Y003	90	44				

FUNDING SUMMARY

PHASE		PROJECT COST	FEDERAL COST	AC COST
PE	PE PREV. OBLIGATION	\$0.00	\$0.00	\$0.00
	PE THIS	\$0.00	\$0.00	\$0.00
	PE SUBTOTAL	\$0.00	\$0.00	\$0.00
R/W	RW PREV. OBLIGATION	\$0.00	\$0.00	\$0.00
	RW THIS REQUEST	\$0.00	\$0.00	\$0.00
	RW SUBTOTAL	\$0.00	\$0.00	\$0.00
CON	CON PREV. OBLIGATION	\$0.00	\$0.00	\$0.00
	CON THIS REQUEST	\$0.00	\$0.00	\$0.00
	CON SUBTOTAL	\$0.00	\$0.00	\$0.00
OTH	OTH PREV. OBLIGATION	\$0.00	\$0.00	\$0.00
	OTH THIS REQUEST	\$700,000.00	\$700,000.00	\$0.00
	OTH SUBTOTAL	\$700,000.00	\$700,000.00	\$0.00
TOTAL:		\$700,000.00	\$700,000.00	\$0.00

STATE REMARKS

01/06/2026 SEQ 1: Authorizing federal funds for Non-infrastructure work. Project utilizes toll credits.

FEDERAL REMARKS

AUTHORIZATION

AUTHORIZATION TO PROCEED WITH REQUEST: OTH  
 FOR: NON-INFRASTRUCTURE  
 DOCUMENT TYPE: AAGR

PREPARED IN FADS BY: IZON, RUBEN  
 REVIEWED IN FADS BY: HOANG, KHA B  
 SUBMITTED IN FADS BY: MEHIRDEL, QASID  
 PROCESSED IN FADS BY: SIGNATURE, NOT\_REQUIRED  
 E-76 AUTHORIZED DATE IN FMIS JIYOUNG AHN

ON 2026-01-06 766-2527  
 ON 2026-01-06 653-6460  
 ON 2026-01-13 FOR CALTRANS  
 ON 2026-01-13 FOR FHWA  
 ON 2026-01-15 19:27:33.0

SIGNATURE HISTORY FOR PROJECT NUMBER 6297(011) AS OF 01/16/2026

FHWA FMIS SIGNATURE HISTORY

<u>MOD #</u>	<u>SIGNED BY</u>	<u>SIGNED ON</u>
0	WAI HAYS	01/15/2026
	WAI HAYS	01/15/2026
	JYOUNG AHN	01/15/2026

FHWA FMIS 3.0 SIGNATURE HISTORY

CALTRANS SIGNATURE HISTORY

<u>DOCUMENT TYPE</u>	<u>SIGNED BY</u>	<u>SIGNED ON</u>
AUTH/AGREE	MEHIRDEL, QASID	01/13/2026

# **\*\*DON'T LOSE YOUR FEDERAL MONEY\*\***

## **Top FIVE LOCAL AGENCY ISSUES**

1. **Improper Procurement Practices-** Failure to follow required consultant contract procurement process per federal regulations and outlined in Caltrans Local Assistance Procedures Manual. Significant violations include:
  - Missing key documents in project procurement file, i.e. proof of advertising, all score sheets, profit negotiations, cost estimates etc.
  - Selection criteria's weighted values are not included in the RFPs/RFQs.
  - Selection of consultant was not based on the RFP/RFQ stated selection criteria and stated selection criteria's weighted values.
  - A detailed Independent cost estimate was not prepared before proposals are received.
  - Profit was not negotiated as a separate cost item.
  
2. **Contract Administration for Consultant's Services Contracts-** Failure to maintain contract administration systems and proper management to ensure consultants perform in accordance with the terms and conditions of contracts. Significant violations include:
  - Amending an expired contract.
  - Making significant changes to the original scope of a contract.
  - Charging rates not consistent with the contract cost proposal.
  - Making changes in key personnel without prior approval.
  - Adding classifications or personnel without prior approval.
  - Method of payment is inconsistent with method of payment stated in the RFP and the signed contract.
  
3. **Contract Administration for Construction Contracts-** Failure to maintain a contract administration system to ensure payments to contractors are supported by project records. Significant violations include:
  - Line Item quantities are not supported by project records
  - Construction Change Orders (CCO) are not supported by independent cost estimates, were not properly approved and/or costs claimed are not properly documented.
  - CCO's work is not within the scope of the original contract, i.e. Contractor caused damage and repair.
  
4. **Conflict of Interest-** Agency employees and consultants potentially violate conflict of interest laws and regulations by making decisions for which the Agency employee, or consultant acting on behalf of the Agency, could benefit financially.
  
5. **Improper Charge of Indirect Costs-** You are in violation when you charge indirect costs without an approved Indirect Cost Rate from Caltrans Audits & Investigations. This includes any indirect cost charged by the Agency, or Division/Department etc. of the Agency. This also includes any Cognizant approved rates received by the Agency from someone other than Caltrans Audits & Investigations.

**Note: Caltrans Division of Local Assistance (DLA) reminds you to avoid these common mistakes that have resulted in the loss of federal fund by local agencies.**





# CMLNI-6297(011) E-76 Letter

Final Audit Report

2026-01-20

Created:	2026-01-20
By:	Ruben Izon (s156983@dot.ca.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAALRAIvK8g5zFACTJDEdcK_iEa4hc6xKtn

## "CMLNI-6297(011) E-76 Letter" History

-  Document created by Ruben Izon (s156983@dot.ca.gov)  
2026-01-20 - 5:11:58 PM GMT- IP address: 149.136.25.248
-  Document emailed to Teppitak Panmai (jimmy.panmai@dot.ca.gov) for signature  
2026-01-20 - 5:12:30 PM GMT
-  Email viewed by Teppitak Panmai (jimmy.panmai@dot.ca.gov)  
2026-01-20 - 7:25:42 PM GMT- IP address: 149.136.25.244
-  Document e-signed by Teppitak Panmai (jimmy.panmai@dot.ca.gov)  
Signature Date: 2026-01-20 - 7:26:03 PM GMT - Time Source: server- IP address: 149.136.25.244
-  Agreement completed.  
2026-01-20 - 7:26:03 PM GMT

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**RESOLUTION NO. 2026-\_\_\_\_\_**

**A Resolution to Accept One Bay Area Grant 3 Funds from the California Department of Transportation**

WHEREAS, the purpose of this Resolution is to authorize the Bay Area Air District ("Air District") to accept, obligate, and expend up to \$700,000 in One Bay Area Grant 3 funding from the California Department of Transportation (the "California Department of Transportation funds") and to authorize the Executive Officer/Air Pollution Control Officer to execute all necessary agreements, required documents, and amendments required to expend this funding;

WHEREAS, the Metropolitan Transportation Commission, together with the California Department of Transportation, provide federal transportation funding from the Federal Highway Administration through the One Bay Area Grant 3 program;

WHEREAS, the Air District established the Bay Area Commuter Benefits program, an air quality rule enforced by the Air District and administered by the Metropolitan Transportation Commission, requiring employers with 50 or more full-time employees in the Air District's nine-county jurisdiction to provide commuter benefits option(s) to their employees;

WHEREAS, the Air District and the Metropolitan Transportation Commission jointly implement the Commuter Benefits Program;

WHEREAS, the Air District has been approved for an initial Program Supplement Agreement to further plan and implement the program, including but not limited to, compliance and enforcement activities, program administration, program management, and employer communications;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors authorizes the Air District's acceptance of the California Department of Transportation funds.

BE IT FURTHER RESOLVED that the Board of Directors authorizes the Executive Officer/APCO to execute all necessary agreements and other required documents, and any amendments thereto, to implement and carry out the purposes of this resolution.

The foregoing resolution was duly and regularly introduced, passed and adopted at a public meeting of the Board of Directors of the Bay Area Air Quality Management District on the Motion of Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, on the \_\_\_\_ day of \_\_\_\_\_, 2026 by the following vote of the Board:

AYES:

NOES:

ABSTAIN:

ABSENT:

-----  
Lynda Hopkins  
Chair of the Board of Directors

ATTEST:

-----  
Marcy Hiratzka  
Clerk of the Board of Directors

**BAY AREA AIR DISTRICT**  
Memorandum

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

From: Philip M. Fine  
Executive Officer/APCO

Date: July 1, 2026

Re: Authorization to Amend Pick-n-Pull Dismantler Contract for Clean Cars for All  
Program

RECOMMENDED ACTION

Authorize the Executive Officer/APCO to amend the Air District contract with Pick-n-Pull Auto Dismantlers to include an additional \$150,000 for continued vehicle inspection and dismantling services for the Clean Cars for All program.

BACKGROUND

The Air District's Clean Cars for All (CCFA) program provides incentives to income-qualified households to retire older, high-polluting vehicles and replace them with a newer, cleaner vehicle or mobility options such as public transit and electric bicycles. Participants may purchase or lease a new or used plug-in hybrid electric vehicle, battery electric vehicle, fuel-cell electric vehicle, or zero-emission motorcycle. The program also provides funding for electric vehicle charging assistance, including home charger installation, portable chargers, or prepaid electric vehicle charging cards.

The CCFA program reduces criteria pollutants and greenhouse gas emissions throughout the Bay Area while supporting equitable access to clean transportation options. Since launching in March 2019, the program has received more than \$80 million in funding from the California Air Resources Board (CARB), California Climate Investments, the Air Quality Improvement Program, Transportation Fund for Clean Air, and other funding sources. To date, nearly 7,000 vehicles have been retired and scrapped through the CCFA program.

## DISCUSSION

CARB guidance and Title 13, California Code of Regulations, section 2624 require the Air District to use dismantlers under contract with the California Bureau of Automotive Repair (BAR) to scrap vehicles retired through the CCFA program. Pick-n-Pull Auto Dismantlers operates multiple BAR-approved dismantling facilities across the Bay Area and processes the majority of vehicles retired through the CCFA program. Pick-n-Pull is contracted with BAR through June 30, 2028.

Contract No 2019.031 between the Air District and Pick-n-Pull was originally executed on May 30, 2019, and has subsequently been amended to support continued program operations through June 30, 2028. Pick-n-Pull currently receives \$49 for each vehicle inspected and dismantled through the program. Due to continued program demand and additional CCFA funding, staff need continued vehicle dismantling and inspection services over the remaining term for Contract No. 2019.031.

Air District staff recommend the Board of Directors authorize the Executive Officer/APCO to amend the contract with Pick-n-Pull Auto Dismantlers to increase the contract amount by an additional \$150,000, bringing the total contract amount to \$475,000.

## BUDGET CONSIDERATION/FINANCIAL IMPACT

The Air District distributes pass-through incentive funds on a reimbursement basis. Administrative and program implementation costs for the CCFA program are provided through existing grant funding sources.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Tin Le  
Reviewed by: Anthony Fournier

ATTACHMENT(S):

1. Pick N Pull 2019.031
2. Pick N Pull 2019.031 Amendment 1 v2
3. Pick N Pull 2019.031 Amendment 2 v2
4. Pick N Pull 2019.031\_Amendment 3\_exe
5. Pick N Pull 2019.031\_Amendment 4\_exe
6. Pick N Pull 2019.031 Amendment 5\_exe
7. Pick N Pull 2019.031 Amendment 6\_exe
8. Pick N Pull 2019.031\_Amendment 7\_draft

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**PROFESSIONAL SERVICES CONTRACT**

**CONTRACT NO. 2019.031**

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 **Pick-n-Pull Auto Dismantlers** (“CONTRACTOR”) whose address is 10850 Gold Center Drive, Suite 325, Rancho Cordova, CA 95670.
  
2. **RECITALS**
  - A. On June 23, 2016, the California Air Resources Board (CARB) adopted the Fiscal Year 2016-17 Funding Plan for Low Carbon Transportation and Fuels Investments and the Air Quality Improvement Program appropriating \$5 million for the Enhanced Fleet Modernization Program (“EFMP Plus-up Program,” “Clean Cars for All” or “Program”) for DISTRICT to achieve significant emissions reductions by incentivizing eligible lower-income Bay Area residents living in or near disadvantaged communities to replace their older, high-emitting vehicles with newer, cleaner and more fuel-efficient vehicles or an alternative transportation option.
  - B. DISTRICT implements the Program in the San Francisco Bay Area in accordance with:
    - i) California Health and Safety Code (HSC), Sections 44125 through 44126;
    - ii) California Code of Regulations (CCR), Title 13, Chapter 13, Article 2, Sections 2620 through 2630;
    - iii) Fiscal Year 2016-17 Funding Plan for Low Carbon Transportation and Fuels Investments and the Air Quality Improvement Program (Funding Plan); and
    - iv) EFMP Plus-Up Pilot Project Requirements
  - C. Under the Program, a vehicle owner (“Participant”) applies to DISTRICT for funding of a vehicle replacement or alternative transportation option. If Participant’s application is approved, DISTRICT notifies Participant to go to CONTRACTOR for a pre-inspection of the vehicle being retired. CONTRACTOR performs a pre-inspection of the vehicle to be retired and notifies DISTRICT of pre-inspection results. If the pre-inspection passes and DISTRICT approves an award, then Participant can purchase or lease a replacement vehicle or select an alternative transportation option. After the replacement option has been selected, Participant will bring the vehicle to be retired to CONTRACTOR for a post-inspection. CONTRACTOR will notify DISTRICT of post-inspection results and scrap the vehicle.
  - D. DISTRICT has contracted with GRID Alternatives (“Case Manager”) to provide Case Management support to Participants.
  - E. CONTRACTOR has been selected as one of two contractors authorized to scrap cars under DISTRICT’s Clean Cars for All (CCFA) Program. The DISTRICT has allocated up to \$44,000 to scrap cars under the CCFA Program.
  - F. DISTRICT has not allocated specific amounts separately to each contractor and will expend funds for scrapping as it receives invoices under this Contract and under contracts with other authorized CCFA contractors.
  - G. All parties to this Contract have had the opportunity to have this contract reviewed by their attorney.
  
3. **PERFORMANCE REQUIREMENTS**

- A. CONTRACTOR is authorized to do business in the State of California. CONTRACTOR attests that it is in good tax standing with federal and state tax authorities.
  - B. CONTRACTOR agrees to obtain any and all required licenses, permits, and all other appropriate legal authorizations from all applicable federal, state and local jurisdictions and pay all applicable fees.
  - C. CONTRACTOR shall 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.
  - D. CONTRACTOR shall exercise the degree of skill and care customarily required by accepted professional practices and procedures.
  - E. CONTRACTOR shall ensure that any subcontractors, employees and agents performing under this Contract comply with the performance standards set forth in paragraph D above.
4. TERM – The term of this Contract is from February 1, 2019 to June 30, 2020, unless further extended by amendment of this Contract in writing, or terminated earlier. CONTRACTOR shall not submit any invoice for services performed under this Contract until the Contract is fully executed.
5. TERMINATION
- A. The DISTRICT may terminate this Contract at any time, at will, and without specifying any reason, by notifying CONTRACTOR in writing. The notice of termination shall specify the effective date of termination, which shall be no less than thirty (30) calendar days from the date of delivery of the notice of termination, and shall be delivered in accordance with the provisions of section 10 below. Immediately upon receipt of the notice of termination, CONTRACTOR shall cease all work under this Contract, except such work as is specified in the notice of termination. CONTRACTOR shall deliver a final invoice for all remaining work performed but not billed, including any work specified in the termination notice, on or before ten (10) business days following the termination date.
  - B. Either party may terminate this Contract for breach by the other party.
    - i) Failure to perform any agreement or obligation contained in this Contract or failure to perform the services in a satisfactory manner shall constitute a breach of the Contract.
    - ii) The non-breaching party may terminate the Contract by delivery of a written notice of breach. The notice of breach shall specify the date of termination, which shall be no earlier than ten (10) business days from delivery of the notice of breach. In the alternative, at its sole discretion, the non-breaching party may require the breaching party to cure the breach. The notice of breach shall specify the nature of the breach and the date by which such breach must be cured.
    - iii) If CONTRACTOR fails to perform any obligation under this Contract, DISTRICT at its sole discretion, may perform, or cause the performance, of the obligation itself. In that event, DISTRICT shall deduct the costs to perform such obligation and any other costs to cure the breach from the maximum amount available to CONTRACTOR under this Contract. DISTRICT's performance hereunder shall not be deemed a waiver or release of any obligation of, or default by, CONTRACTOR under this Contract.
    - iv) The notice of breach shall be provided in accordance with the notice requirements set forth in section 10.
    - v) The non-breaching party reserves all rights under law and equity to enforce this Contract and recover any damages.

6. INSURANCE

- A. CONTRACTOR shall maintain the following insurance:
    - i) Workers' compensation and employers' liability insurance as required by California law or other applicable statutory requirements.
    - ii) Occurrence-based commercial general liability insurance or equivalent form with a limit of not less than one million dollars (\$1,000,000) each occurrence. Such insurance shall include DISTRICT and its officers, agents, and employees as additional insureds and shall be primary with respect to any insurance maintained by DISTRICT.
    - iii) Business automobile liability insurance or equivalent form with a limit of not less than one million dollars (\$1,000,000) each accident. Such insurance shall include coverage for owned, hired, and non-owned vehicles.
  - B. All insurance shall be placed with insurers acceptable to DISTRICT.
  - C. Prior to commencement of work under this Contract, CONTRACTOR shall furnish properly-executed certificates of insurance for all required insurance. Upon request by DISTRICT, CONTRACTOR shall provide a complete copy of any required insurance policy. CONTRACTOR shall notify DISTRICT in writing thirty (30) days prior to cancellation or modification of any required insurance policy. Any such modifications are subject to pre-approval by DISTRICT.
  - D. If CONTRACTOR fails to maintain the required insurance coverage set forth above, DISTRICT reserves the right either to purchase such additional insurance and to deduct the cost thereof from any payments owed to CONTRACTOR or to terminate this Contract for breach.
7. INDEMNIFICATION - CONTRACTOR agrees to indemnify, defend, and hold harmless DISTRICT, its officers, employees, agents, representatives, and successors-in-interest against any and all liability, demands, claims, costs, losses, damages, recoveries, settlements, and expenses (including reasonable attorney fees) that DISTRICT, its officers, employees, agents, representatives, and successors-in-interest may incur or be required to pay arising from the death or injury of any person or persons (including employees of CONTRACTOR), or from destruction of or damage to any property or properties, caused by or connected with the performance of this Contract by CONTRACTOR, its employees, subcontractors, or agents.
8. PAYMENT
- A. DISTRICT shall pay CONTRACTOR for services in accordance with the terms set forth in the Cost Schedule, which is attached hereto as Attachment B and incorporated herein by this reference.
  - B. CONTRACTOR shall submit invoice(s) to DISTRICT for services performed. Each invoice shall specify the total cost of the services for which the invoice is submitted, shall reference tasks shown in the Scope of Work, the hours associated with same, or percentage completion thereof, and the amount of charge claimed, and, as appropriate, shall list any charges for equipment, material, supplies, travel, and subcontractors' services.
  - C. DISTRICT's payment of invoices shall be subject to the following limitations and requirements:
    - i) Each invoice, including supporting documentation, shall be prepared on CONTRACTOR's letterhead; shall list DISTRICT's contract number, the period covered by the invoice, and the CONTRACTOR's Social Security Number or Federal Employer Identification Number; and shall be submitted to: Bay Area Air Quality Management District, 375 Beale Street, Suite 600, San Francisco, CA 94105, Attn: Tin Le, or via e-mail to [tle@baaqmd.gov](mailto:tle@baaqmd.gov).
    - ii) DISTRICT shall not pay interest, fees, handling charges, or the cost of money on the Contract.
    - iii) DISTRICT shall pay CONTRACTOR within thirty (30) calendar days after approval by DISTRICT of an itemized invoice.

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

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

Pick-n-Pull Auto Dismantlers  
 10850 Gold Center Drive, Suite 325  
 Rancho Cordova, CA 95670  
 Attn: Ronald Terry

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

12. EMPLOYEES OF CONTRACTOR

- A. CONTRACTOR shall be responsible for the cost of regular pay to its employees, as well as cost of vacation, vacation replacements, sick leave, severance pay, and pay for legal holidays.
  - B. CONTRACTOR, its officers, employees, agents, or representatives shall not be considered employees or agents of DISTRICT, nor shall CONTRACTOR, its officers, employees, agents, or representatives be entitled to or eligible to participate in any benefits, privileges, or plans, given or extended by DISTRICT to its employees.
13. CONFIDENTIALITY – In order to carry out the purposes of this Contract, CONTRACTOR may require access to certain of DISTRICT’s confidential information (including trade secrets, inventions, confidential know-how, confidential business information, and other information that DISTRICT considers confidential) (collectively, “Confidential Information”). It is expressly understood and agreed that DISTRICT may designate in a conspicuous manner Confidential Information that CONTRACTOR obtains from DISTRICT, and CONTRACTOR agrees to:
- A. Observe complete confidentiality with respect to such information, including without limitation, agreeing not to disclose or otherwise permit access to such information by any other person or entity in any manner whatsoever, except that such disclosure or access shall be permitted to employees of CONTRACTOR requiring access in fulfillment of the services provided under this Contract.
  - B. Ensure that CONTRACTOR’s officers, employees, agents, representatives, and independent contractors are informed of the confidential nature of such information and to assure by agreement or otherwise that they are prohibited from copying or revealing, for any purpose whatsoever, the contents of such information or any part thereof, or from taking any action otherwise prohibited under this section.
  - C. Not use such information or any part thereof in the performance of services to others or for the benefit of others in any form whatsoever whether gratuitously or for valuable consideration, except as permitted under this Contract.
  - D. Notify DISTRICT promptly and in writing of the circumstances surrounding any possession, use, or knowledge of such information or any part thereof by any person or entity other than those authorized by this section. Take at CONTRACTOR’s expense, but at DISTRICT’s option and in any event under DISTRICT’s control, any legal action necessary to prevent unauthorized use of such information by any third party or entity which has gained access to such information at least in part due to the fault of CONTRACTOR.
  - E. Take any and all other actions necessary or desirable to assure such continued confidentiality and protection of such information during the term of this Contract and following expiration or termination of the Contract.
  - F. Prevent access to such materials by a person or entity not authorized under this Contract.
  - G. Establish specific procedures in order to fulfill the obligations of this section.
14. INTELLECTUAL PROPERTY RIGHTS – Title and full ownership rights to all intellectual property developed under this Contract shall at all times remain with DISTRICT, unless otherwise agreed to in writing.
15. PUBLICATION
- A. DISTRICT shall approve in writing any report or other document prepared by CONTRACTOR in connection with performance under this Contract prior to dissemination or publication of such report or document to a third party. DISTRICT may waive in writing its requirement for prior approval.

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

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

- D. CONTRACTOR shall inform its officers, employees, and subcontractors involved in the performance of this Contract of the restrictions contained herein and shall require compliance with the above.
16. NON-DISCRIMINATION – In the performance of this Contract, CONTRACTOR shall not discriminate in its recruitment, hiring, promotion, demotion, and termination practices on the basis of race, religious creed, color, national origin, ancestry, sex, age, marital status, sexual orientation, medical condition, or physical or mental disability and shall comply with the provisions of the California Fair Employment & Housing Act (Government Code Section 12900 et seq.), the Federal Civil Rights Act of 1964 (P.L. 88-352) and all amendments thereto, Executive Order No. 11246 (30 Federal Register 12319), and all administrative rules and regulations issued pursuant to said Acts and Order. CONTRACTOR shall also require each subcontractor performing work in connection with this Contract to comply with this section and shall include in each contract with such subcontractor provisions to accomplish the requirements of this section.
  17. PROPERTY AND SECURITY – Without limiting CONTRACTOR'S obligations with regard to security, CONTRACTOR shall comply with all the rules and regulations established by DISTRICT for access to and activity in and around DISTRICT's premises.
  18. ASSIGNMENT – No party shall assign, sell, license, or otherwise transfer any rights or obligations under this Contract to a third party without the prior written consent of the other party, and any attempt to do so shall be void upon inception.
  19. WAIVER – No waiver of a breach, of failure of any condition, or of any right or remedy contained in or granted by the provisions of this Contract shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy shall be deemed a waiver of any other breach, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies. Further, the failure of a party to enforce performance by the other party of any term, covenant, or condition of this Contract, and the failure

of a party to exercise any rights or remedies hereunder, shall not be deemed a waiver or relinquishment by that party to enforce future performance of any such terms, covenants, or conditions, or to exercise any future rights or remedies.


20. ATTORNEYS' FEES – In the event any action is filed in connection with the enforcement or interpretation of this Contract, each party shall bear its own attorneys' fees and costs.
21. FORCE MAJEURE – Neither DISTRICT nor CONTRACTOR shall be liable for or deemed to be in default for any delay or failure in performance under this Contract or interruption of services resulting, directly or indirectly, from acts of God, enemy or hostile governmental action, civil commotion, strikes, lockouts, labor disputes, fire or other casualty, judicial orders, governmental controls, regulations or restrictions, inability to obtain labor or materials or reasonable substitutes for labor or materials necessary for performance of the services, or other causes, except financial, that are beyond the reasonable control of DISTRICT or CONTRACTOR, for a period of time equal to the period of such force majeure event, provided that the party failing to perform notifies the other party within fifteen calendar days of discovery of the force majeure event, and provided further that that party takes all reasonable action to mitigate the damages resulting from the failure to perform. Notwithstanding the above, if the cause of the force majeure event is due to party's own action or inaction, then such cause shall not excuse that party from performance under this Contract.
22. SEVERABILITY – If a court of competent jurisdiction holds any provision of this Contract to be illegal, unenforceable or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them will not be affected.
23. HEADINGS – Headings on the sections and paragraphs of this Contract are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Contract.
24. DUPLICATE EXECUTION – This Contract is executed in duplicate. Each signed copy shall have the force and effect of an original.
25. GOVERNING LAW – Any dispute that arises under or relates to this Contract shall be governed by California law, excluding any laws that direct the application to another jurisdiction's laws. Venue for resolution of any dispute that arises under or relates to this Contract, including mediation, shall be San Francisco, California.
26. ENTIRE CONTRACT AND MODIFICATION – This Contract represents the final, complete, and exclusive statement of the agreement between the parties related to CONTRACTOR providing services to DISTRICT and supersedes all prior and contemporaneous understandings and agreements of the parties. No party has been induced to enter into this Contract by, nor is any party relying upon, any representation or warranty outside those expressly set forth herein. This Contract may only be amended by mutual agreement of the parties in writing and signed by both parties.
27. SURVIVAL OF TERMS – The provisions of sections 7 (Indemnification), 13 (Confidentiality), 14 (Intellectual Property Rights), and 15 (Publication) shall survive the expiration or termination of this Contract.

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

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

INFINITY AUTO SALVAGE

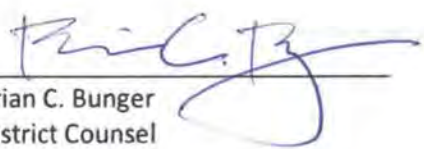
By:   
\_\_\_\_\_  
Jack P. Broadbent  
Executive Officer/APCO

By:   
\_\_\_\_\_  
Mark Carnesecca  
Vice President of Vehicle Purchasing

Date: 5/30/19

Date: 5/24/19

Approved as to form:  
District Counsel

By:   
\_\_\_\_\_  
Brian C. Bunger  
District Counsel

## ATTACHMENT A

### SCOPE OF WORK

CONTRACTOR shall perform inspections of vehicles that participate in the Clean Cars for All Program (CCFA Program) and scrap eligible vehicles per the requirements in this Contract. DISTRICT will not reimburse CONTRACTOR for the overhead associated with scrapped vehicles, if such vehicle fails to meet the following requirements:

#### A. Vehicle Eligibility Requirements

All vehicles scrapped as a part of CCFA Program shall meet the minimum retired eligibility requirements per California Code of Regulations (CCR), Title 13, Chapter 13, Article 2, Section 2624, attached hereto as Attachment C. In addition, CONTRACTOR shall only scrap vehicles meeting the following status requirements:

1. The vehicle must be a 2004 model year or older diesel or gasoline-powered passenger car or light-duty truck up to 10,000 pounds gross vehicle weight or less.

#### B. Vehicle Inspections

CONTRACTOR shall perform a pre-inspection and post-inspection of the vehicles that participate in the Clean Cars for All Program and only scrap vehicles meeting the following requirements:

1. The vehicle must be driven to the inspection site under its own power. If CONTRACTOR has knowledge that a vehicle was towed or pushed for any portion of the trip to the inspection site, then CONTRACTOR shall not approve the vehicle for eligibility.
2. CONTRACTOR shall complete the following functional test during the pre-inspection and post inspection, and shall reject the vehicle if the vehicle fails to complete the following test:  
Insert key, vehicle engine must start using keyed ignition system. In addition to the keyed ignition switch, ignition or fuel kill switch may be activated if required to start engine. The vehicle must start readily through ordinary means without the use of starting fluids or external booster batteries. The vehicle shall be driven forward for a minimum of 25 feet under its own power. The vehicle shall be driven in reverse for a minimum of 25 feet under its own power.
3. Vehicles failing the functional test during a pre-inspection may be retested by CONTRACTOR for compliance with these requirements provided the vehicle has traveled a minimum of 10 miles subsequent to the failure determination or DISTRICT has approved of the retest.
4. Upon completion of the pre-inspection and post-inspection, CONTRACTOR will submit an inspection report to DISTRICT within 2 business days of completion.
5. The inspections and functional tests must be performed by a DISTRICT-approved inspector and conducted on-site at CONTRACTOR's yard.

#### C. CONTRACTOR Requirements

1. CONTRACTOR must either be an auto dismantler, licensed according to the requirements of the California Vehicle Code, other business codes, and the regulations of the DMV, for the purpose of vehicle disposal after purchase; or have a binding agreement with a duly authorized auto dismantler, for the purpose of vehicle disposal after purchase.
2. At least thirty (30) days prior to commencing operations as a Program contractor, CONTRACTOR shall provide the DISTRICT, in writing, on forms provided by the DISTRICT, information demonstrating the ability to comply with all provisions of Program. This

information must include contractor's name and business address; licensed auto dismantler name and business address; a written statement from the auto dismantler under penalty of perjury certifying compliance with local water conservation regulations, state, county, and city energy and hazardous materials response regulations, and local water agency soil, surface, and ground water contamination regulations; and any other information requested in applicable DISTRICT rules.

3. CONTRACTOR is required to contract with a DISTRICT approved inspection entity, to provide inspection services to perform the vehicle functional and equipment eligibility inspection specified in Section B, on-site at CONTRACTOR's yard if CONTRACTOR is unable to or chooses not to be approved by DISTRICT to perform this function.
4. CONTRACTOR shall verify that the vehicle meets the vehicle registration eligibility and functional test requirements. The vehicle registration eligibility will be determined by DISTRICT and confirmed by CONTRACTOR during inspections.
5. During inspections specified in Section B, CONTRACTOR must verify that the person delivering the vehicle for inspections is the owner or an authorized representative of the legal owner, properly empowered to submit vehicle to be scrapped.
6. A vehicle purchased as part of the Program, must be permanently destroyed by CONTRACTOR, or CONTRACTOR's duly contracted dismantler, within ninety (90) days of the date it is submitted to CONTRACTOR, and may not be resold to the public or put into operation in any way, except such a vehicle may be briefly operated for purposes related to the disposal of the vehicle as part of the normal disposal procedures.
7. The vehicle will be considered destroyed when it has been crushed or shredded or otherwise rendered permanently and irreversibly incapable of functioning as originally intended, and when all appropriate records maintained by the DMV have been updated to reflect that the vehicle has been acquired by a licensed auto dismantler for the purposes of dismantling.
8. All vehicles must be confined in a holding area separate from other vehicles procured by CONTRACTOR until they are permanently destroyed.
9. All activities associated with retiring vehicles, including but not limited to the disposal of vehicle fluids and vehicle components, must comply with local water conservation regulations, state, county, and city energy and hazardous materials response regulations, and local water agency soil, surface, and ground water contamination regulations.
10. CONTRACTOR must cooperate with any inspections of the facilities, and review of CONTRACTOR's operation of the program as requested by the DISTRICT or CARB. These inspections can include audits of the required program documentation.

**D. Parts Recycling and Resale**

1. CONTRACTOR may separate ferrous and non-ferrous metals prior to retiring vehicles. CONTRACTOR may not separate parts for recoring or rebuilding. CONTRACTOR, its agents, subcontractors, or employees shall not remove any parts from vehicles for resale or reuse, except tires, batteries, camper shells, and audio equipment.

**E. Advertising**

1. CONTRACTOR is encouraged to advertise for or otherwise attract participants who qualify for Program. CONTRACTOR must get DISTRICT approval prior to doing any advertising.
2. CONTRACTOR will use the DISTRICT's approved logos and California Climate Investment logos on any printed material for public distribution. All uses of the DISTRICT's logo must be pre-approved for use by DISTRICT staff.

3. CONTRACTOR will credit the California Climate Investments as the funding source for the Program in any related articles, news releases, or other publicity materials. All advertising materials, information packages, and any other materials provided to media, to the public, or to vehicle sellers require prior approval by the DISTRICT.
4. Any advertising conducted by CONTRACTOR for the purpose of recruiting vehicle owners to sell their vehicles into the Program shall contain clear and prominent language stating that participation in the Program is completely voluntary; and shall not contain any language stating or implying that the Program is anything but voluntary for the vehicle seller.

**F. Records, Auditing and Enforcement**

1. The following requirements for records, auditing, and enforcement shall be met:
  - (A) CONTRACTOR shall be responsible for maintaining and storing the following information for each vehicle removed from operation for the Program:
    - (1) Vehicle Identification Number (VIN)
    - (2) Vehicle license plate number
    - (3) Vehicle make and model year
    - (4) Vehicle odometer reading
    - (5) Name, address and phone number of legal owner scrapping vehicle with CONTRACTOR
    - (6) Name and business address of inspector conducting the vehicle's eligibility inspection, if CONTRACTOR contracts with a DISTRICT-approved inspection entity to perform the vehicle functional and equipment eligibility inspection
    - (7) Pre-inspection and post-inspection dates
    - (8) Date of vehicle retirement
    - (9) Reproduction of California Certificate of Title and registration, as signed-off by Participant of Program
    - (10) Reproduction of the applicable certificate of functional and equipment eligibility
    - (11) Reproduction of the applicable Report of Vehicle to be Dismantled and Notice of Acquisition (California Department of Motor Vehicles Registration 42 form)
    - (12) Any other pertinent data requested by the DISTRICT
  - (B) Upon request of the DISTRICT, the data contained in records required in Section F.1(A)(1) through (12) shall be transmitted to the DISTRICT in an electronic database format. The electronic format will be provided by the DISTRICT.
  - (C) CONTRACTOR will maintain copies, either electronic or paper, of the information listed in Section F.1(A)(1) through (12) for a minimum period of five (5) years, and shall make those records available to the DISTRICT upon request.
  - (D) The DISTRICT may conduct announced and unannounced audits and on-site inspections of CONTRACTOR's operations to ensure operations are being conducted according to all applicable rules and regulations. The DISTRICT shall notify any noncompliant contractor of the nature of the violation and shall initiate any enforcement or remedial action necessary.
    - (1) CONTRACTOR and their subcontractors shall allow the DISTRICT to conduct announced and unannounced audits and inspections and shall cooperate fully in such situations.

- (2) Violation of any provision of these regulations, including falsification of any information or data, shall constitute a citable violation making the violator subject to all applicable penalties specified in the California Health and Safety Code. In addition, violation of any provision of §2624 by CONTRACTOR or its subcontractors shall result in the issuance of a Notice of Violation(s).
2. CONTRACTOR will handle all DMV paperwork associated with the receiving, dismantling, and scrapping of vehicles.
3. CONTRACTOR will provide monthly invoice reports to the DISTRICT on the status of the Program. The reports shall include the monthly and cumulative number of vehicles scrapped, number of vehicles that pass or fail the pre-inspection and post-inspection.

**ATTACHMENT B**

**COST SCHEDULE**

- A. Per Vehicle Payment.** CONTRACTOR is to be paid at the rate of \$49.00 per vehicle scrapped for the overhead for the Clean Cars for All Program. Payments shall not exceed \$44,000 without DISTRICT approval.

## ATTACHMENT C

### CALIFORNIA CODE OF REGULATIONS – TITLE 13

#### § 2624. Retired Vehicle Minimum Eligibility Requirements.

- (a) In order to participate in the EFMP, an individual must be the registered owner of the vehicle with vehicle title issued in their name.
- (b) Vehicles that hold a salvage title are eligible for participation if registered at the time of application.
- (c) The vehicle must meet one of the following requirements:
- (1) It shall meet the DMV requirements as specified in sections 3394.4 (b)(6)(C) and 3394.4 (b)(6)(D) of Title 16 of Division 33, Article 11 of the California Code of Regulations
  - (2) An unregistered vehicle, or a currently registered vehicle not meeting (c)(1) above, may also be eligible if proven to have been driven primarily in California for the last two years and not to have been registered in any other state or country in the last two years. Documentation of operation in California includes the following:
    - (A) Proof of continuous insurance coverage in California for the two consecutive years preceding application to the EFMP, without lapses in insurance coverage totaling more than 120 days; or
    - (B) At least two invoices from an Automotive Repair Dealer registered at the time of the repair with the Bureau pursuant to section 9884.6 of the Business and Professions Code showing the following:
      - 1. The Automotive Repair Dealer's valid registration number, as issued by the Bureau
      - 2. The name and address of the Automotive Repair Dealer, as shown on the Bureau's records
      - 3. Description of a repair or maintenance operation performed to the vehicle
      - 4. The vehicle year, make, model, and vehicle identification or license plate number matching the vehicle to be retired
      - 5. The date of the repair or maintenance visit
    - (C) Invoices submitted for the purpose of satisfying the requirements of section (B) shall be from two separate calendar years. The oldest invoice may not be older than twenty-four months prior to the date of application receipt.
- (d) Vehicles shall be voluntarily dismantled at a Dismantler under contract with BAR;
- (e) Vehicles shall be up to 10,000 pounds gross vehicle weight rating: including a passenger vehicle, truck, sports utility vehicle (SUV), or van;
- (f) Vehicles must complete a functionality test to ensure that the vehicle is capable of being driven on the road. Examples of acceptable functionality tests include but are not limited to: smog check tests as defined in section 2626(f), or another demonstration of functionality such as the inspection requirements listed in section 2626(b).

NOTE: Authority cited: Sections 39600, 39601 and 44125, Health and Safety Code. Reference: Sections 39600, 39601 and 44125, Health and Safety Code.

**AMENDMENT NO. 1 TO  
BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
CONTRACT NO. 2019.031**

This amendment to the above-entitled contract ("Contract Amendment") is dated, for reference purposes only, September 5, 2019.

**RECITALS:**

1. The Bay Area Air Quality Management District ("DISTRICT") and Pick-n-Pull Auto Dismantlers ("CONTRACTOR") (hereinafter referred to as the "PARTIES") entered into the above-entitled contract to scrap cars under the DISTRICT's Clean Cars for All Program (the "Contract"), which Contract was executed on behalf of CONTRACTOR on May 24, 2019, and on behalf of DISTRICT on May 30, 2019.
2. The PARTIES seek to amend the Scope of Work of the Contract because DISTRICT seeks to modify the requirements for eligible vehicles for the program, and CONTRACTOR desires to allow DISTRICT to make these changes and will comply with the updated requirements before scrapping vehicles.
3. In accordance with Section 26 of the Contract, DISTRICT and CONTRACTOR desire to amend the above-entitled Contract as follows:

**TERMS AND CONDITIONS OF CONTRACT AMENDMENT:**


1. By this Contract Amendment, DISTRICT and CONTRACTOR amend Attachment A, Scope of Work, by deleting it in its entirety and replacing it with "Attachment A-1, Scope of Work," attached hereto, and agree that all references in the Contract to Attachment A shall be deemed refer to Attachment A-1, Scope of Work.
2. 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

PICK-N-PULL AUTO DISMANTLERS

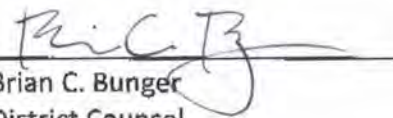
By:   
Jack P. Broadbent  
Executive Officer/APCO

By:   
Mark Carnesecca  
Vice President of Vehicle  
Purchasing

Date: 9/24/19

Date: 9/17/19

Approved as to form:  
District Counsel

By:   
Brian C. Bunger  
District Counsel

**ATTACHMENT A-1****SCOPE OF WORK**

CONTRACTOR shall perform inspections of vehicles that participate in the Clean Cars for All Program (CCFA Program) and scrap eligible vehicles per the requirements in this Contract. DISTRICT will not reimburse CONTRACTOR for the overhead associated with scrapped vehicles, if such vehicle fails to meet the following requirements:

**A. Vehicle Eligibility Requirements**

All vehicles scrapped as a part of CCFA Program shall meet the minimum retired eligibility requirements per California Code of Regulations (CCR), Title 13, Chapter 13, Article 2, Section 2624, attached hereto as Attachment C. In addition, CONTRACTOR shall only scrap vehicles meeting the following status requirements:

1. The vehicle must be a gasoline-powered passenger car or light-duty truck up to 10,000 pounds gross vehicle weight or less.

**B. Vehicle Inspections**

CONTRACTOR shall perform a pre-inspection and post-inspection of the vehicles that participate in the Clean Cars for All Program and only scrap vehicles meeting the following requirements:

1. The vehicle must be driven to the inspection site under its own power for a pre-inspection and not for a post inspection. If CONTRACTOR has knowledge that a vehicle was towed or pushed for any portion of the trip to the inspection site for the pre-inspection, then CONTRACTOR shall not approve the vehicle for eligibility.
2. CONTRACTOR shall complete the following functional test during the pre-inspection and post inspection, and shall reject the vehicle if the vehicle fails to complete the following test during the pre-inspection only:

Insert key, vehicle engine must start using keyed ignition system. In addition to the keyed ignition switch, ignition or fuel kill switch may be activated if required to start engine. The vehicle must start readily through ordinary means without the use of starting fluids or external booster batteries. The vehicle shall be driven forward for a minimum of 25 feet under its own power. The vehicle shall be driven in reverse for a minimum of 25 feet under its own power.

3. Vehicles failing the functional test during a pre-inspection may be retested by CONTRACTOR for compliance with these requirements provided the vehicle has traveled a minimum of 10 miles subsequent to the failure determination or DISTRICT has approved of the retest. Vehicles failing the functional test during the post-inspection can be accepted for scrapping and scrapped.
4. Upon completion of the pre-inspection and post-inspection, CONTRACTOR will submit an inspection report to DISTRICT within 2 business days of completion.
5. The inspections and functional tests must be performed by a DISTRICT-approved inspector and conducted on-site at CONTRACTOR's yard.

**C. CONTRACTOR Requirements**

1. CONTRACTOR must either be an auto dismantler, licensed according to the requirements of the California Vehicle Code, other business codes, and the regulations of the DMV, for the purpose of vehicle disposal after purchase; or have a binding agreement with a duly authorized auto dismantler, for the purpose of vehicle disposal after purchase.
  2. At least thirty (30) days prior to commencing operations as a Program contractor, CONTRACTOR shall provide the DISTRICT, in writing, on forms provided by the DISTRICT, information demonstrating the ability to comply with all provisions of Program. This information must include contractor's name and business address; licensed auto dismantler name and business address; a written statement from the auto dismantler under penalty of perjury certifying compliance with local water conservation regulations, state, county, and city energy and hazardous materials response regulations, and local water agency soil, surface, and ground water contamination regulations; and any other information requested in applicable DISTRICT rules.
  3. CONTRACTOR is required to contract with a DISTRICT approved inspection entity, to provide inspection services to perform the vehicle functional and equipment eligibility inspection specified in Section B, on-site at CONTRACTOR's yard if CONTRACTOR is unable to or chooses not to be approved by DISTRICT to perform this function.
  4. CONTRACTOR shall verify that the vehicle meets the vehicle registration eligibility and functional test requirements. The vehicle registration eligibility will be determined by DISTRICT and confirmed by CONTRACTOR during inspections.
  5. During inspections specified in Section B, CONTRACTOR must verify that the person delivering the vehicle for inspections is the owner or an authorized representative of the legal owner, properly empowered to submit vehicle to be scrapped.
  6. A vehicle purchased as part of the Program, must be permanently destroyed by CONTRACTOR, or CONTRACTOR's duly contracted dismantler, within ninety (90) days of the date it is submitted to CONTRACTOR, and may not be resold to the public or put into operation in any way, except such a vehicle may be briefly operated for purposes related to the disposal of the vehicle as part of the normal disposal procedures.
  7. The vehicle will be considered destroyed when it has been crushed or shredded or otherwise rendered permanently and irreversibly incapable of functioning as originally intended, and when all appropriate records maintained by the DMV have been updated to reflect that the vehicle has been acquired by a licensed auto dismantler for the purposes of dismantling.
  8. All vehicles must be confined in a holding area separate from other vehicles procured by CONTRACTOR until they are permanently destroyed.
  9. All activities associated with retiring vehicles, including but not limited to the disposal of vehicle fluids and vehicle components, must comply with local water conservation regulations, state, county, and city energy and hazardous materials response regulations, and local water agency soil, surface, and ground water contamination regulations.
  10. CONTRACTOR must cooperate with any inspections of the facilities, and review of CONTRACTOR's operation of the program as requested by the DISTRICT or CARB. These inspections can include audits of the required program documentation.
- D. Parts Recycling and Resale**
1. CONTRACTOR may separate ferrous and non-ferrous metals prior to retiring vehicles. CONTRACTOR may not separate parts for re-coring or rebuilding. CONTRACTOR, its agents,

subcontractors, or employees shall not remove any parts from vehicles for resale or reuse, except tires, batteries, camper shells, and audio equipment.

**E. Advertising**

1. CONTRACTOR is encouraged to advertise for or otherwise attract participants who qualify for Program. CONTRACTOR must get DISTRICT approval prior to doing any advertising.
2. CONTRACTOR will use the DISTRICT's approved logos and California Climate Investment logos on any printed material for public distribution. All uses of the DISTRICT's logo must be pre-approved for use by DISTRICT staff.
3. CONTRACTOR will credit the California Climate Investments as the funding source for the Program in any related articles, news releases, or other publicity materials. All advertising materials, information packages, and any other materials provided to media, to the public, or to vehicle sellers require prior approval by the DISTRICT.
4. Any advertising conducted by CONTRACTOR for the purpose of recruiting vehicle owners to sell their vehicles into the Program shall contain clear and prominent language stating that participation in the Program is completely voluntary; and shall not contain any language stating or implying that the Program is anything but voluntary for the vehicle seller.

**F. Records, Auditing and Enforcement**

1. The following requirements for records, auditing, and enforcement shall be met:
  - (A) CONTRACTOR shall be responsible for maintaining and storing the following information for each vehicle removed from operation for the Program:
    - (1) Vehicle Identification Number (VIN)
    - (2) Vehicle license plate number
    - (3) Vehicle make and model year
    - (4) Vehicle odometer reading
    - (5) Name, address and phone number of legal owner scrapping vehicle with CONTRACTOR
    - (6) Name and business address of inspector conducting the vehicle's eligibility inspection, if CONTRACTOR contracts with a DISTRICT-approved inspection entity to perform the vehicle functional and equipment eligibility inspection
    - (7) Pre-inspection and post-inspection dates
    - (8) Date of vehicle retirement
    - (9) Reproduction of California Certificate of Title, as signed-off by Participant of Program
    - (10) Reproduction of the applicable certificate of functional and equipment eligibility
    - (11) Reproduction of the applicable Report of Vehicle to be Dismantled and Notice of Acquisition (California Department of Motor Vehicles Registration 42 form)
    - (12) Any other pertinent data requested by the DISTRICT
  - (B) Upon request of the DISTRICT, the data contained in records required in Section F.1(A)(1) through (12) shall be transmitted to the DISTRICT in an electronic database format. The electronic format will be provided by the DISTRICT.

- (C) CONTRACTOR will maintain copies, either electronic or paper, of the information listed in Section F.1(A)(1) through (12) for a minimum period of five (5) years, and shall make those records available to the DISTRICT upon request.
- (D) The DISTRICT may conduct announced and unannounced audits and on-site inspections of CONTRACTOR's operations to ensure operations are being conducted according to all applicable rules and regulations. The DISTRICT shall notify any noncompliant contractor of the nature of the violation and shall initiate any enforcement or remedial action necessary.
  - (1) CONTRACTOR and their subcontractors shall allow the DISTRICT to conduct announced and unannounced audits and inspections and shall cooperate fully in such situations.
  - (2) Violation of any provision of these regulations, including falsification of any information or data, shall constitute a citable violation making the violator subject to all applicable penalties specified in the California Health and Safety Code. In addition, violation of any provision of §2624 by CONTRACTOR or its subcontractors shall result in the issuance of a Notice of Violation(s).
- 2. CONTRACTOR will handle all DMV paperwork associated with the receiving, dismantling, and scrapping of vehicles.
- 3. CONTRACTOR will provide monthly invoice reports to the DISTRICT on the status of the Program. The reports shall include the monthly and cumulative number of vehicles scrapped, number of vehicles that pass or fail the pre-inspection and post-inspection.

**AMENDMENT NO. 2 TO  
BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
CONTRACT NO. 2019.031**

This amendment to the above-entitled contract ("Contract Amendment") is dated, for reference purposes only, March 30, 2020.

**RECITALS:**

1. The Bay Area Air Quality Management District ("DISTRICT") and **Pick-n-Pull Auto Dismantlers** ("CONTRACTOR") (hereinafter referred to as the "PARTIES") entered into the above-entitled contract to scrap cars under the DISTRICT's Clean Cars for All Program (the "Contract"), which Contract was executed on behalf of CONTRACTOR on May 24, 2019, and on behalf of DISTRICT on May 30, 2019.
2. The PARTIES entered into Amendment No. 1 to the Contract, dated September 5, 2019, for reference purposes only, to amend the Scope of Work of the Contract.
3. The PARTIES seek to amend the term and total cost of the Contract because DISTRICT seeks to have CONTRACTOR continue to provide services prescribed in the Contract, and CONTRACTOR desires to continue to provide those services.
4. In accordance with Section 26 of the Contract, DISTRICT and CONTRACTOR desire to amend the above-entitled Contract as follows:

**TERMS AND CONDITIONS OF CONTRACT AMENDMENT:**

1. By this Contract Amendment, DISTRICT and CONTRACTOR amend Section 4, "Term." The term of the Contract shall be extended so that the termination date of the Contract is now June 30, 2022.
2. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph E, of Section 2, "Recitals" to replace "\$44,000" with "\$74,000."
3. By this Contract Amendment, DISTRICT and CONTRACTOR replace Attachment B, Cost Schedule, with the attached "Attachment B-1, Cost Schedule" and agree that all references in the Contract to Attachment B shall be deemed to refer to Attachment B-1, Cost Schedule.
4. 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

PICK-N-PULL AUTO DISMANTLERS

By: DocuSigned by:  
Jeff McKay  
382C71570CFB4F8...  
Jack P. Broadbent  
Executive Officer/APCO

By: Mark Carnesecca  
Mark Carnesecca  
Vice President of Vehicle  
Purchasing

Date: 6/1/2020

Date: 5/22/2020

Approved as to form:  
District Counsel

By: DocuSigned by:  
Brian Bungler 6/1/2020  
2C11BC0B537B4A2...  
Brian C. Bungler  
District Counsel

**ATTACHMENT B-1**

**COST SCHEDULE**

- A. Per Vehicle Payment.** CONTRACTOR is to be paid at the rate of \$49.00 per vehicle scrapped for the overhead for the Clean Cars for All Program. Payments shall not exceed \$74,000 without DISTRICT approval.

**AMENDMENT NO. 3 TO**  
**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**CONTRACT NO. 2019.031**

This amendment to the above-entitled contract ("Contract Amendment") is dated, for reference purposes only, May 12, 2020.

**RECITALS:**

1. The Bay Area Air Quality Management District ("DISTRICT") and **Pick-n-Pull Auto Dismantlers** ("CONTRACTOR") (hereinafter referred to as the "PARTIES") entered into the above-entitled contract to scrap cars under the DISTRICT's Clean Cars for All Program (the "Contract"), which Contract was executed on behalf of CONTRACTOR on May 24, 2019, and on behalf of DISTRICT on May 30, 2019.
2. The PARTIES entered into Amendment No. 1 to the Contract, dated September 5, 2019, for reference purposes only, to amend the Scope of Work of the Contract.
3. The PARTIES entered into Amendment No. 2 to the Contract, dated March 30, 2020, for reference purposes only, to amend the term and total cost of the Contract.
4. The PARTIES seek to amend the total cost of the Contract because DISTRICT seeks to have CONTRACTOR continue to provide services prescribed in the Contract, and CONTRACTOR desires to continue to provide those services, up to the new total maximum cost.
5. In accordance with Section 26 of the Contract, DISTRICT and CONTRACTOR desire to amend the above-entitled Contract as follows:

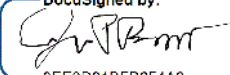
**TERMS AND CONDITIONS OF CONTRACT AMENDMENT:**


1. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph E of Section 2, "Recitals," of the Contract to replace "\$74,000" with "\$125,000."
2. By this Contract Amendment, DISTRICT and CONTRACTOR replace Attachment B-1, Cost Schedule, with the attached "Attachment B-2, Cost Schedule" and agree that all references in the Contract to Attachment B and Attachment B-1 shall be deemed to refer to Attachment B-2, Cost Schedule.
3. DISTRICT and CONTRACTOR agree that all other terms and conditions of the Contract shall remain in full force and effect.

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

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

PICK-N-PULL AUTO DISMANTLERS

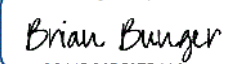
By:   
DocuSigned by:  
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\_\_\_\_\_  
Jack P. Broadbent  
Executive Officer/APCO

By:   
\_\_\_\_\_  
Mark Carnesecca  
Vice President of Vehicle  
Purchasing

Date: 6/17/2021

Date: 5/26/2021

Approved as to form:  
District Counsel

By:   
DocuSigned by:  
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\_\_\_\_\_  
Brian C. Bunger  
District Counsel

**ATTACHMENT B-2**

**COST SCHEDULE**

- A. Per Vehicle Payment.** CONTRACTOR is to be paid at the rate of \$49.00 per vehicle scrapped for the overhead for the Clean Cars for All Program. Payments shall not exceed \$125,000 without DISTRICT approval.

**AMENDMENT NO. 4 TO  
BAY AREA AIR QUALITY MANAGEMENT DISTRICT  
CONTRACT NO. 2019.031**

This amendment to the above-entitled contract ("Contract Amendment") is dated, for reference purposes only, April 7, 2022.

**RECITALS:**

1. The Bay Area Air Quality Management District ("DISTRICT") and **Pick-n-Pull Auto Dismantlers** ("CONTRACTOR") (hereinafter referred to as the "PARTIES") entered into the above-entitled contract to scrap cars under the DISTRICT's Clean Cars for All Program (the "Contract"), which Contract was executed on behalf of CONTRACTOR on May 24, 2019, and on behalf of DISTRICT on May 30, 2019.
2. The PARTIES entered into Amendment No. 1 to the Contract, dated September 5, 2019, for reference purposes only, to amend the Scope of Work of the Contract.
3. The PARTIES entered into Amendment No. 2 to the Contract, dated March 30, 2020, for reference purposes only, to amend the term and total cost of the Contract.
4. The PARTIES entered into Amendment No. 3 to the Contract, dated May 12, 2020, for reference purposes only, to amend cost schedule and total cost of the Contract.
5. The PARTIES seek to amend the term of the Contract because DISTRICT seeks to have CONTRACTOR continue to provide services prescribed in the Contract, and CONTRACTOR desires to continue to provide those services, up to the new total maximum cost.
6. In accordance with Section 26 of the Contract, DISTRICT and CONTRACTOR desire to amend the above-entitled Contract as follows:

**TERMS AND CONDITIONS OF CONTRACT AMENDMENT:**

1. By this Contract Amendment, DISTRICT and CONTRACTOR amend Section 4, "Term." The term of the Contract shall be extended so that the termination date of the Contract is now June 30, 2023.
2. 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

PICK-N-PULL AUTO DISMANTLERS

By: <sup>DocuSigned by:</sup> Alexander Crockett  
Alexander G. Crockett  
Interim Executive Officer/APCO

By: Mark Carnesecca  
Mark Carnesecca  
Vice President of Vehicle  
Purchasing

Date: 4/27/2022

Date: 4/18/2022

Approved as to form:  
District Counsel

By: <sup>DocuSigned by:</sup> Aidan Schwartz  
Aidan Schwartz  
Acting District Counsel

**AMENDMENT NO. 5 TO**  
**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**CONTRACT NO. 2019.031**

This amendment to the above-entitled contract ("Contract Amendment") is dated, for reference purposes only, March 7, 2023.

**RECITALS:**

1. The Bay Area Air Quality Management District ("DISTRICT") and **Pick-n-Pull Auto Dismantlers** ("CONTRACTOR") (hereinafter referred to as the "PARTIES") entered into the above-entitled contract to scrap cars under the DISTRICT's Clean Cars for All Program (the "Contract"), which Contract was executed on behalf of CONTRACTOR on May 24, 2019, and on behalf of DISTRICT on May 30, 2019.
2. The PARTIES entered into Amendment No. 1 to the Contract, dated September 5, 2019, for reference purposes only, to amend the Scope of Work of the Contract.
3. The PARTIES entered into Amendment No. 2 to the Contract, dated March 30, 2020, for reference purposes only, to amend the term and total cost of the Contract.
4. The PARTIES entered into Amendment No. 3 to the Contract, dated May 12, 2020, for reference purposes only, to amend the total cost of the Contract.
5. The PARTIES entered into Amendment No. 4 to the Contract, dated April 7, 2022, for reference purposes only, to amend the term of the Contract.
6. The PARTIES seek to amend the term and total cost of the Contract because DISTRICT seeks to have CONTRACTOR continue to provide the services prescribed in the Contract, and CONTRACTOR desires to continue to provide those services, up to the new total maximum cost.
7. In accordance with Section 26 of the Contract, DISTRICT and CONTRACTOR desire to amend the above-entitled Contract as follows:

**TERMS AND CONDITIONS OF CONTRACT AMENDMENT:**

1. By this Contract Amendment, DISTRICT and CONTRACTOR amend Section 4, "Term." The term of the Contract shall be extended so that the termination date of the Contract is now June 30, 2025.

- 2. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph E of Section 2, "Recitals," of the Contract to replace "\$125,000" with "\$325,000."
- 3. By this Contract Amendment, DISTRICT and CONTRACTOR amend the final sentence of Attachment B-2 of the Contract, "Cost Schedule," to replace the sentence "Payments shall not exceed \$125,000 without DISTRICT approval" with "Payments shall not exceed \$325,000 without DISTRICT approval."
- 4. 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

PICK-N-PULL AUTO DISMANTLERS

By: Philip M. Fine  
DocuSigned by:  
Philip M. Fine  
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 Executive Officer/APCO

By: Mark Carnesecca  
 Mark Carnesecca  
 Vice President of Vehicle  
 Purchasing

Date: 5/2/2023

Date: 04/27/2023

Approved as to form:  
District Counsel

By: Alexander G. Crockett 5/1/2023  
DocuSigned by:  
Alexander G. Crockett  
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 District Counsel

**AMENDMENT NO. 6 TO**  
**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**CONTRACT NO. 2019.031**

This amendment to the above-entitled contract ("Contract Amendment") is dated, for reference purposes only, July 10, 2025.

**RECITALS:**

1. The Bay Area Air Quality Management District ("DISTRICT") and **Pick-n-Pull Auto Dismantlers** ("CONTRACTOR") (hereinafter referred to as the "PARTIES") entered into the above-entitled contract to scrap cars under DISTRICT's Clean Cars for All Program (the "Contract"), which Contract was executed on behalf of CONTRACTOR on May 24, 2019, and on behalf of DISTRICT on May 30, 2019.
2. The PARTIES entered into Amendment No. 1 to the Contract, dated September 5, 2019, for reference purposes only, to amend the Scope of Work of the Contract.
3. The PARTIES entered into Amendment No. 2 to the Contract, dated March 30, 2020, for reference purposes only, to amend the term and total cost of the Contract.
4. The PARTIES entered into Amendment No. 3 to the Contract, dated May 12, 2020, for reference purposes only, to amend the total cost of the Contract.
5. The PARTIES entered into Amendment No. 4 to the Contract, dated April 7, 2022, for reference purposes only, to amend the term of the Contract.
6. The PARTIES entered into Amendment No. 5 to the Contract, dated March 7, 2023, for reference purposes only, to amend the term and total cost of the Contract.
7. The PARTIES seek to further amend the term of the Contract because DISTRICT seeks for CONTRACTOR to continue to provide the services prescribed in the Contract, and CONTRACTOR desires to continue to provide those services, up to the new end date.
8. The PARTIES inadvertently failed to extend the termination date of the Contract; however, it was and is the intent of the PARTIES to continue the Contract beyond the June 30, 2025 termination date. CONTRACTOR has since continued to provide services to DISTRICT, and the PARTIES have maintained and continued their relationship, in accordance with all the terms and conditions of the Contract. Based on their shared intent to continue the Contract beyond the expiration date, the PARTIES hereby ratify

actions taken by either party during the expired period that were substantially compliant with the Contract, and agree any actions taken during the expired period in furtherance of the contractual relationship will be treated as subject to the Contract as if it were in effect at the time.

- 9. In accordance with Section 26 of the Contract, DISTRICT and CONTRACTOR desire to amend the above-entitled Contract as follows:

**TERMS AND CONDITIONS OF CONTRACT AMENDMENT:**


- 1. By this Contract Amendment, DISTRICT and CONTRACTOR amend Section 4, "Term." The term of the Contract shall be extended so that the termination date of the Contract is now June 30, 2028.
- 2. 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

PICK-N-PULL AUTO DISMANTLERS


By:   
DocuSigned by:  
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Dr. Philip M. Fine  
Executive Officer/APCO

By:   
John Blobner  
Vice President of Vehicle  
Purchasing

Date: 8/11/2025

Date: 7.22.25

Approved as to form:

By:   
DocuSigned by:  
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Alexander G. Crockett  
General Counsel

**AMENDMENT NO. 7 TO**  
**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**CONTRACT NO. 2019.031**

This amendment to the above-entitled contract ("Contract Amendment") is dated, for reference purposes only, April 27, 2026.

**RECITALS:**

1. The Bay Area Air Quality Management District ("DISTRICT") and **Pick-n-Pull Auto Dismantlers** ("CONTRACTOR") (hereinafter referred to as the "PARTIES") entered into the above-entitled contract to scrap cars under the DISTRICT's Clean Cars for All Program (the "Contract"), which Contract was executed on behalf of CONTRACTOR on May 24, 2019, and on behalf of DISTRICT on May 30, 2019.
2. The PARTIES entered into Amendment No. 1 to the Contract, dated September 5, 2019, for reference purposes only, to amend the Scope of Work of the Contract.
3. The PARTIES entered into Amendment No. 2 to the Contract, dated March 30, 2020, for reference purposes only, to amend the term and total cost of the Contract.
4. The PARTIES entered into Amendment No. 3 to the Contract, dated May 12, 2020, for reference purposes only, to amend the total cost of the Contract.
5. The PARTIES entered into Amendment No. 4 to the Contract, dated April 7, 2022, for reference purposes only, to amend the term of the Contract.
6. The PARTIES entered into Amendment No. 5 to the Contract, dated March 7, 2023, for reference purposes only, to amend the term and the total cost of the Contract.
7. The PARTIES entered into Amendment No. 6 to the Contract, dated July 10, 2025, for reference purposes only, to amend the term of the Contract.
8. The PARTIES seek to amend the total cost of the Contract because DISTRICT seeks to have CONTRACTOR continue to provide the services prescribed in the Contract, and CONTRACTOR desires to continue to provide those services.
9. The PARTIES also seek to amend the terms and conditions of the Contract because DISTRICT seeks to add updated Terms and Conditions required by the California Air Resources Board (CARB) to ensure compliance with applicable state funding

requirements and CONTRACTOR desires to comply with such Terms and Conditions while performing work under the Contract.

10. In accordance with Section 26 of the Contract, DISTRICT and CONTRACTOR desire to amend the above-entitled Contract as follows:

**TERMS AND CONDITIONS OF CONTRACT AMENDMENT:**

1. By this Contract Amendment, DISTRICT and CONTRACTOR replace Attachment A-1, Scope of Work, with the attached "Attachment A-2, California Air Resources Board (CARB) Requirements," and agree that all references in the Contract to Attachment A shall be deemed to refer to Attachment A-2, California Air Resources Board (CARB) Requirements.
2. By this Contract Amendment, DISTRICT and CONTRACTOR replace Attachment B, Cost Schedule, with the attached "Attachment B-1, Scope of Work," and agree that all references in the Contract to Attachment B shall be deemed to refer to Attachment B-1, Scope of Work.
3. By this Contract Amendment, DISTRICT and CONTRACTOR replace Attachment C, California Code of Regulations – Title 13, with the attached "Attachment C-1, Cost Schedule," and agree that all references in the Contract to Attachment C shall be deemed to refer to Attachment C-1, Cost Schedule.
4. By this Contract Amendment, DISTRICT and CONTRACTOR add Attachment D, with the attached "Attachment D, California Code of Regulations – Title 13."
5. By this Contract Amendment, DISTRICT and CONTRACTOR amend the terms and conditions of the Contract by replacing Sections 3, 5, 7, 8, 9, 12, 13, and 15-27 in their entirety with the following sections and adding new Sections 28 and 29 to the Contract which shall read as follows:

3. PERFORMANCE REQUIREMENTS

- A. CONTRACTOR is authorized to do business in the State of California. CONTRACTOR attests that it is in good tax standing with federal and state tax authorities.
- B. CONTRACTOR agrees to obtain any and all required licenses, permits, and all other appropriate legal authorizations from all applicable federal, state and local jurisdictions and to pay all applicable fees.
- C. CONTRACTOR shall comply with all laws and regulations that apply to its performance under this Contract, including any requirements to disclose potential conflicts of interest under DISTRICT's Conflict of Interest Code.
- D. CONTRACTOR shall not engage in any performance of work during the term of this contract that is in direct or indirect conflict with duties and responsibilities set forth in

Attachment B, 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 all terms of this Contract.
- G. CONTRACTOR and its subcontractors, employees and agents shall comply with all requirements of the California Air Resources Board (CARB), which are described at Attachment A and incorporated herein by this reference.

## 5. TERMINATION

- A. The DISTRICT may terminate this Contract at any time, at will, and without specifying any reason, by notifying CONTRACTOR in writing. The notice of termination shall specify the effective date of termination, which shall be no less than thirty (30) calendar days from the date of delivery of the notice of termination, as set forth in section 10, below, and shall be delivered in accordance with the provisions of section 10 below. Immediately upon receipt of the notice of termination, CONTRACTOR shall cease all work under this Contract, except such work as is specified in the notice of termination. CONTRACTOR shall deliver a final invoice for all remaining work performed but not billed, including any work specified in the termination notice, on or before ten (10) business days following the effective date of termination.
- B. Either party may terminate this Contract for breach by the other party.
  - i. Failure to perform any agreement or obligation contained in this Contract or failure to perform the services in a satisfactory manner shall constitute a breach of the Contract.
  - ii. The non-breaching party may terminate the Contract by delivery of a written notice of breach. The notice of breach shall specify the date of termination, which shall be no earlier than ten (10) business days from delivery of the notice of breach. In the alternative, at its sole discretion, the non-breaching party may require the breaching party to cure the breach. The notice of breach shall specify the nature of the breach and the date by which such breach must be cured.
  - iii. If CONTRACTOR fails to perform any obligation under this Contract, DISTRICT, at its sole discretion, may perform, or cause the performance of, the obligation itself. In that event, DISTRICT shall deduct the costs to perform such obligation and any other costs to cure the breach from the payment otherwise due to CONTRACTOR for work performed under this Contract. DISTRICT's performance hereunder shall not be deemed a waiver or release of any obligation of, or default by, CONTRACTOR under this Contract.
  - iv. The notice of breach shall be provided in accordance with the notice requirements set forth in section 10.
  - v. The non-breaching party reserves all rights under law and equity to enforce this Contract and recover any damages, including but not limited to repayment of funds pursuant to Paragraph 2 of Attachment A.

## 7. INDEMNIFICATION

- A. CONTRACTOR shall indemnify and hold harmless DISTRICT, its officers, employees,

agents, representatives and successors-in-interest 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, except for losses arising out of the gross negligence or willful misconduct of DISTRICT.

- B. CONTRACTOR shall indemnify and hold harmless the State of California, CARB, and its/their officers, employees, agents, representatives and successors-in-interest 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, except for losses arising out of the gross negligence or willful misconduct of CARB.

8. PAYMENT

- A. DISTRICT shall pay CONTRACTOR for services in accordance with the terms set forth in the Cost Schedule, which is attached hereto as Attachment C and incorporated herein by this reference.
- B. CONTRACTOR shall submit invoice(s) to DISTRICT for services performed. Each invoice shall specify the total cost of the services for which the invoice is submitted, shall reference tasks shown in the Scope of Work, the hours associated with same, or percentage completion thereof, and the amount of charge claimed, and, as appropriate, shall list any charges for equipment, material, supplies, travel, and subcontractors' services.
- C. DISTRICT's payment of invoices shall be subject to the following limitations and requirements:
  - i. Each invoice, including supporting documentation, shall be prepared on CONTRACTOR's letterhead; shall list DISTRICT's contract number, the period covered by the invoice; and shall be submitted to: Bay Area Air Quality Management District, 375 Beale Street, Suite 600, San Francisco, CA 94105, Attn: Tin Le.
  - ii. DISTRICT shall not pay interest, fees, handling charges, or the cost of money on the Contract.
  - iii. DISTRICT shall pay CONTRACTOR within thirty (30) calendar days after approval by DISTRICT of an itemized invoice.
- D. The total amount for which DISTRICT may be held liable for the performance of services specified in this Contract shall not exceed \$475,000.
- E. It is mutually agreed that if the California Budget Act does not appropriate sufficient funds for the services provided for in this Contract, this Contract shall be of no further force and effect. In this event, the DISTRICT and the State will have no liability to pay any funds whatsoever to CONTRACTOR, and CONTRACTOR will not be obligated to perform any services described in this Contract.

9. DISPUTE RESOLUTION – A party that disputes a notice of breach must first seek mediation to resolve the dispute in accordance with the provisions set forth below.

- A. Upon receipt of a notice of breach of contract, the party may submit a demand for mediation to resolve whether or not a breach occurred. The party must state the basis of the dispute and deliver the demand within ten (10) business days of the date of receipt of the notice of breach.
- B. The mediation shall take place at DISTRICT's office at 375 Beale Street, Suite 600, San Francisco, or at such other place as may be mutually agreed upon by the parties and the

mediator.

- C. The parties shall make good faith efforts to hold the mediation within thirty (30) days after receipt of the demand for mediation.
- D. Each party shall bear its own mediation costs.
- E. In the event the parties are unable to resolve the dispute, either party may file an action in a court of competent jurisdiction to enforce the Contract.
- F. Maximum recovery under this section shall be limited to the sum derived by multiplying the number of vehicles scrapped under this Contract by the per vehicle price specified in Attachment C. The mediation costs shall not reduce the maximum amount recoverable under this section

12. EMPLOYEES OF CONTRACTOR

- A. CONTRACTOR shall be responsible for the cost of regular pay to its employees, as well as cost of vacation leave, vacation replacements, sick leave, severance pay, and pay for legal holidays.
- B. CONTRACTOR, its officers, employees, agents, or representatives shall act in an independent capacity and shall not be considered employees or agents of DISTRICT or CARB, 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 or CARB to its/their employees.

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

- H. 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.
- I. 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.
- J. 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.
- K. 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.

- L. 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.
- M. Prevent access to such materials by a person or entity not authorized under this Contract.
- N. If CONTRACTOR believes disclosure of Confidential Information may be required by law, first give DISTRICT and/or CARB at least ten (10) calendar days' written notice prior to any planned disclosure of Confidential Information so that DISTRICT and/or CARB can seek an order preventing disclosure from a court of competent jurisdiction.
- O. Identify any information CONTRACTOR provides DISTRICT and/or CARB that it asserts is confidential in accordance with California Code of Regulations, title 17, sections 91011 and 91022. CONTRACTOR acknowledges that any information provided to DISTRICT and/or CARB may be released (1) to the DISTRICT or CARB, (2) to the public upon request, except information exempt from disclosure or the disclosure of which is prohibited by law, and (3) to the federal Environmental Protection Agency. CONTRACTOR further acknowledges that DISTRICT and/or CARB may anonymize and aggregate confidential information received and make such information public.
- P. Establish specific procedures in order to fulfill the obligations of this section.

15. PUBLICATION

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

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

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

16. AUDIT / INSPECTION OF RECORDS – 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 DISTRICT, CARB, the California Department of General Services, the California Department of Finance, the California State Auditor and other duly authorized agents of the State of California for a period of (5) years after termination, expiration, or cancellation of this Contract, or five (5) years after final payment under this Contract or conclusion of activities funded under this Contract, whichever is later. 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. CONTRACTOR will cooperate fully, without delay, in all audits, inquiries, and investigations initiated by or on behalf of the DISTRICT and/or the State of California concerning or relating to compliance with local, state, or federal air quality laws, and with this Contract, including but not limited to timely submission of any and all records requested and full cooperation with any on-site inspections.
17. NON-DISCRIMINATION – In the performance of this Contract, CONTRACTOR shall not discriminate in its recruitment, hiring, promotion, demotion, and termination practices, or harass or allow harassment of any employee, on the basis of race, religious creed, color, national origin, ancestry, sex, age, marital status, sexual orientation, medical condition, reproductive health decision making, genetic information, gender, gender identity, gender expression, age (over 40), veteran or military status, physical or mental disability, or any other characteristic protection by law. CONTRACTOR shall not unlawfully deny family-care leave, medical-care leave, pregnancy-disability leave or other legally protected leave. CONTRACTOR 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, which are incorporated herein by reference. CONTRACTOR shall comply with California Government Code section 11135; Title VI of the U.S. Civil Rights Act of 1964; Section 504 of the federal Rehabilitation Act of 1973; the federal Age Discrimination Act of 1975; Section 13 of the Federal Water Pollution Control Act of 1972; and U.S. Environmental Protection Agency’s implementing regulations at 40 C.F.R. Parts 5 and 7. CONTRACTOR shall give notice of this section to labor organizations with which they may have a collective bargaining or other agreement. CONTRACTOR shall permit access by representatives of DISTRICT, CARB, California Civil Rights Department, or U.S. EPA to all information required to ensure compliance with this clause. CONTRACTOR acknowledges that CARB will submit a complaint to the California Civil Rights Department for investigation if it has information that CONTRACTOR has violated this clause, and that CONTRACTOR may be subject to remedial action and termination of this Contract. The CARB Civil Rights Policy applies to this Contract. 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.
18. PROPERTY AND SECURITY – Without limiting CONTRACTOR’S obligations with regard to

security, CONTRACTOR shall comply with all the rules and regulations established by DISTRICT for access to and activity in and around DISTRICT's premises.

19. ASSIGNMENT – No party shall assign, sell, license, or otherwise transfer any rights or obligations under this Contract to a third party without the prior written consent of the other party, and any attempt to do so shall be void upon inception. Any assignment may be subject to approval by CARB.
20. WAIVER – No waiver of a breach, of failure of any condition, or of any right or remedy contained in or granted by the provisions of this Contract shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy shall be deemed a waiver of any other breach, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies. Further, the failure of a party to enforce performance by the other party of any term, covenant, or condition of this Contract, and the failure of a party to exercise any rights or remedies hereunder, shall not be deemed a waiver or relinquishment by that party to enforce future performance of any such terms, covenants, or conditions, or to exercise any future rights or remedies.
21. ATTORNEYS' FEES – In the event any action is filed in connection with the enforcement or interpretation of this Contract, each party shall bear its own attorneys' fees and costs.
22. FORCE MAJEURE – Neither DISTRICT nor CONTRACTOR nor CARB 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, flood, earthquake or other physical natural disasters, 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, government declaration of emergency, national or State declared pandemics, or other causes, except financial, that are beyond the reasonable control of DISTRICT or CONTRACTOR or CARB, for a period of time equal to the period of such force majeure event, provided that the party failing to perform notifies the other party within fifteen calendar days of discovery of the force majeure event, and provided further that that party takes all reasonable action to mitigate the damages resulting from the failure to perform. Notwithstanding the above, if the cause of the force majeure event is due to a party's own action or inaction, then such cause shall not excuse that party from performance under this Contract. DISTRICT may terminate this Contract immediately in writing without penalty to either party in the event CONTRACTOR invokes this clause. If the Contract is not terminated by DISTRICT, upon completion of the event of force majeure, CONTRACTOR must, as soon as reasonably practicable, recommence performance of its obligations under this Contract.
23. SEVERABILITY – If a court of competent jurisdiction holds any provision of this Contract to be illegal, unenforceable or invalid, in whole or in part, for any reason, the validity and enforceability of the remaining provisions, or portions of them, will not be affected.
24. HEADINGS – Headings on the sections and paragraphs of this Contract are for convenience

and reference only, and the words contained therein, shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Contract.

25. COUNTERPARTS/FACSIMILES/SCANS – This Contract may be executed and delivered in any number of counterparts, each of which, when executed and delivered, shall be deemed an original, and all of which together shall constitute the same contract. The parties may rely upon a facsimile copy or scanned copy of any party’s signature as an original for all purposes.
26. GOVERNING LAW – Any dispute that arises under or relates to this Contract shall be governed by California law, excluding any laws that direct the application of another jurisdiction’s laws. Venue for resolution of any dispute that arises under or relates to this Contract, including mediation, shall be San Francisco, California.
27. ENTIRE CONTRACT AND MODIFICATION – This Contract represents the final, complete, and exclusive statement of the agreement between the parties related to CONTRACTOR providing services to DISTRICT, and supersedes all prior and contemporaneous understandings and agreements of the parties. No party has been induced to enter into this Contract by, nor is any party relying upon, any representation or warranty outside those expressly set forth herein. This Contract may only be amended by mutual agreement of the parties in writing and signed by both parties.
28. SURVIVAL OF TERMS – The following provisions shall survive the expiration or termination of this Contract: Sections 7 (Indemnification), 12 (Employees of Contractor), 13 (Confidentiality), 14 (Intellectual Property), 15 (Publication), 16 (Audit / Inspection of Records), 17 (Non-Discrimination) (with regard to Contractor's acknowledgment that CARB will file a complaint if it has information that Contractor has violated the clause), 23 (Severability), and Attachment A, Paragraph 2 (Payment (Recapture) On Demand), Attachment A, Paragraph 3 (Third Party Beneficiary), Attachment A, Paragraph 5 (Non-Exclusive Remedies), Attachment A, Paragraph 8 (Contractor's Responsibility for Work), Attachment A, Paragraph 10 (Personally Identifiable Information (PII), Attachment A, Paragraph 13 (Electric Vehicle Charging Infrastructure and Equipment), Attachment A, Paragraph 14 (Greenhouse Gas Reduction Fund Acknowledgement), Attachment A, Paragraph 16 (Generative Artificial Intelligence), and Attachment A, Paragraph 17 (Incorporated Documents).
29. AUTHORIZED SIGNATURE – CONTRACTOR agrees, under penalty of perjury, that is has signed or authorized the signing of this Contract by a person with full power and legal authority to sign this Contract, and that all statements, responses and information provided to the DISTRICT in pursuit of the Contract are true and correct. CONTRACTOR agrees that all statements, responses and information are subject to investigation by the DISTRICT and CARB, or their representatives, and that any false statements, responses or information may be in violation of the California False Claims Act, is in breach of this Contract, and may disqualify CONTRACTOR from receiving any existing or further funding. By signing this Contract, CONTRACTOR is bound to and will comply with all terms and conditions of this Contract, including those in any Attachments.

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

DRAFT

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

PICK-N-PULL AUTO DISMANTLERS

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

By: \_\_\_\_\_  
John Blobner  
Vice President of Vehicle  
Purchasing

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

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

Approved as to form:

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

**Attachment A-2**  
**California Air Resources Board (CARB) Requirements**

CONTRACTOR and its subcontractors, employees and agents shall comply with the following requirements of the California Air Resources Board (CARB).

1. CONFLICT OF INTEREST

- A. CONTRACTOR certifies that it is in compliance with all applicable state and federal conflict of interest laws and will remain in compliance with all such laws during the Term of this Contract.
- B. CONTRACTOR certifies that it has no interest, and will not acquire any interest, direct or indirect, which will conflict with its ability to impartially perform the tasks described in this Contract.
- C. CONTRACTOR agrees that it must disclose any direct or indirect financial interest which may pose an actual, apparent, or potential conflict of interest. CONTRACTOR agrees that the nature and extent of any actual, apparent, or potential conflict of interest may be a basis for disqualification from receiving any funds from the DISTRICT.
- D. CONTRACTOR will immediately advise the DISTRICT in writing of any potential new conflicts of interest as they arise.

2. PAYMENT (RECAPTURE) ON DEMAND

- A. CONTRACTOR will, upon notification by the DISTRICT and/or CARB or their authorized representative(s) of an overpayment, wrongful payment, or a violation of or failure to comply with any term or condition of this Contract, remit to the DISTRICT or its authorized representative the requested amount within sixty (60) days from the date of issuance of said notice.
- B. CONTRACTOR agrees that the DISTRICT or CARB, or their designee, may require CONTRACTOR to return funds it received due to termination for cause of this Contract, or for CONTRACTOR's misinformation, misrepresentation, misuse of funds, or fraud. DISTRICT and CARB also reserve the right to prohibit CONTRACTOR from participating in current or future funding programs.

3. THIRD-PARTY BENEFICIARY

- A. CONTRACTOR agrees that the State of California, acting by and through CARB, is an intended third-party beneficiary to this Contract. CONTRACTOR will name CARB and the State of California as third-party beneficiaries in all subcontracts entered into using funds from this Contract, and provide copies of these agreements upon request.

4. COMPLIANCE WITH AIR QUALITY LAWS

- A. CONTRACTOR certifies that it is in compliance with all applicable federal, state, and local air quality rules and regulations ("air quality laws"), and will remain in compliance with all air quality laws throughout the Term of this Contract.
- B. CONTRACTOR agrees that compliance with air quality laws is a precondition to the receipt of funding under this Contract.
- C. CONTRACTOR agrees that the DISTRICT may, at its discretion, terminate this Contract without any obligation to pay CONTRACTOR if CONTRACTOR is in continuing violation of applicable air quality laws.
- D. CONTRACTOR agrees that, if DISTRICT has made payments to CONTRACTOR under this Contract, and CONTRACTOR is in continuing violation of applicable air quality laws, the DISTRICT may, at

its discretion, require CONTRACTOR to return some or all of the funding. CONTRACTOR will promptly return funding to the DISTRICT within the time specified by the DISTRICT.

5. NON-EXCLUSIVE REMEDIES

- A. The remedies set forth in this Contract are contractual in nature. CONTRACTOR agrees that nothing in this Contract limits or precludes the State of California or the DISTRICT from taking any enforcement action, exercising any police power, or prosecuting any violation of law against CONTRACTOR, its employees, officers, agents, assigns, representatives, contractors, subcontractors, affiliates or any third parties.
- B. CONTRACTOR agrees that it will promptly notify the DISTRICT of any and all suspected or known breaches of this Contract, misinformation, misrepresentation, fraud, or misuse of funds provided under this Contract.

6. RUSSIAN SANCTIONS

- A. On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 regarding Economic Sanctions against Russia and Russian entities and individuals imposed by the federal or state government in response to Russia's actions in Ukraine.
- B. CONTRACTOR represents and warrants that it is not a target of Economic Sanctions, and that it will refrain from conducting prohibited transactions with sanctioned individuals or entities through the Contract Term.

7. FUNDING PROHIBITIONS FOR SECTARIAN PURPOSES AND NON-PUBLIC SCHOOLS

- A. CONTRACTOR may only use or authorize the use of funding provided under this Contract in a manner consistent with the California Constitution, article XVI, section 5 and article IX, section 8 (prohibiting grant fund awards to non-public schools), and federal law.
- B. CONTRACTOR agrees to provide any information requested by DISTRICT and/or CARB to ensure compliance with this provision.

8. CONTRACTOR'S RESPONSIBILITY FOR WORK

- A. DISTRICT and/or CARB are not responsible for disputes arising out of CONTRACTOR's contracts for work on a project funded by this Contract, including but not limited to payment disputes with recipients of funding.
- B. DISTRICT and/or CARB will not mediate disputes between CONTRACTOR and any other entity.

9. OFFICE OF FOREIGN ASSET CONTROL

- A. Transactions are prohibited if they involve the property or interests in property of an entity or individual listed on the Office of Foreign Asset Control (OFAC) targeted lists. The property and interests in property of an entity that is 50 percent or more owned by one or more persons whose property and interests in property are blocked pursuant to any part of 31 C.F.R. chapter V are also blocked.
- B. CONTRACTOR agrees that is not in violation of any federal law pertaining to any entity or individual listed on any of the OFAC lists.

10. PERSONALLY IDENTIFIABLE INFORMATION (PII)

- A. Information or data that personally identifies an individual is confidential in accordance with relevant State or federal law.

- B. CONTRACTOR agrees to comply with all applicable PII law, and safeguard all PII which comes into their possession under this Contract. CONTRACTOR will not release PII, except as required by law, court order, or legal process.

11. PREVAILING WAGES

- A. CONTRACTOR agrees to be bound by and comply with all applicable provisions of the California Labor Code Section 1720-1861 regarding prevailing wages and labor compliance.

12. PROFESSIONALS

- A. CONTRACTOR agrees that only licensed professionals will be used to perform services under this Contract where such services are required to be performed by licensed professionals under State law.

13. ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND EQUIPMENT

- A. CONTRACTOR certifies that any installation of electric vehicle charging equipment will comply with Public Utilities Code section 740.20, and agrees that Electric Vehicle Infrastructure Training Program (EVITP) Certification Numbers of each EVITP-certified electrician that will install equipment will be submitted prior to reimbursement by DISTRICT.
- B. CONTRACTOR agrees to comply with the California Energy Commission’s uptime recordkeeping and reporting standards for electric vehicle chargers and charging stations for a minimum of six (6) years, or such longer period as the California Energy Commission designates. (Public Resources Code section 25231.5)

14. GREENHOUSE GAS REDUCTION FUND ACKNOWLEDGEMENT

- A. CONTRACTOR agrees to include the California Climate Investments (CCI) funding boilerplate and logo (see Figure 1) on all outreach and public facing materials whenever it publicizes (in any news media, websites, brochures, publications, audiovisuals, or other types of promotional material) projects funded in whole or in part by this Contract. The acknowledgment must read as follows: “Clean Cars 4 All is part of the California Climate Investments, a statewide initiative that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment – particularly in disadvantaged communities.” Whenever applicable, CONTRACTOR agrees to use the Spanish translation: “Clean Cars 4 All forma parte de las Inversiones del Clima de California, un iniciativa estatal que destina miles de millones de dólares de Cap-and-Trade para la reducción de gases de efecto invernadero, fortalecimiento de la economía y mejoramiento de la salud pública y el medio ambiente – especialmente en comunidades en desventaja.”

Figure 1: CCI logo



#### 15. AMERICANS WITH DISABILITIES ACT

- A. CONTRACTOR will ensure that work products submitted to CARB, uploaded, or otherwise provided to CARB by CONTRACTOR and/or its subcontractors under this Contract, which are intended to be publicly posted or otherwise distributed to the public, comply with Web Content Accessibility Guidelines 2.0, levels A and AA, and otherwise meet the accessibility requirements set forth in California Government Code Sections 7405 and 11135, Section 202 of the federal Americans with Disabilities Act (42 U.S.C. § 12132), and Section 508 of the federal Rehabilitation Act (29 U.S.C. § 794d) and the regulations promulgated thereunder (36 C.F.R. Parts 1193 and 1194). For any work product provided to CARB in PDF format, CONTRACTOR must also provide an electronic version in the original electronic format (for example, Microsoft Word or Adobe InDesign).

#### 16. GENERATIVE ARTIFICIAL INTELLIGENCE

- A. Generative Artificial Intelligence (GenAI) is an artificial intelligence system that can generate derived synthetic content, including text, images, video, and audio that emulates the structure and characteristics of the system's training data. (Gov. Code section 11549.64)
- B. CONTRACTOR must notify DISTRICT and CARB within 15 days if it (i) intends to provide GenAI as a deliverable to the DISTRICT or CARB; (ii) intends to utilize GenAI to complete all or a portion of its work under this Contract.
- C. At the direction of the DISTRICT or CARB, CONTRACTOR agrees to discontinue use of GenAI.
- D. Failure to disclose or discontinue the use of GenAI may be deemed a material breach of this Contract.

#### 17. INCORPORATED DOCUMENTS

- A. DISTRICT will provide CONTRACTOR the following documents, which are incorporated by reference into this Contract. CONTRACTOR agrees to follow the requirements described in these documents.
  - 1. Clean Cars 4 All Program, [California Health and Safety Code \(H&SC\), §§ 44124 through 44127](#);
  - 2. Clean Cars 4 All Program, [California Code of Regulations \(CCR\), title 13, § 2630 et seq](#);
  - 3. [Cap-and-Trade Auction Proceeds Funding Guidelines for Agencies that Administer California Climate Investments](#);
  - 4. Clean Cars 4 All CARB Requirements;
  - 5. CARB Implementation Update Announcements (to be issued by CARB, as needed, to clarify, revise, or supplement Program requirements).

## ATTACHMENT B-1

### SCOPE OF WORK

CONTRACTOR shall perform inspections of vehicles that participate in the Clean Cars for All Program (CCFA Program) and scrap eligible vehicles per the requirements in this Contract. DISTRICT will not reimburse CONTRACTOR for the overhead associated with scrapped vehicles, if such vehicle fails to meet the following requirements:

#### A. Vehicle Eligibility Requirements

All vehicles scrapped as a part of CCFA Program shall meet the minimum retired eligibility requirements per California Code of Regulations (CCR), Title 13, Chapter 13, Article 2, Section 2624, attached hereto as Attachment D. In addition, CONTRACTOR shall only scrap vehicles meeting the following status requirements:

1. The vehicle must be a gasoline-powered passenger car or light-duty truck up to 10,000 pounds gross vehicle weight or less.

#### B. Vehicle Inspections

CONTRACTOR shall perform a pre-inspection and post-inspection of the vehicles that participate in the Clean Cars for All Program and only scrap vehicles meeting the following requirements:

1. The vehicle must be driven to the inspection site under its own power for a pre-inspection and not for a post inspection. If CONTRACTOR has knowledge that a vehicle was towed or pushed for any portion of the trip to the inspection site for the pre-inspection, then CONTRACTOR shall not approve the vehicle for eligibility.
2. CONTRACTOR shall complete the following functional test during the pre-inspection and post inspection, and shall reject the vehicle if the vehicle fails to complete the following test during the pre-inspection only:

Insert key, vehicle engine must start using keyed ignition system. In addition to the keyed ignition switch, ignition or fuel kill switch may be activated if required to start engine. The vehicle must start readily through ordinary means without the use of starting fluids or external booster batteries. The vehicle shall be driven forward for a minimum of 25 feet under its own power. The vehicle shall be driven in reverse for a minimum of 25 feet under its own power.

3. Vehicles failing the functional test during a pre-inspection may be retested by CONTRACTOR for compliance with these requirements provided the vehicle has traveled a minimum of 10 miles subsequent to the failure determination or DISTRICT has approved of the retest. Vehicles failing the functional test during the post-inspection can be accepted for scrapping and scrapped.
4. Upon completion of the pre-inspection and post-inspection, CONTRACTOR will submit an inspection report to DISTRICT within 2 business days of completion.
5. The inspections and functional tests must be performed by a DISTRICT-approved inspector and conducted on-site at CONTRACTOR's yard.

#### C. CONTRACTOR Requirements

1. CONTRACTOR must either be an auto dismantler, licensed according to the requirements of the California Vehicle Code, other business codes, and the regulations of the DMV, for the

purpose of vehicle disposal after purchase; or have a binding agreement with a duly authorized auto dismantler, for the purpose of vehicle disposal after purchase.

2. At least thirty (30) days prior to commencing operations as a Program contractor, CONTRACTOR shall provide the DISTRICT, in writing, on forms provided by the DISTRICT, information demonstrating the ability to comply with all provisions of Program. This information must include contractor's name and business address; licensed auto dismantler name and business address; a written statement from the auto dismantler under penalty of perjury certifying compliance with local water conservation regulations, state, county, and city energy and hazardous materials response regulations, and local water agency soil, surface, and ground water contamination regulations; and any other information requested in applicable DISTRICT rules.
3. CONTRACTOR is required to contract with a DISTRICT approved inspection entity, to provide inspection services to perform the vehicle functional and equipment eligibility inspection specified in Section B, on-site at CONTRACTOR's yard if CONTRACTOR is unable to or chooses not to be approved by DISTRICT to perform this function.
4. CONTRACTOR shall verify that the vehicle meets the vehicle registration eligibility and functional test requirements. The vehicle registration eligibility will be determined by DISTRICT and confirmed by CONTRACTOR during inspections.
5. During inspections specified in Section B, CONTRACTOR must verify that the person delivering the vehicle for inspections is the owner or an authorized representative of the legal owner, properly empowered to submit vehicle to be scrapped.
6. A vehicle purchased as part of the Program, must be permanently destroyed by CONTRACTOR, or CONTRACTOR's duly contracted dismantler, within ninety (90) days of the date it is submitted to CONTRACTOR, and may not be resold to the public or put into operation in any way, except such a vehicle may be briefly operated for purposes related to the disposal of the vehicle as part of the normal disposal procedures.
7. The vehicle will be considered destroyed when it has been crushed or shredded or otherwise rendered permanently and irreversibly incapable of functioning as originally intended, and when all appropriate records maintained by the DMV have been updated to reflect that the vehicle has been acquired by a licensed auto dismantler for the purposes of dismantling.
8. All vehicles must be confined in a holding area separate from other vehicles procured by CONTRACTOR until they are permanently destroyed.
9. All activities associated with retiring vehicles, including but not limited to the disposal of vehicle fluids and vehicle components, must comply with local water conservation regulations, state, county, and city energy and hazardous materials response regulations, and local water agency soil, surface, and ground water contamination regulations.
10. CONTRACTOR must cooperate with any inspections of the facilities, and review of CONTRACTOR's operation of the program as requested by the DISTRICT or CARB. These inspections can include audits of the required program documentation.

**D. Parts Recycling and Resale**

1. CONTRACTOR may separate ferrous and non-ferrous metals prior to retiring vehicles. CONTRACTOR may not separate parts for re-coring or rebuilding. CONTRACTOR, its agents, subcontractors, or employees shall not remove any parts from vehicles for resale or reuse, except tires, batteries, camper shells, and audio equipment.

**E. Advertising**

1. CONTRACTOR is encouraged to advertise for or otherwise attract participants who qualify for Program. CONTRACTOR must get DISTRICT approval prior to doing any advertising.
2. CONTRACTOR will use the DISTRICT's approved logos and California Climate Investment logos on any printed material for public distribution. All uses of the DISTRICT's logo must be pre-approved for use by DISTRICT staff.
3. CONTRACTOR will credit the California Climate Investments as the funding source for the Program in any related articles, news releases, or other publicity materials. All advertising materials, information packages, and any other materials provided to media, to the public, or to vehicle sellers require prior approval by the DISTRICT.
4. Any advertising conducted by CONTRACTOR for the purpose of recruiting vehicle owners to sell their vehicles into the Program shall contain clear and prominent language stating that participation in the Program is completely voluntary; and shall not contain any language stating or implying that the Program is anything but voluntary for the vehicle seller.

**F. Records, Auditing and Enforcement**

1. The following requirements for records, auditing, and enforcement shall be met:
  - (A) CONTRACTOR shall be responsible for maintaining and storing the following information for each vehicle removed from operation for the Program:
    - (1) Vehicle Identification Number (VIN)
    - (2) Vehicle license plate number
    - (3) Vehicle make and model year
    - (4) Vehicle odometer reading
    - (5) Name, address and phone number of legal owner scrapping vehicle with CONTRACTOR
    - (6) Name and business address of inspector conducting the vehicle's eligibility inspection, if CONTRACTOR contracts with a DISTRICT-approved inspection entity to perform the vehicle functional and equipment eligibility inspection
    - (7) Pre-inspection and post-inspection dates
    - (8) Date of vehicle retirement
    - (9) Reproduction of California Certificate of Title, as signed-off by Participant of Program
    - (10) Reproduction of the applicable certificate of functional and equipment eligibility
    - (11) Reproduction of the applicable Report of Vehicle to be Dismantled and Notice of Acquisition (California Department of Motor Vehicles Registration 42 form)
    - (12) Any other pertinent data requested by the DISTRICT
  - (B) Upon request of the DISTRICT, the data contained in records required in Section F.1(A)(1) through (12) shall be transmitted to the DISTRICT in an electronic database format. The electronic format will be provided by the DISTRICT.
  - (C) CONTRACTOR will maintain copies, either electronic or paper, of the information listed in Section F.1(A)(1) through (12) for a minimum period of five (5) years, and shall make those records available to the DISTRICT upon request.
  - (D) The DISTRICT may conduct announced and unannounced audits and on-site inspections of CONTRACTOR's operations to ensure operations are being conducted according to all

applicable rules and regulations. The DISTRICT shall notify any noncompliant contractor of the nature of the violation and shall initiate any enforcement or remedial action necessary.

- (1) CONTRACTOR and their subcontractors shall allow the DISTRICT to conduct announced and unannounced audits and inspections and shall cooperate fully in such situations.
  - (2) Violation of any provision of these regulations, including falsification of any information or data, shall constitute a citable violation making the violator subject to all applicable penalties specified in the California Health and Safety Code. In addition, violation of any provision of §2624 by CONTRACTOR or its subcontractors shall result in the issuance of a Notice of Violation(s).
2. CONTRACTOR will handle all DMV paperwork associated with the receiving, dismantling, and scrapping of vehicles.
  3. CONTRACTOR will provide monthly invoice reports to the DISTRICT on the status of the Program. The reports shall include the monthly and cumulative number of vehicles scrapped, number of vehicles that pass or fail the pre-inspection and post-inspection.

**ATTACHMENT C-1**

**COST SCHEDULE**

- A. Per Vehicle Payment.** CONTRACTOR is to be paid at the rate of \$49.00 per vehicle scrapped for the overhead for the Clean Cars for All Program. Payments shall not exceed \$475,000 without DISTRICT approval.

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## ATTACHMENT D

### CALIFORNIA CODE OF REGULATIONS – TITLE 13

#### § 2624. Retired Vehicle Minimum Eligibility Requirements.

- (a) In order to participate in the EFMP, an individual must be the registered owner of the vehicle with vehicle title issued in their name.
- (b) Vehicles that hold a salvage title are eligible for participation if registered at the time of application.
- (c) The vehicle must meet one of the following requirements:
- (1) It shall meet the DMV requirements as specified in sections 3394.4 (b)(6)(C) and 3394.4 (b)(6)(D) of Title 16 of Division 33, Article 11 of the California Code of Regulations
  - (2) An unregistered vehicle, or a currently registered vehicle not meeting (c)(1) above, may also be eligible if proven to have been driven primarily in California for the last two years and not to have been registered in any other state or country in the last two years. Documentation of operation in California includes the following:
    - (A) Proof of continuous insurance coverage in California for the two consecutive years preceding application to the EFMP, without lapses in insurance coverage totaling more than 120 days; or
    - (B) At least two invoices from an Automotive Repair Dealer registered at the time of the repair with the Bureau pursuant to section 9884.6 of the Business and Professions Code showing the following:
      1. The Automotive Repair Dealer's valid registration number, as issued by the Bureau
      2. The name and address of the Automotive Repair Dealer, as shown on the Bureau's records
      3. Description of a repair or maintenance operation performed to the vehicle
      4. The vehicle year, make, model, and vehicle identification or license plate number matching the vehicle to be retired
      5. The date of the repair or maintenance visit
    - (C) Invoices submitted for the purpose of satisfying the requirements of section (B) shall be from two separate calendar years. The oldest invoice may not be older than twenty-four months prior to the date of application receipt.
- (d) Vehicles shall be voluntarily dismantled at a Dismantler under contract with BAR;
- (e) Vehicles shall be up to 10,000 pounds gross vehicle weight rating: including a passenger vehicle, truck, sports utility vehicle (SUV), or van;
- (f) Vehicles must complete a functionality test to ensure that the vehicle is capable of being driven on the road. Examples of acceptable functionality tests include but are not limited to: smog check tests as defined in section 2626(f), or another demonstration of functionality such as the inspection requirements listed in section 2626(b).

NOTE: Authority cited: Sections 39600, 39601 and 44125, Health and Safety Code. Reference: Sections 39600, 39601 and 44125, Health and Safety Code.

**BAY AREA AIR DISTRICT**  
Memorandum

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

From: Alexander G. Crockett  
General Counsel

Date: July 1, 2026

Re: Authorization to Amend Contract with Aqua Terris Aeris Law Group for Legal  
Services Related to Enforcement of Air Quality Violations

RECOMMENDED ACTION

Authorize the General Counsel to amend the Air District's legal services agreement with Aqua Terris Aeris Law Group ("ATA") to increase the maximum dollar amount of the agreement by \$200,000, from \$200,000 to \$400,000, for legal services related to prosecution of enforcement cases against regulated entities that violate Air District regulations. The Air District recovers outside counsel costs from penalties collected in the cases the outside counsel works on under the Community Benefits Penalty Funds Policy.

BACKGROUND

ATA is an environmental litigation firm that represents government agencies (including multiple other California air districts), as well as nonprofits, community groups, property owners, and others, in enforcement cases and similar matters under various environmental statutes. ATA has significant experience handling complex enforcement cases of the type the Air District frequently encounters.

In 2024, the Air District conducted a "Request for Qualifications" process (RFQ #2023-035) to pre-qualify outside counsel firms with expertise in eight different areas of law, in accordance with the Air District's Procurement Policy. When a need arose for an outside law firm to provide litigation support related to enforcement cases, attorneys from the General Counsel's Office interviewed three qualified firms from the "bench" of firms qualified under RFQ #2023-035. ATA was determined to be the most suitable firm for this work because of its cost-effective billing rates, which were the lowest of the firms interviewed; its experience with similar types of enforcement work in the California courts; and its experience representing other California air districts. This procurement review qualified ATA to be hired under the Procurement Policy, and, as such, the General Counsel was and is authorized to engage ATA for this work under Section 9.4(g) of the Administrative Code.

## DISCUSSION

The General Counsel retained ATA in January of 2025 to provide the Air District's Legal Division with additional litigation resources to prosecute violations in cases where the violator refuses to comply voluntarily or will not agree to a reasonable penalty (among other related legal services to support improvements in the Air District's enforcement program). It is important to have aggressive litigation counsel on call to handle such situations to make it clear to violators that the Air District takes noncompliance seriously and has the resources to take action if the violator refuses to engage in productive settlement discussions.

The Air District is currently receiving support from ATA on three enforcement litigation matters. The Air District needs to increase the contract limit in the amount of \$200,000 to allow for continued work on these cases. This increase would bring the total value of the contract from \$200,000 to \$400,000.

## BUDGET CONSIDERATION/FINANCIAL IMPACT

The Air District's Fiscal Year 2026-2027 budget has allocated funds for outside counsel support for litigation in Program 205 – Litigation Services. Program 205 has sufficient funds to support this contract amendment.

It should also be noted that outside counsel costs associated with enforcement cases are recovered from the penalties that result from the litigation the outside counsel supports. Under the Air District's Community Benefits Penalty Fund Policy, before penalties are allocated under that policy, any external costs associated with obtaining the penalty are recouped into the Air District's general fund budget. The penalty cases ATA will work on are expected to generate more than \$200,000 in penalties, meaning these costs will likely be recovered under that Policy.

Respectfully submitted,

Alexander G. Crockett  
General Counsel

Prepared by: Alexandra Kamel and Carrie Schilling  
Reviewed by: Alexander Crockett

ATTACHMENT(S):

1. Aqua Terris Aeris Law Group Agreement
2. Aqua Terris Aeris Law Group Amendment 1
3. Aqua Terris Aeris Law Group Amendment 2
4. Aqua Terris Aeris Law Group Draft Amendment 3



8 RIO VISTA AVE.  
OAKLAND, CA 94611

MATTHEW C. MACLEAR  
PARTNER

T: 415-568-5200  
mcm@atalawgroup.com

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## AGREEMENT FOR LEGAL SERVICES

THIS AGREEMENT entered into this 22nd day of January 2025, by and between the Bay Area Air Quality Management District (hereinafter referred to as "AIR DISTRICT") and AQUA TERRA AERIS (ATA) LAW GROUP, LLP (hereinafter referred to as "FIRM") for the purposes of representing the AIR DISTRICT in enforcement matters and providing the following legal services:

- Case development and investigations
- Drafting regulatory enforcement correspondence
- Consulting on settlement templates and procedures
- Evidentiary evaluations of cases and legal matters
- Settlement enforcement, or Judgment recovery, on a case-by-case basis
- Specialized trainings provided to AIR DISTRICT staff re: investigations, report writing, deposition and trial testimony
- Administrative hearing, litigation and trial work for enforcement cases

The parties do hereby agree as follows:

1. SERVICES. AIR DISTRICT does hereby retain FIRM and FIRM does hereby accept representation of AIR DISTRICT as a client for the purpose of representing AIR DISTRICT in enforcement-related matters and the above-referenced services.

2. TERM. This retainer shall be effective on the date this Agreement is approved, unless terminated by AIR DISTRICT or FIRM, as provided herein.

3. FEES. In consideration for the services rendered pursuant to this agreement, AIR DISTRICT agrees to pay FIRM fees at the hourly rates, described below, for all legal services described herein. FIRM attorneys include partners (Matthew C. Maclear, Jason R. Flanders, Anthony M. Barnes, and Erica A. Maharg), associates, and paralegals. Matthew C. Maclear will be the primary contact and responsible attorney for the purpose of providing the services described herein. The services provided shall include pre-litigation and enforcement counsel on the matters described in Paragraph 1 and the opening description of legal services.

The contracted hourly rates will be as follows:

- \$350/hour for partners
- \$250/hour for associates
- \$150/hour for paralegals

FIRM shall prepare an itemized monthly invoice on or about the tenth day of each month. AIR DISTRICT shall review FIRM's itemized monthly billing and approve payment of authorized charges to FIRM within its regular payment schedule, but not later than thirty (30) days after receipt of the billing. **FIRM's total invoices for this matter will not exceed \$65,000, unless authorized in writing by Air District.**

The AIR DISTRICT will retain the right to handle any individual case, without the FIRM's services, through administrative or civil channels, or it may choose to make a criminal referral, as it deems appropriate. Unless specifically requested and approved by the AIR DISTRICT through its General Counsel, the FIRM will not represent or serve as a liaison for the AIR DISTRICT in an administrative, civil or criminal matters, respectively.

4. APPROVAL NECESSARY FOR INITIATING AN ACTION AND SETTLEMENT. FIRM will not initiate any action or make any offer of settlement or compromise of any nature of any of the AIR DISTRICT'S claims without prior approval by the AIR DISTRICT's General Counsel. The AIR DISTRICT, acting through its General Counsel, agrees to seriously consider any settlement offer FIRM recommends before making a decision to accept or reject such offer. The AIR DISTRICT will not make any settlement or compromise of any nature of any of the AIR DISTRICT'S enforcement-related claims brought through FIRM, without prior notice and opportunity to be heard by FIRM. But, all decisions regarding settlement of the case are reserved exclusively to the discretion of the AIR DISTRICT's Executive Officer/Air Pollution Control Officer or General Counsel. It is presumed that the person or governmental entity making a decision authorizing initiation of an action or settlement has the legal and contractual authority to do so.

4.1 AIR DISTRICT Retains Decision Making Authority.

AIR DISTRICT retains complete control of all decisions in any action or other matter under this Agreement. AIR DISTRICT in no way assigns its prosecutorial discretion to FIRM and retains all of its inherent powers related to prosecutorial discretion, judgment, control and decision making related to the matters to be handled by FIRM. This authority and control includes, but is not limited to, the following:

- (a) Decisions regarding settlement of an action are reserved exclusively to the discretion of the AIR DISTRICT's Executive Officer/Air Pollution Control Officer or General Counsel, as communicated to FIRM.
- (b) Any of the Defendants that are the subject of an action may contact AIR DISTRICT Counsel directly, without first having to confer with or get permission to do so from FIRM;
- (c) The AIR DISTRICT, through its General Counsel, will retain complete control over the course and conduct of any matter handled by FIRM;
- (d) AIR DISTRICT's General Counsel retains veto power over any decisions made or proposed to be made by FIRM;
- (e) AIR DISTRICT's General Counsel may and shall be personally involved in overseeing the enforcement action and participating in all significant legal decisions; and

- (f) FIRM shall provide all significant written court briefing and other submittals to the AIR DISTRICT's counsel for review reasonably in advance of the filing or delivery deadline to allow for meaningful review and editing.

5. EXPENSES. FIRM shall be reimbursed for all out-of-pocket costs and expenses advanced by FIRM. Costs and expenses shall include, but not be limited to, fees for filing, service of process, depositions, witnesses, court call, investigations, and other related court costs, travel, meals, parking and other related travel-related expenses. Such expenses shall be included within monthly invoices.

6. EXPERTS. To aid in the preparation or presentation of AIR DISTRICT'S case, it may become necessary to hire expert witnesses, consultants or investigators. FIRM will first seek to find appropriate experts and expertise within AIR DISTRICT, but in consultation with the AIR DISTRICT may select expert witnesses, consultants, or investigators to be hired after the AIR DISTRICT has been informed of consultant's or expert's fee schedules. The AIR DISTRICT agrees that, whether or not attorneys' fees or costs are awarded by the court in ANY AIR DISTRICT case, the AIR DISTRICT will remain responsible for the payment, in full, of all FIRM'S and expert fees and expenses in accordance with this Agreement.

7. RESPONSIBILITIES. FIRM agrees to provide legal services in a professional manner and in the practice and custom of practitioners in the environmental enforcement bar.

8. TERMINATION. Either party shall have the right to terminate this agreement upon thirty (30) days written notice.

9. INDEPENDENT CONTRACTOR AND HOLD HARMLESS. It is agreed that FIRM shall serve as an independent contractor and not as employee(s) of AIR DISTRICT.

10. INSURANCE. FIRM shall maintain professional liability insurance, malpractice and vehicle insurance throughout the entire term of this agreement.

11. GOVERNING LAW. The laws of the State of California shall govern the validity, construction, and enforcement and interpretation of this Agreement. This Agreement contains the entire agreement between AIR DISTRICT and FIRM regarding the matters described herein, and the fees, charges and expenses to be paid relative thereto, and supersedes all prior oral or written agreements. This Agreement may only be amended in writing by AIR DISTRICT and FIRM, and their respective legal representatives, successors, and assigns.

12. COUNTERPART SIGNATURES. This Agreement may be executed in multiple original counterparts, each of which shall be deemed an original, and which together shall constitute the same agreement.

13. ARBITRATION

A. ARBITRATION OF ALL DISPUTES INCLUDING CLAIMS OF MALPRACTICE

Any controversy between the parties regarding the construction, application or performance of any services under this Agreement, and any claim arising out of or relating to this

Agreement or its breach, shall be submitted to binding arbitration upon the written request of one party after the service of that request on the other party. The parties shall appoint one retired judge/justice from JAMS to hear and determine the dispute and agree that the arbitration shall be conducted pursuant to the JAMS arbitration rules. If the parties cannot agree upon selection of an arbitrator, then the Superior Court of San Francisco County shall choose an impartial arbitrator whose decision shall be final and conclusive on all parties. FIRM and AIR DISTRICT shall each have the right of discovery in connection with any arbitration proceeding in accordance with Code of Civil Procedure Section 1283.05. The cost of the arbitration, excluding legal fees and costs, shall be borne by the losing party or in such proportion as the arbitrator shall decide. The parties shall bear their own legal fees and costs for all claims. The sole and exclusive venue for the arbitration shall be San Francisco County, California.

**B. STATE BAR FEE ARBITRATION**

Notwithstanding subparagraph A above, in any dispute subject to the jurisdiction of the State of California over attorney’s fees, charges, costs or expenses, AIR DISTRICT has the right to elect arbitration pursuant to the fee arbitration procedures of the State Bar of California, as set forth in California Business and Professions Code Section 6200, *et seq.* Those procedures permit a trial after arbitration, unless the parties agree in writing, after the dispute has arisen, to be bound by the arbitration award. If, after receiving a notice of client’s right to arbitrate, AIR DISTRICT does not elect to proceed under the State Bar fee arbitration procedures, and file a request for fee arbitration within 30 days, any dispute over fees, charges, costs or expenses, will be resolved by binding arbitration as provided in the previous subparagraph A.

Because each party is giving up a right, Client is encouraged to have an independent lawyer of Client’s choice review these arbitration provisions before agreeing to them. By initialing below, AIR DISTRICT and FIRM confirm that they have read and understand Section 14, subparagraphs A and B, above, and voluntarily agree to binding arbitration. In doing so, Client and Attorney voluntarily give up important constitutional rights to trial by judge or jury, as well as rights to appeal. AIR DISTRICT is advised that it has the right to have an independent lawyer of Client’s choice review these arbitration provisions, and this entire agreement, prior to initialing this provision or signing this Agreement.

\_\_\_\_\_ (AIR DISTRICT’s General Counsel Initial Here)  
\_\_\_\_\_ (FIRM Initial Here)

IN WITNESS WHEREOF, this agreement is signed and entered into by the parties hereto.


**IT IS HEREBY AGREED:**

Bay Area Air Quality Management District

DocuSigned by:  
BY: Alexander Crockett  
Alexander Crockett  
General Counsel

Date: 2/11/2025

AQUA TERRA AERIS LAW GROUP

BY:   
Matthew C. Maclear  
Partner

Date: January 22, 2025







8 RIO VISTA AVE.  
OAKLAND, CA 94611

MATTHEW C. MACLEAR  
PARTNER

T: 415-568-5200  
mcm@atalawgroup.com

**AMENDED AGREEMENT FOR LEGAL SERVICES**

THIS AMENDMENT TO AGREEMENT FOR LEGAL SERVICES is entered into this 11th day of June, 2025, by and between the Bay Area Air Quality Management District (hereinafter referred to as "AIR DISTRICT") and AQUA TERRA AERIS (ATA) LAW GROUP, LLP (hereinafter referred to as "FIRM") to increase the maximum limit on FIRM's invoices effective under the January 22, 2025, Agreement For Legal Services ("Agreement") in effect between the Parties. The Parties mutually desire to increase the current limit by \$50,000, from the current limit of \$65,000 to a new limit of \$115,000.

Therefore, AIR DISTRICT and FIRM hereby agree that the Agreement is amended to replace the sentence that reads "FIRM's total invoices for this matter will not exceed \$65,000, unless authorized in writing by Air District." in the third paragraph of Section 3 of the Agreement with a sentence that reads "FIRM's total invoices for this matter will not exceed \$115,000, unless authorized in writing by Air District." All other provisions of the Agreement shall remain the same.

IN WITNESS WHEREOF, this Amendment to Agreement for Legal Services is signed and entered into by the parties hereto.

**IT IS HEREBY AGREED:**

Bay Area Air Quality Management District

DocuSigned by:  
BY: Alexander Crockett  
6DC7110552B5451...  
Alexander Crockett  
General Counsel

Date: 6/20/2025

AQUA TERRA AERIS LAW GROUP

BY: Matthew C. Maclear  
Matthew C. Maclear  
Partner

Date: June 11, 2025

**AMENDED AGREEMENT FOR LEGAL SERVICES**

THIS AMENDMENT TO AGREEMENT FOR LEGAL SERVICES is entered into this 10<sup>th</sup> day of June, 2026, by and between the Bay Area Air Quality Management District (hereinafter referred to as "AIR DISTRICT") and AQUA TERRA AERIS (ATA) LAW GROUP, LLP (hereinafter referred to as "FIRM") to increase the maximum limit on FIRM's invoices effective under the June 11, 2025, Agreement For Legal Services ("Agreement") in effect between the Parties. The Parties mutually desire to increase the current limit by \$85,000, from the current limit of \$115,000 to a new limit of \$200,000.

Therefore, AIR DISTRICT and FIRM hereby agree that the Agreement is amended to replace the sentence that reads "**FIRM's total invoices for this matter will not exceed \$115,000, unless authorized in writing by Air District.**" in the third paragraph of Section 3 of the Agreement with a sentence that reads "**FIRM's total invoices for this matter will not exceed \$200,000, unless authorized in writing by Air District.**" All other provisions of the Agreement shall remain the same.

IN WITNESS WHEREOF, this Amendment To Agreement For Legal Services is signed and entered into by the parties hereto.

**IT IS HEREBY AGREED:**

Bay Area Air Quality Management District

Signed by:  
BY: Alexander Crockett  
ALEXANDER G. CROCKETT  
General Counsel

Date: 6/19/2026

AQUA TERRA AERIS LAW GROUP

Date: June 4, 2026

BY: Matthew C. Maclear  
MATTHEW C. MACLEAR  
Partner

**AMENDED AGREEMENT FOR LEGAL SERVICES**

THIS AMENDMENT TO AGREEMENT FOR LEGAL SERVICES is entered into this 6<sup>th</sup> day of July, 2026, by and between the Bay Area Air Quality Management District (hereinafter referred to as "AIR DISTRICT") and AQUA TERRA AERIS (ATA) LAW GROUP, LLP (hereinafter referred to as "FIRM") to increase the maximum limit on FIRM's invoices effective under the June 11, 2025, Agreement For Legal Services ("Agreement") in effect between the Parties. The Parties mutually desire to increase the current limit by \$200,000, from the current limit of \$200,000 to a new limit of \$400,000.

Therefore, AIR DISTRICT and FIRM hereby agree that the Agreement is amended to replace the sentence that reads "**FIRM's total invoices for this matter will not exceed \$400,000, unless authorized in writing by Air District.**" in the third paragraph of Section 3 of the Agreement with a sentence that reads "**FIRM's total invoices for this matter will not exceed \$400,000, unless authorized in writing by Air District.**" All other provisions of the Agreement shall remain the same.

IN WITNESS WHEREOF, this Amendment To Agreement For Legal Services is signed and entered into by the parties hereto.

**IT IS HEREBY AGREED:**


Bay Area Air Quality Management District

BY: \_\_\_\_\_  
ALEXANDER G. CROCKETT  
General Counsel

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

AQUA TERRA AERIS LAW GROUP

Date: June 9, 2026

BY:   
MATTHEW C. MACLEAR  
Partner

**BAY AREA AIR DISTRICT**  
Memorandum

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

From: Philip M. Fine  
Executive Officer/APCO

Date: July 1, 2026

Re: Authorization to Amend Contract with Naviant, Inc. to Support Records  
Retention Services

**RECOMMENDED ACTION**

Authorize the Executive Officer/APCO to amend the Air District's contract with Naviant, Inc. to increase the current contract amount by \$183,574, from \$533,906.33 to a total contract amount not to exceed \$717,480.33, to add an additional 3-year software license and associated support that will allow for secure public access to Air District Document Management System.

**BACKGROUND**

The Air District utilizes Hyland OnBase software for records management. OnBase stores and maintains Air District official records and processes final disposal of electronic records in accordance with the Records Retention Schedule.

On January 21, 2026, the Air District identified a need for new software licenses for Public Access Viewer to support the OpenAir Public Records application. The Public Access Viewer is an OnBase software license that connects OnBase to the OpenAir portal. OpenAir is a community data portal that increases transparency by allowing secure direct document access to members of the community. The Public Access Viewer License is a necessary component that allows public users to retrieve designated records online in compliance with transparency and statutory requirements. The Public Access Viewer License (PAV) must integrate directly with the existing OnBase system architecture.

The Air District intends to purchase the license through Naviant, Inc. for up to three (3) years plus additional one-time professional services to configure and integrate the license with the OpenAir test and production environments.

DISCUSSION

Naviant, Inc. was originally selected through Request for Qualifications No. 2023.062.

Contracts executed with Naviant, Inc. to date:

<b>Contract 2023.062</b>	<b>Amount</b>	<b>Amount</b>
MSA (Master Service Agreement) & SOW (Scope of Work)1	\$20,000.00	\$20,000.00
SOW 2	\$58,000.00	\$78,000.00
SOW 2 Change Order	\$7,700.00	\$85,700.00
SOW 3 – Support Level Agreement	\$20,541.65	\$106,241.65
SOW 4 - Azure	\$23,355.00	\$129,596.65
SOW 5 – PCS (Permitting & Compliance Systems)	\$76,000	\$205,596.65
SOW 6 - Software Maintenance	\$53,978.88	\$259,575.53
SOW 7 – SLA (Simplified Licensing Agreement)	\$274,330.80	\$533,906.33
SOW 8 – Public Viewer Access license	\$183,574	\$717,480.33

The proposed contract authorization will allow the Air District to develop and maintain the OpenAir, an Air District Public Portal for records, for a 3-year period.

The 3-year contract from Naviant, Inc. for the Public Access Viewer License is \$50,000 for the first year. Professional services to configure and integrate to OpenAir will be a one-time cost of \$19,185. This cost is accounted for within SOW 5 for Professional Service prepaid Block of Hour to complete the Website and PCS Integration.

Subscription Year 1:	\$55,833.40
Subscription Year 2:	\$62,010.00
Subscription Year 3:	\$65,730.60
<b>Est. Total:</b>	<b>\$183,574</b>

## BUDGET CONSIDERATION/FINANCIAL IMPACT

The anticipated cost, \$183,574, is included in the Fiscal Year 2026-2027 budget for Information Services, Program 712.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Magen Holloway  
Reviewed by: John Chiladakis

### ATTACHMENT(S):

1. Bay Area Air Quality Management - Public Access Solution SOW February 24, 2026
2. Naviant 2023.062 SOW 7
3. Naviant 2023.062 SOW 6
4. Naviant 2023.062.0005 SOW 5
5. Naviant 2023.062.0004 SOW 4
6. Naviant 2023.062.0003 SOW 3
7. Naviant 2023.062 SOW 2 Change Order 1
8. Naviant 2023.062 MSA
9. Naviant 2023.062 SOW 1 and TC
10. Naviant 2023.062 Statement of Work 2
11. Naviant 2023.062 SOW and TC

# Statement of Work

## Add-On Project/Phase

Public Access License Project



## Prepared For

Magen Holloway, Manager, Records Management Section  
Bay Area Air Quality Management District

## Prepared By

Paul Gorman, Account Executive  
Naviant, LLC

25 February 2026

# PROJECT SCOPE

## Project Objectives

Naviant, LLC (“Naviant”) will provide Bay Area Air Quality Management District (“Customer”) with the software outlined in this Statement of Work (sometimes referred to as “SOW” or “Agreement”).

Hyland Software OnBase Public Access Viewer license. The license is for Simplified licensing customers and is priced based upon the population of the area served.

## Professional Services

Actual costs and fees for Naviant professional services will be incurred on a Time & Materials basis to cover the complete implementation of the proposed solution including project management, architecture, integration, implementation, and training, as applicable. These costs will be charged to the pre-paid block of hours for Bay Area Air Quality District.

The Naviant team will be working with the Bay Area Air Quality Management AgreeYa consultant that is implementing the OpenAir software portal. The Naviant team will install the Public Access Viewer software and configure the required OnBase integration components in both the test and production environments.

Professional services for this project are estimated as follows:

### Project Planning and Designs

- Internal Kickoff
- Customer Kickoff
- Project Planning and Design
- Documentation

### Implementation of PAV and API in Test

- Install PAV Software components on Web Server
- Configuration of web.config
- Configuration/Validation of OnBase config (Security/Doc Types/Custom Queries)
- Security Reviews/Discussions
- Integration Partner testing

### Implementation of PAV and API in Production

- Install PAV Software components on Web Server
- Migrate Web config
- Migrate OnBase config
- Validation testing

### Estimated Professional Services Total

We are estimated the project to require 85.5 hours and the services cost to be \$19,185.00.

This proposed software and this services estimate is based upon the best information available to Naviant at this time. If after a complete discovery, the solution requirements change or additional information becomes available, the recommended services and solution could change.

## Customer Responsibilities

The installation of this solution may require assistance from the Customer's IT staff to obtain access to the servers and network devices the solution may reside on; and thus, it is required that the Customer schedule their IT resource and customer personnel assigned to this project to be available within 30 minutes of Naviant being scheduled for installation. If Naviant personnel need to wait for longer than 30 minutes for an IT resource to be available for assistance with the installation, the Customer will be charged in ¼ hour increments at the prevailing rate for the time lost. Customer will be responsible for additional equipment cabling, except as specifically set forth to be provided by Naviant. In the event Customer will be required to provide specific additional equipment prior to installation, it is the responsibility of Customer to provide the necessary versions of network OS, server software, database, hardware, browsers, and desktop OS to work with the proposed solutions prior to the scheduled Project milestone or task requiring additional equipment, or costs may be incurred by the Customer. Customer will be responsible for the actual results with hardware operations (including among other aspects, network, server or scanner speeds; personnel requirements; and costs) and results may vary from those indicated due to overall network environment, volume estimates, personnel and other factors.

## Change Orders

This SOW has been prepared in accordance with Naviant's understanding of Customer requirements and the "Project Scope" based on the information provided by Customer to Naviant at this time. Although Naviant makes reasonable attempts to provide accurate estimates, estimates may change as further details of the solution are identified and the final Solution Design is developed. In the event that additional products and/or services beyond those outlined in this SOW are required, a "Change Order Authorization" will be generated outlining the details, as well as time and cost estimates, of the modifications to this SOW. A Change Order Authorization must be authorized, approved, and executed by Naviant and Customer in order for the modifications to be incorporated into the SOW.

## PROJECT PRICING

Software Subscription				
Description	Part # / Notes	Qty	Unit Price	Total
Licensing for Bay Area Air Quality Management District – Constituent Public Access (View Only) (Unlimited Population)	ONB-SUB-CPAC	1	\$50,000	\$50,000
<b>Total – Annual Recurring (Future years subject to Hyland’s annual price adjustment)</b>				<b>\$50,000.00</b>

1. Software Subscription & Support will be invoiced upon receipt of Customer-executed SOW, and if applicable, Customer-required Purchase Order, with payment terms consistent with the Master Terms & Agreement.  
 For new Subscription purchases, the Software Subscription & Support term will commence upon receipt of Customer-executed SOW, and if applicable, Customer-required Purchase Order. New Software Subscriptions require a minimum three (3) year term commitment, invoiced annually.  
 For existing Customers, Software Subscription & Support will be made coterminous with Customer’s established Subscription & Support expiration term plus 12 months. (i.e. subscription expiring in 5 months would be prorated and invoiced for a 17-month term). While Estimated Coterminous Subscription & Support pricing is quoted as full months, actual Customer invoicing may be prorated based on the actual number of days and months between the purchase date and established term date.
2. The renewal date for the Hyland Software OnBase contract is April 30, 2026. If this SOW is signed by March 1<sup>st</sup>, the first-year purchase price will be adjusted to add the months of March and April to the first full year of this contract. For each month an additional \$4,166.67 is added to the year 1 subscription:
  - a. March and April - \$8,333.34 will be added for a total of \$58,333.34.
  - b. April - \$4,166.67 for a total of \$54,166.67.
3. Please note, subtotals do not include applicable sales tax. If applicable, sales tax will be assessed during the course of the project and/or on the final invoice.
4. Customer agrees to abide by the provisions set forth in the SLA Provisions. These provisions are available at [www.naviant.com/customer-support](http://www.naviant.com/customer-support).

## SIGNATURE PAGE

<b>CUSTOMER NAME</b> Bay Area Air Quality Management District	
<b>PROJECT CONTACT</b> Click or tap here to enter text.	
<b>BILLING ADDRESS (only required for New Customers)</b>	<b>SHIPPING ADDRESS</b>
<b>ATTENTION</b>	<b>ATTENTION</b>
<b>SPECIAL INSTRUCTIONS</b>	
<b>PURCHASE ORDER (PO) REQUIREMENT</b> Is a PO Required by Customer? <input type="checkbox"/> Yes <input type="checkbox"/> No Purchase Order #	

This Agreement is entered into pursuant to and incorporates the foregoing, including Appendices, Exhibits and Schedules, if any, and the Master Terms & Conditions (“Terms”) dated April 24, 2023. This Agreement represents the final description and scope of the Agreement between the parties. Any previous drafts of this Agreement or previous documents used to evaluate this project are not part of this Agreement. Naviant will not be obligated to accept any agreement which has not been signed and returned by Customer to Naviant within thirty (30) days from the date on this Agreement.

This Agreement has been prepared in accordance with Naviant's understanding of Customer requirements based on the information provided by Customer to Naviant. Therefore, it is understood and agreed that any additional hardware, software, professional services, and maintenance requests above and beyond the original scope of this Agreement will be billed in addition to those listed in this Agreement.

If a PO is required, the PO number must be inserted above upon Customer’s execution of this Agreement. Any terms and conditions appearing in any PO shall have no effect unless agreed to in writing by both parties hereof.

Upon signed acceptance, please return the entire document to “Attention: Naviant Sales Support” via email or fax at [purchasing@naviant.com](mailto:purchasing@naviant.com) or 608-848-0901. Acceptance creates a binding contract.

<b>CUSTOMER</b>	<b>NAVIANT, LLC</b>
NAME:	NAME:
TITLE:	TITLE:
SIGNATURE:	SIGNATURE:
DATE:	DATE:



# Statement of Work

## Simplified Conversion

Bay Area Air Quality Management District



## Prepared For

Magen Holloway, Assistant Manager, Records Management Section  
Bay Area Air Quality Management District

## Prepared By

Paul Gorman, Account Executive  
Naviant, LLC

29 December 2025



## PROJECT SCOPE

Naviant, LLC (“Naviant”) will provide Bay Area Air Quality Management District (“Customer”) with the software and professional services outlined in this Statement of Work (sometimes referred to as “SOW” or “Agreement”).

Customer has requested the transition of current licensing from legacy OnBase Licensing to Simplified Subscription Licensing model.

### RECITALS:

WHEREAS Naviant and Customer wish to enter into this multi-year Renewal to set forth their mutual understanding in connection with the agreed upon renewal period and special pricing for the renewal period payable by Customer to Naviant as set forth herein.

WHEREAS Customer and Naviant entered into Master Terms and Conditions dated April 24, 2023, whereby Customer agreed to abide by the provisions set forth in the Software Maintenance Agreement, and for which those terms will continue to apply except as specifically noted below.

NOW, THEREFORE, the parties mutually agree as follows:

**RENEWAL TERM:** The Software Subscription Agreement term is hereby renewed for a 40- Month renewal term commencing on January 1, 2026, and ending on April 30, 2029.

**PRICING FOR RENEWAL TERM:** Provided Customer is in compliance with the terms of the Master Terms and Conditions dated April 24, 2023, Naviant has agreed to invoice Customer and Customer shall pay the following Software Subscription Agreement Fees for each such one-year subscription period commencing May 1, 2026, which represents a locked 6% increase in pricing:

<b>Conversion to Simplified</b>			
	<b>26-27</b>	<b>27-28</b>	<b>28-29</b>
Simplified Subscription Licensing	\$61,339.58	\$65,019.95	\$68,921.15
SLA	\$23,407.21	\$24,811.64	\$26,300.34
<b>Total</b>	<b>\$84,746.78</b>	<b>\$89,831.59</b>	<b>\$95,221.49</b>

As reflected in the pricing section, the initial invoice will be for the initial 16 Months and will include. Credits/Charges for maintenance paid through April 2026. Subsequent renewals will then occur on May 1<sup>st</sup> of the corresponding term year.

## OnBase Simplified Subscription Licensing

The OnBase Simplified Subscription Licensing option provides Simplified Base Packages (Essential, Standard, and Premier) which contain universal licenses to align with industry-leading solutions and to serve as a foundation of this platform. As an annual subscription model, these Packages are tiered functionally in a “good, better, best” structure, and Customers are entitled to purchase the quantity of users they need from any combination of the Package tiers.

- **Essential** provides all of the essential content management capabilities, perfect for anyone interacting with content as part of their daily work
- **Standard** provides everything in Essential, plus workflow and other process management capabilities
- **Premier** provides everything in Standard, plus business applications and case management capabilities

In addition to Full-Time Named User licenses, Concurrent User licenses are available for users that will access the platform on a less frequent or shared basis. Concurrent Users maintain full Package functionality and provide use of the platform through a pool of licenses shared across a group of potential users.

In addition to the Simplified Base Packages, Add-On Packages are available for common Horizontal and Industry-Specific capabilities such as Advanced Capture, Document Composition, and Agenda Management, including Purpose-Built, certified integration capabilities such as SAP, Oracle, Workday, DocuSign, Esri, and others.



## Customer Responsibilities

The installation of this solution may require assistance from the Customer’s IT staff to obtain access to the servers and network devices the solution may reside on; and thus, it is required that the Customer schedule their IT resource and customer personnel assigned to this project to be available within 30 minutes of Naviant being scheduled for installation. If Naviant personnel need to wait for longer than 30 minutes for an IT resource to be available for assistance with the installation, the Customer will be charged in ¼ hour increments at the prevailing rate for the time lost. Customer will be responsible for additional equipment cabling, except as specifically set forth to be provided by Naviant. In the event Customer will be required to provide specific additional equipment prior to installation, it is the responsibility of Customer to provide the necessary versions of network OS, server software, database, hardware, browsers, and desktop OS to work with the proposed solutions prior to the scheduled Project milestone or task requiring additional equipment, or costs may be incurred by the Customer. Customer will be responsible for the actual results with hardware operations (including among other aspects, network, server or scanner speeds; personnel requirements; and costs) and results may vary from those indicated due to overall network environment, volume estimates, personnel and other factors.

## Change Orders

This SOW has been prepared in accordance with Naviant's understanding of Customer requirements and the “Project Scope” based on the information provided by Customer to Naviant at this time. Although Naviant makes reasonable attempts to provide accurate estimates, estimates may change as further details of the solution are identified and the final Solution Design is developed. In the event that additional products and/or services beyond those outlined in this SOW are required, a “Change Order Authorization” will be generated outlining the details, as well as time and cost estimates, of the modifications to this SOW. A Change Order Authorization must be authorized, approved, and executed by Naviant and Customer in order for the modifications to be incorporated into the SOW.

In order to ensure that assignments are carried out in a timely manner so as not to impact the project schedule, Customer is responsible for directing the work assigned to its staff and 3<sup>rd</sup> party service providers. In the event that the SOW project schedule is delayed or needs to be extended due to a failure of Customer’s staff and/or 3<sup>rd</sup> party service providers to complete assigned work in a timely manner, Naviant shall be entitled to an extension of time and/or cost impact as set forth in a Change Order Authorization.

## PROJECT PRICING

Software Subscription & Support			
Description	Part # / Notes	Qty	Total
Standard Concurrent User License	ONB-SUB-PW-C	2	
Essential Concurrent User License	ONB-SUB-DW-C	38	
Standard Named User License	ONB-SUB-PW	1	
Essential Named User License	ONB-SUB-DW	5	
<b>Simplified Total</b>			<b>\$61,339.58</b>
Software Support Level Agreement	SLA		\$23,407.21
<b>Total – Annual Recurring (subject to annual increases of 6%)</b>			<b>\$84,746.78</b>
Credit for 4 months of Maintenance Paid (January 1 – April 30, 2026)			\$16,357.24
Cost of 4 months of Simplified Subscription (January 1 – April 30, 2026)			\$20,446.53
<b>Net Due for Subscription for January 1 – April 30, 2026</b>			<b>\$4,089.29</b>
Credit for SLA paid (January 1-April 30, 2026)			\$7,360.75
Cost of 4 months of Simplified Subscription (January 1 – April 30, 2026)			\$7,802.40
<b>Net Due for SLA for January 1 – April 30, 2026</b>			<b>\$441.65</b>
<b>*Four Month Invoice</b>			<b>\$4,530.94</b>

Initial Invoice Due Upon Signing	
Description	Total
<b>Total Initial Invoice</b>	<b>\$89,277.72</b>

\*4 Month invoice includes credit for maintenance paid through April 30, 2026.

- Software Subscription & Support will be invoiced upon receipt of Customer-executed SOW, and if applicable, Customer-required Purchase Order, with payment terms consistent with the Master Terms and Conditions.  
For new Subscription purchases, the Software Subscription & Support term will commence upon receipt of Customer-executed SOW, and if applicable, Customer-required Purchase Order. New Software Subscriptions require a minimum three (3) year term commitment, invoiced annually.
- Please note, subtotals do not include applicable sales tax. If applicable, sales tax will be assessed during the course of the project and/or on the final invoice.
- Customer agrees to abide by the provisions set forth in the SLA Provisions. These provisions are available at [www.naviant.com/customer-support](http://www.naviant.com/customer-support).

# SIGNATURE PAGE

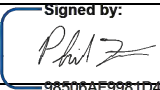
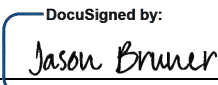
<b>CUSTOMER NAME</b> Bay Area Air Quality Management District	
<b>PROJECT CONTACT</b> Click or tap here to enter text.	
<b>BILLING ADDRESS (only required for New Customers)</b>	<b>SHIPPING ADDRESS</b>
<b>ATTENTION</b>	<b>ATTENTION</b>
<b>SPECIAL INSTRUCTIONS</b>	
<b>PURCHASE ORDER (PO) REQUIREMENT</b> Is a PO Required by Customer? <input type="checkbox"/> Yes <input type="checkbox"/> No Purchase Order #	

This Agreement is entered into pursuant to and incorporates the foregoing, including Appendices, Exhibits and Schedules, if any, and the Master Terms & Conditions (“Terms”) dated April 24, 2023. This Agreement represents the final description and scope of the Agreement between the parties. Any previous drafts of this Agreement or previous documents used to evaluate this project are not part of this Agreement. Naviant will not be obligated to accept any agreement which has not been signed and returned by Customer to Naviant within thirty (30) days from the date on this Agreement.

This Agreement has been prepared in accordance with Naviant's understanding of Customer requirements based on the information provided by Customer to Naviant. Therefore, it is understood and agreed that any additional hardware, software, professional services, and maintenance requests above and beyond the original scope of this Agreement will be billed in addition to those listed in this Agreement.

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Upon signed acceptance, please return the entire document to “Attention: Naviant Sales Support” via email or fax at [purchasing@naviant.com](mailto:purchasing@naviant.com) or 608-848-0901. Acceptance creates a binding contract.

<b>CUSTOMER</b>	<b>NAVIANT, LLC</b>
<b>NAME:</b> Philip Fine	<b>NAME:</b> Jason Bruner
<b>TITLE:</b> Executive Officer/APCO	<b>TITLE:</b> CFO
<b>SIGNATURE:</b>  Signed by: 98506AF9981D4CC...	<b>SIGNATURE:</b>  DocuSigned by: 343AB47C5BBD461...
<b>DATE:</b> 1/12/2026	<b>DATE:</b> 1/13/2026

# Statement of Work

## Project/Phase

Annual OnBase Software Maintenance

## Prepared For

Magen Holloway  
Bay Area Air Quality Management District

## Prepared By

Wes Butler, Senior Customer Success Advisor  
Naviant, LLC

21 April 2025



201 Prairie Heights Drive | Verona, WI 53593 · 888.686.4624 · [naviant.com](http://naviant.com)



[naviant.com/blog](http://naviant.com/blog)



Naviant Inc.



@NaviantInc



Naviant Inc



Naviant Inc.

## PROJECT SCOPE

### Project Objectives

Naviant, LLC (“Naviant”) will provide Bay Area Air Quality Management District (“Customer”) with the software maintenance outlined in this Statement of Work (sometimes referred to as “SOW” or “Agreement”).

Bay Area Air Quality Management District – Renewal Opportunity for 00006181. OnBase Software Maintenance renewal for the period 05/01/2025 through 04/30/2026.

OnBase Software Maintenance (or Manufacturer Software Maintenance) covers and keeps current Customer’s OnBase system with the manufacture of Hyland Software. In general, Manufacturer Software Maintenance will include access to product upgrades & enhancements, product error correction & fixes, technical documentation, and access to manufacturer escalated technical support facilitated through Naviant. Naviant will provide Customer with ongoing software support by the software manufacturer including commercially reasonable efforts to correct any properly reported errors in the software that are confirmed by the software manufacturer in the exercise of its commercially reasonable judgment. Access to Manufacturer Software Maintenance is provided by Naviant. Naviant will undertake to report to the software manufacturer for confirmation any reported errors promptly after receipt of proper notice from Customer, and Naviant will perform services in an effort to correct confirmed errors promptly after making such confirmation as directed by the software manufacturer. Manufacturer Software Maintenance provides software maintenance and troubleshooting for product error correction and related fixes coordinated or facilitated through Naviant via phone or email for issues not caused by Customer actions, inactions, hardware, or non-Naviant supplied or supported software. Requests for intervention from the software manufacturer will be at the discretion of Naviant. Any maintenance and support not covered by the Manufacturer Software Maintenance or Software Support Level Agreement shall be agreed upon by both Naviant and Customer in a new Statement of Work.

## PROJECT PRICING

Software Subscription & Support		
Description	Part # / Notes	Total
Annual OnBase Software Support Maintenance Agreement Renewal	SW-MAINT from 05/01/2025 through 04/30/2026, invoice 00153292	\$49,071.71
Hyland 10% late fee	On Invoice 00154011	\$4,907.17
<b>Subtotal</b>		<b>\$53,978.88</b>

1. The one-time Annual Software Maintenance fee will be billed to Customer upon execution of this Agreement. A 10% late fee will be applied if maintenance is paid after 04/30/2025.
2. Please note, subtotals do not include applicable sales tax. If applicable, sales tax will be assessed during the course of the project and/or on the final invoice.
3. Customer agrees to abide by the provisions set forth in the SLA Provisions. These provisions are available at [www.naviant.com/customer-support](http://www.naviant.com/customer-support). In the event of a conflict between this SOW and the SLA, the terms of this SOW will govern.

# SIGNATURE PAGE

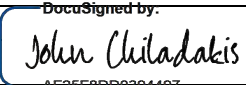
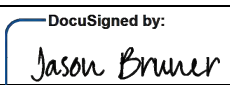
<b>CUSTOMER NAME</b> Bay Area Air Quality Management District	
<b>PROJECT CONTACT</b> Magen Holloway	
<b>BILLING ADDRESS (only required for New Customers)</b>	<b>SHIPPING ADDRESS</b>
<b>ATTENTION</b>	<b>ATTENTION</b>
<b>SPECIAL INSTRUCTIONS</b>	
<b>PURCHASE ORDER (PO) REQUIREMENT</b> Is a PO Required by Customer? <input type="checkbox"/> Yes <input type="checkbox"/> No Purchase Order #	

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**Upon signed acceptance, please return the entire document to “Attention: Naviant Sales Support” via email or fax at purchasing@naviant.com or 608-848-0901. Acceptance creates a binding contract.**

CUSTOMER	NAVIANT, LLC
<b>NAME:</b> John Chiladakis	<b>NAME:</b> Jason Bruner
<b>TITLE:</b> Chief Technology Officer	<b>TITLE:</b> CFO
<b>SIGNATURE:</b>  <small>DocuSigned by: AF25F8DD0394497...</small>	<b>SIGNATURE:</b>  <small>DocuSigned by: 343AB47C5BBD461...</small>
<b>DATE:</b> 8/20/2025	<b>DATE:</b> 8/21/2025



## Statement of Work

### Block of Hours

OnBase Website & NPS Integration

### Prepared For

Magen Hallway  
Bay Area Air Quality Management District

### Prepared By

Alex DeLaura, Sales Executive  
Jeff Comer, Manager Sales Engineering  
Ed Modjeska, SVP  
Naviant, Inc.

24 June 2024



## PROJECT SCOPE

### Project Objectives

Naviant, Inc. (“Naviant”) will provide Bay Area Air Quality Management District (“Customer”) with the professional services outlined in this Statement of Work (sometimes referred to as “SOW” or “Agreement”).

Rather than engage Naviant to develop separate Statements of Work for each occurrence of configuration support, this statement of work includes a block of hours to assist in configuration efforts and support as the need arises following the effective date of this Agreement, 6/28/24. This block of hours is for a prepaid specified number of hours as defined below. The defined Naviant Project Manager will review and assign all requests to Naviant under this Block of Hours.

### Professional Services

The initial block of hours will be used for the following:

Requirements Gathering and Analysis:

- Objective: Understand the functional and non-functional requirements of both OnBase and NPS.
- Activities:
  - Stakeholder interviews
  - Reviewing existing documentation
  - Requirements workshops
  - Use case development

Thereafter, based on the findings of the requirements gathering, the remaining block of hours will be used for implementation activities. Should the BOH of implementation not be sufficient and Change order will be executed.

Naviant Professional Services will be incurred on a Time & Materials basis against the prepaid amount to cover services including: project management, architecture, integration, implementation, software delivery and installation, system knowledge transfer, and training, as applicable. Professional services for this project will be directed by the Customer approved contact and estimated by Naviant. Approval to conduct work against this block of hours will be communicated electronically via email from the Customer approved contact to Naviant. A reasonable lead time will be required to accommodate scheduling for requested assistance. The block of hours included in this SOW includes OnBase configuration work. It does not guarantee resources for consulting engagements, or custom scripting and coding. If the need for consulting or custom development arise, the scheduled lead time may be longer, and the billable rate may differ from what is designated for configuration work. Custom development efforts will be handled via the standard change order process detailed below.

### Customer Responsibilities

The installation of this solution may require assistance from the Customer’s IT staff to obtain access to the servers and network devices the solution may reside on; and thus, it is required that the Customer schedule their IT resource and customer personnel assigned to this project to be available within 30 minutes of Naviant being scheduled for installation. If Naviant personnel need to wait for longer than 30 minutes for an IT resource to be available for assistance with the installation, the Customer will be charged in ¼ hour increments at the prevailing rate for the time lost. Customer will be responsible for additional equipment cabling, except as specifically set forth to be provided by Naviant. In the event Customer will be required to provide specific additional equipment prior to installation, it is the responsibility of Customer to provide the necessary versions of network OS, server software, database, hardware, browsers, and desktop OS to work with the proposed solutions prior to the scheduled Project milestone or task requiring additional equipment, or costs may be incurred by the Customer. Customer will be responsible for the actual results with hardware operations (including among other aspects, network, server or scanner speeds; personnel requirements; and costs) and results may vary from those indicated due to overall network environment, volume estimates, personnel and other factors.

## Change Orders

This SOW has been prepared in accordance with Naviant's understanding of Customer requirements and the "Project Scope" based on the information provided by Customer to Naviant at this time. Although Naviant makes reasonable attempts to provide accurate estimates, estimates may change as further details of the solution are identified and the final Solution Design is developed. In the event that additional products and/or services beyond those outlined in this SOW are required, a "Change Order Authorization" will be generated outlining the details, as well as time and cost estimates, of the modifications to this SOW. A Change Order Authorization must be authorized, approved, and executed by Naviant and Customer in order for the modifications to be incorporated into the SOW.

In order to ensure that assignments are carried out in a timely manner so as not to impact the project schedule, Customer is responsible for directing the work assigned to its staff and 3<sup>rd</sup> party service providers. In the event that the SOW project schedule is delayed or needs to be extended due to a failure of Customer's staff and/or 3<sup>rd</sup> party service providers to complete assigned work in a timely manner, Naviant shall be entitled to an extension of time and/or cost impact as set forth in a Change Order Authorization.

# PROJECT PRICING

Professional Services		
Description	Block of Hours	Total
Professional Services	345	\$76,000
<b>Subtotal</b>		<b>\$76,000</b>

1. Naviant standard hourly rates vary by resource type, and resource types are assigned to projects based on project requirements. Following are the standard rates by resource type:

Resource	Hourly Rate
Principal Consultant	\$265
Senior Architect	\$265
Consultant	\$220
Architect	\$220

Travel time will be billed to Customer at the rate of \$110 per hour. Related expenses (mileage, transportation, lodging, meals, etc.) will be billed on a monthly basis at the actual cost incurred.

2. Please note, subtotals do not include applicable sales tax. If applicable, sales tax will be assessed during the course of the project and/or on the final invoice.
3. Customer agrees to abide by the provisions set forth in the Software Support Level Agreement (SLA Provisions). These provisions are available at [www.naviant.com/customer-support](http://www.naviant.com/customer-support).
4. Customer agrees to cooperate with Naviant’s marketing efforts, as shall be reasonably requested which may include: (i) providing in-person or phone references to prospective customers; (ii) working to prepare a Customer-success story and/or press release documenting the relationship of the parties; and (iii) allowing Naviant to use of Customer’s logo, subject to Customer’s standard guidelines, on Naviant’s website and in presentations under Naviant’s customer section and as part of marketing and pre-sales materials used by Naviant.

# SIGNATURE PAGE

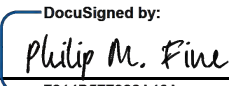
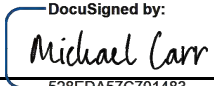
<b>CUSTOMER NAME</b> Bay Area Air Quality Management District	
<b>PROJECT CONTACT</b> Magen Halloway	
<b>BILLING ADDRESS (only required for New Customers)</b>	<b>SHIPPING ADDRESS</b>
<b>ATTENTION</b>	<b>ATTENTION</b>
<b>SPECIAL INSTRUCTIONS</b>	
<b>PURCHASE ORDER (PO) REQUIREMENT</b> Is a PO Required by Customer? <input type="checkbox"/> Yes <input type="checkbox"/> No   Purchase Order #	

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**Upon signed acceptance, please return the entire document to “Attention: Naviant Sales Support” via email or fax at [purchasing@naviant.com](mailto:purchasing@naviant.com) or 608-848-0901. Acceptance creates a binding contract.**

CUSTOMER	NAVIANT, INC.
<b>NAME:</b> Philip M. Fine	<b>NAME:</b> Michael Carr
<b>TITLE:</b> Executive Officer/APCO	<b>TITLE:</b> President & CEO
<b>SIGNATURE:</b>  DocuSigned by: Philip M. Fine	<b>SIGNATURE:</b>  DocuSigned by: Michael Carr
<b>DATE:</b> 7/22/2024 <small>7314B577922A46A...</small>	<b>DATE:</b> 7/24/2024 <small>528EDA57C701483...</small>



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

## Statement of Work

### Upgrade & Migration Assistance

OnBase Upgrade w/ Cloud Migration Assistance

### Prepared For

Magen Holloway, Records Manager  
Bay Area Air Quality Management District

### Prepared By

Alex DeLaura, Sales Executive  
Ed Modjeska, SVP  
Naviant, Inc.

31 May 2024



201 Prairie Heights Drive | Verona, WI 53593 · 888.686.4624 · [naviant.com](http://naviant.com)



[naviant.com/blog](http://naviant.com/blog)



[Naviant Inc.](https://www.linkedin.com/company/naviant)



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[Naviant Inc.](https://www.youtube.com/channel/UC...)



[Naviant Inc.](https://www.facebook.com/NaviantInc)

## PROJECT SCOPE

### Project Objectives

Naviant, Inc. (“Naviant”) will provide Bay Area Air Quality Management District (“Customer”) with the professional services outlined in this Statement of Work (sometimes referred to as “SOW” or “Agreement”).

Customer has requested the Naviant provide professional services assistance for the upgrade of the existing OnBase, on new hosted servers. Naviant provides the upgrade software at no additional charge as part of Customer’s up-to-date payment of Manufacturer Software Maintenance. Naviant Professional services will provide remote assistance to upgrade two (2) environments. Customer has requested a refresh of Test environment from Production environment as part of this upgrade project’s tasks.

In addition to OnBase Upgrade Services, Customer has requested Naviant’s assistance in Migration OnBase from their current on-premise servers to Hosted Azure servers.

### OnBase Upgrade Services Included

#### Refresh DEV from PROD

- Take Full Backup of PROD database and restore as DEV over existing DEV instance
- Copy volumes of each PROD disk Group into new DEV Disk Group location
- Update each Disk Group path to point to DEV Disk Group location
- Update each OnBase ID file in each Disk Group to desired DEV install ID
- Update newly restored DEV database’s install ID to a unique ID
- Review system for any PROD connection strings or pointers

#### Upgrade of DEV

- Create/Verify ODBC Connections
- Execute upgrade of DB
- Install version 24 of OnBase Configuration Client
- Install version 24 of OnBase Application Server (Leverage DNS names)
- Install version 24 of OnBase Web Server (Leverage DNS names)
- Install OnBase API Server
- Configuration of API Server Side Components
- Install OnBase IDP Server
- Configuration of IDP Server Side Components
- API Server Health Check
- Create and Configure the Operational Database
- Initialize the Hyland IdP Server
- Configuration for IDP authentication (SAML Provider; Client ID; Client Secret)
- Install Clients on Servers (Unity; Studio; Thick)
- Run Basic Test (Login, import, retrieve, view)
- Install version 24 of Unity Scheduler
- Install version 24 of OnBase Diagnostics Service
- Configuration of OnBase Processing Server
- Update and Validate Scanning Stations
- Testing Assistance
- Project Management

### Services Not Included

- Naviant will provide server-side upgrades and installs, and Customer will be responsible for all user/client/workstation upgrades, configuration changes, and/or installations as appropriate.
- Updates to custom/legacy HTML Forms, Scripts, Custom Web Services, Complex 3<sup>rd</sup> party integrations and configuration not specifically identified in the upgrade SOW.

- Upgrade to Brainware Solution and any other solution not outlined in the Services Included section.
- Refresh of configuration or data to Test from Production is not included in this agreement.

## Additional Services as Part of this Agreement

In addition to the services outlined in the “Services Included as Part of SLA” the Naviant Project team will also conduct the following activities:

### Migration Assistance to Azure

- Disk Group Migration Assistance
- Take Full Backup of PROD database and restore as PROD to Azure SQL instance
- Update each Disk Group path to point to new PROD Disk Group location
- Create ODBC to new SQL instance
- Run Database Utility 'RecreateDBusers' against new SQL instance
- Execute upgrade of DB
- Update newly cloned servers to leverage PROD DNS values
- Update ODBC and ADO.Net connections on all PROD servers to leverage new SQL instance
- Update Processing Server Configuration (Workstation Registration and Assigned Workstation)
- Update all Import Processes to leverage newly assigned PROD locations (DIP and Scan Queues)
- Update IDP and API Server .json files to leverage new SQL instance
- Update Scanning Stations
- Validation Testing
- Project Management

## Customer Responsibilities

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## Change Orders

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## PROJECT PRICING

Professional Services			
Description	Days Low	Days High	Total
OnBase 24 Upgrade	6	10	\$10,400 - \$17,120
SLA Upgrade Discount (35 hours)	-	-	-\$7,525
Migration to Azure Assistance	5	8	\$8,640 - \$13,760
<b>Subtotal</b>			<b>\$11,515 - \$23,355</b>

1. Naviant standard hourly rates vary by resource type, and resource types are assigned to projects based on project requirements. Following are the standard rates by resource type:

Resource	Hourly Rate
Principal Consultant	\$265
Senior Architect	\$265
Consultant	\$220
Architect	\$220
Trainer	\$220
Customer Success Specialist – Standard Hours	\$195
Customer Success Specialist – Non-standard Hours	\$293
SLA Customer Success Specialist – Standard Hours	\$175
SLA Customer Success Specialist – Non-standard Hours	\$205

2. Professional services will be billed on a monthly basis. Travel time will be billed to Customer at the rate of \$110 per hour. Related expenses (mileage, transportation, lodging, meals, etc.) will be billed on a monthly basis at the actual cost incurred.
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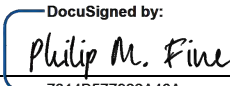
<b>CUSTOMER NAME</b> Bay Area Air Quality Management District	
<b>PROJECT CONTACT</b> Magen Halloway	
<b>BILLING ADDRESS (only required for New Customers)</b>	<b>SHIPPING ADDRESS</b>
<b>ATTENTION</b>	<b>ATTENTION</b>
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CUSTOMER	NAVIANT, INC.
<b>NAME:</b> Philip M. Fine	<b>NAME:</b>
<b>TITLE:</b> Executive Officer/APCO	<b>TITLE:</b>
<b>SIGNATURE:</b> 	<b>SIGNATURE:</b>
<b>DATE:</b> 6/21/2024 <small>7314B577922A46A...</small>	<b>DATE:</b>



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

## Statement of Work

### Add-On SLA

Support Level Agreement

### Prepared For

Magen Halloway, Records Manager

Bay Area Air Quality Management District

### Prepared By

Alex DeLaura, Sales Executive

Ed Modjeska, SVP

Naviant, Inc.

8 May 2024



201 Prairie Heights Drive | Verona, WI 53593 · 888.686.4624 · [naviant.com](http://naviant.com)



[naviant.com/blog](http://naviant.com/blog)



Naviant Inc.



@NaviantInc



Naviant Inc



Naviant Inc.

## PROJECT SCOPE

### Project Objectives

Naviant, Inc. (“Naviant”) will provide Bay Area Air Quality Management District (“Customer”) with the Support Level Agreement outlined in this Statement of Work (sometimes referred to as “SOW” or “Agreement”).

Customer has identified that Customer would like Naviant’s SLA for the upcoming year. Naviant’s full SLA attached beginning on Page 6.

### Support Level Agreement

#### Support Overview

Naviant’s Customer Success Team (CST) provides our customers with a structured Support Level Agreement (SLA) to meet our customers’ system and business needs. These provisions are available at [www.naviant.com/customer-support](http://www.naviant.com/customer-support).

During normal business hours, Naviant’s response time protocol is not to exceed three business hours for either a callback phone support, remote access or onsite support to resolve the issue; however, Naviant’s standard response time objective is to respond to customer support inquiries within one hour.

#### Support Hours

<b>Standard Business Hours:</b>	7:00 AM – 7:00 PM CT Monday through Friday
<b>Weekly Evening Hours:</b>	7:00 PM – 7:00 AM CT Monday Evening through Friday Morning
<b>Weekend Hours:</b>	7:00 PM – 7:00 AM CT Friday Evening through Monday Morning

#### Naviant SLA Overview

Phone, Live Chat & Email Support	Unlimited Support During Standard Business Hours
Standard System Upgrades	Upgrade requests to standard OnBase & ABBYY solutions every 12 months (35 hours)
24/7 Emergency Phone Support	Access to Team of Support Experts During Non-Standard Business Hours (\$205/hr)
Discounted Professional Services	Reduced Support Professional Services Rates for Time & Materials (\$175/hr during Regular Business Hours & \$205/hr during Evenings and Weekends)

#### Included Services

Issue Review Check-Ins	Regular check-ins to review issues, projects and discuss topics regarding your solution
Wellness Checks	Proactive wellness checks performed on your solution
Naviant Live Chat Support	Unlimited chat support during normal business hours
Access to Webinars	Access to our monthly educational webinars to increase your solution knowledge
Comprehensive Audit	A detailed audit of the current technical state of your system regarding efficiency/areas of improvement, and provides recommendations to ensure the future health of your system (40-60 hours total)
Remote License Certificate Activation	Installation and activation of licenses
OnBase SQL Settings Verifications	Regular review of your database settings to ensure optimal performance
Custom Report & Dashboard Bundle	75+ custom dashboards and reports to monitor your solution and assist with its use
Hyland Recertification	Complimentary System Admin & Workflow Recertifications at Naviant’s annual Summit

## Customer Responsibilities

The installation of this solution may require assistance from the Customer's IT staff to obtain access to the servers and network devices the solution may reside on; and thus, it is required that the Customer schedule their IT resource and customer personnel assigned to this project to be available within 30 minutes of Naviant being onsite for installation. If Naviant personnel need to wait for longer than 30 minutes for an IT resource to be available for assistance with the installation, the Customer will be charged in ¼ hour increments at the prevailing rate for the time lost. Customer will be responsible for additional equipment cabling, except as specifically set forth to be provided by Naviant. In the event Customer will be required to provide specific additional equipment prior to installation, it is the responsibility of Customer to provide the necessary versions of network OS, server software, database, hardware, browsers, and desktop OS to work with the proposed solutions prior to the scheduled Project milestone or task requiring additional equipment, or costs may be incurred by the Customer. Customer will be responsible for the actual results with hardware operations (including among other aspects, network, server or scanner speeds; personnel requirements; and costs) and results may vary from those indicated due to overall network environment, volume estimates, personnel and other factors

## Change Orders

This SOW has been prepared in accordance with Naviant's understanding of Customer requirements and the "Project Scope" based on the information provided by Customer to Naviant at this time. Although Naviant makes reasonable attempts to provide accurate estimates, estimates may change as further details of the solution are identified and the final Solution Design is developed. In the event that additional products and/or services beyond those outlined in this SOW are required, a "Change Order Authorization" will be generated outlining the details, as well as time and cost estimates, of the modifications to this SOW. A Change Order Authorization must be authorized, approved, and executed by Naviant and Customer in order for the modifications to be incorporated into the SOW.

In order to ensure that assignments are carried out in a timely manner so as not to impact the project schedule, Customer is responsible for directing the work assigned to its staff and 3<sup>rd</sup> party service providers. In the event that the SOW project schedule is delayed or needs to be extended due to a failure of Customer's staff and/or 3<sup>rd</sup> party service providers to complete assigned work in a timely manner, Naviant shall be entitled to an extension of time and/or cost impact as set forth in a Change Order Authorization.

# PROJECT PRICING

SLA Subscription & Support			
Description	Part # / Notes	Qty	Total
Software Support Level Agreement	SLA	1 yr	\$20,541.65
<b>Total</b>			<b>\$20,541.65</b>

1. Please note, subtotals do not include applicable sales tax. If applicable, sales tax will be assessed during the course of the project and/or on the final invoice.
2. Customer agrees to abide by the provisions set forth in the SLA Provisions. These provisions are available at [www.naviant.com/customer-support](http://www.naviant.com/customer-support).
3. Customer agrees to cooperate with Naviant’s marketing efforts, as shall be reasonably requested which may include: (i) providing in-person or phone references to prospective customers; (ii) working to prepare a Customer-success story and/or press release documenting the relationship of the parties; and (iii) allowing Naviant to use Customer’s logo, subject to Customer’s standard guidelines, on Naviant’s website and in presentations under Naviant’s customer section and as part of marketing and pre-sales materials used by Naviant.
- 4.

# SIGNATURE PAGE

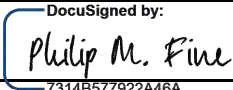
<b>CUSTOMER NAME</b> Bay Area Air Quality Management District	
<b>PROJECT CONTACT</b> Dawn Quintana	
<b>BILLING ADDRESS (only required for New Customers)</b>	<b>SHIPPING ADDRESS</b>
<b>ATTENTION</b>	<b>ATTENTION</b>
<b>SPECIAL INSTRUCTIONS</b>	
<b>PURCHASE ORDER (PO) REQUIREMENT</b> Is a PO Required by Customer? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   Purchase Order #	

This Agreement is entered into pursuant to and incorporates the foregoing, including Appendices, Exhibits and Schedules, if any, and the Master Terms & Conditions (“Terms”) dated 4/24/2023 (attached in section “MASTER TERMS AND CONDITIONS”). This Agreement represents the final description and scope of the Agreement between the parties. Any previous drafts of this Agreement or previous documents used to evaluate this project are not part of this Agreement. Naviant will not be obligated to accept any agreement which has not been signed and returned by Customer to Naviant within thirty (30) days from the date on this Agreement.

This Agreement has been prepared in accordance with Naviant’s understanding of Customer requirements based on the information provided by Customer to Naviant. Therefore, it is understood and agreed that any additional hardware, software, professional services, and maintenance requests above and beyond the original scope of this Agreement will be billed in addition to those listed in this Agreement.

If a PO is required, the PO number must be inserted above upon Customer’s execution of this Agreement. Any terms and conditions appearing in any PO shall have no effect unless agreed to in writing by both parties hereof.

**Upon signed acceptance, please return the entire document to “Attention: Naviant Sales Support” via email or fax at [purchasing@naviant.com](mailto:purchasing@naviant.com) or 608-848-0901. Acceptance creates a binding contract.**

CUSTOMER	NAVIANT, INC.
<b>NAME:</b> Philip M. Fine	<b>NAME:</b>
<b>TITLE:</b> Executive Officer/APCO	<b>TITLE:</b>
<b>SIGNATURE:</b> 	<b>SIGNATURE:</b>
<b>DATE:</b> 6/21/2024	<b>DATE:</b>

# NAVIANT SLA

## 1. Naviant Software Support Level Agreement

Naviant, Inc. ("Naviant") agrees to provide and the Customer agrees to accept ongoing system support on the software products utilized in customer's system at the annual charges as invoiced, in accordance with the terms and conditions contained within these SLA Provisions.

A Software Support Level Agreement will provide phone, remote access, and email support for issues related to the performance of the installed system. Naviant standard business hours are 7:00 AM – 7:00 PM CT Monday through Friday, excluding holidays observed by Naviant. Naviant's Weekly Evening Hours are 7:00 PM – 7:00 AM CT Monday evening through Friday morning. Weekend Hours are 7:00 PM – 7:00 AM CT Friday evening through Monday morning. When Time & Materials billing is applicable, actual and reasonable travel expenses (mileage, transportation, lodging, and meals) will be charged per visit per Naviant resource to the customer as incurred, and Naviant will estimate such fee prior to dispatching onsite support. Naviant's Software Support Level Agreement is outlined below:

### Naviant SLA Overview

Phone, Live Chat & Email Support	Unlimited Support During Standard Business Hours
Standard System Upgrades	Upgrade requests to standard OnBase & ABBYY solutions every 12 months (35 hours)
24/7 Emergency Phone Support	Access to Team of Support Experts During Non-Standard Business Hours (\$205/hr)
Discounted Professional Services	Reduced Support Professional Services Rates for Time & Materials (\$175/hr during Regular Business Hours & \$205/hr during Evenings and Weekends)

### Included Services

Issue Review Check-Ins	Regular check-ins to review issues, projects and discuss topics regarding your solution
Wellness Checks	Proactive wellness checks performed on your solution
Naviant Live Chat Support	Unlimited chat support during normal business hours
Access to Webinars	Access to our monthly educational webinars to increase your solution knowledge
Comprehensive Audit	A detailed audit of the current technical state of your system regarding efficiency/areas of improvement, and provides recommendations to ensure the future health of your system (40-60 hours total)
Remote License Certificate Activation	Installation and activation of licenses
OnBase SQL Settings Verifications	Regular review of your database settings to ensure optimal performance
Custom Report & Dashboard Bundle	75+ custom dashboards and reports to monitor your solution and assist with its use
Hyland Recertification	Complimentary System Admin & Workflow Recertifications at Naviant's annual Summit

If a Software Support Level Agreement is not purchased or kept in force, all support requests not covered by the Manufacturer Software Maintenance will be billed at Naviant's then prevailing Professional Services rates. Professional Services will be billed at ¼ hour increments.

## 2. Manufacturer Software Maintenance

In general, "Manufacturer Software Maintenance" provides access to product upgrades & enhancements, product error correction & fixes, technical documentation, and access to manufacturer escalated technical support facilitated through Naviant. When purchased, Manufacturer Software Maintenance provides Customer ongoing software support by the software manufacturer including commercially reasonable efforts to correct any properly reported errors in the software that are confirmed by the software manufacturer in the exercise of its commercially reasonable judgment. Access to Manufacturer Software Maintenance is provided by Naviant. Naviant will undertake to report to the software manufacturer for confirmation any reported errors promptly after receipt of proper notice from Customer, and will perform services in an effort to correct confirmed errors promptly after making such confirmation as directed by the software manufacturer.

Manufacturer Software Maintenance provides software maintenance and troubleshooting for product error correction and related fixes coordinated or facilitated through Naviant via phone or email for issues not caused by Customer actions, inactions, hardware, or non-Naviant supplied or supported software. Requests for intervention from the software manufacturer will be at the discretion of Naviant.

### 3. SLA Upgrades

Customers who have a current SLA are eligible for a complimentary SLA upgrade of up to two versions of their OnBase or Abby solution once every twelve (12) months. This upgrade consists of one development environment, one testing environment, and one production environment (up to 35 hours of upgrade services). Customers can request an SLA upgrade during their contract term and Naviant will coordinate based on current project scheduling for Customer. Additional environments, environment refreshes, updates to custom/legacy forms, scripts and workflows are outside scope of this SLA upgrade. Upgrading greater than two versions may incur an additional charge. Additionally, products outside OnBase and Abby are excluded. Customer is responsible for all user/client/workstation upgrades, configuration changes, and/or installations as appropriate. Hours dedicated for SLA upgrade cannot be used for any other professional services.

### 4. Naviant Software Support Protocol

Naviant maintains a dedicated help desk to provide the first line of support to receive and resolve support inquiries for all software solution implementations. By utilizing this streamlined approach to support, Naviant ensures that each customer inquiry will be answered in a timely and efficient manner, minimizing disruption to both system operation and work processes, and that all issues are reported and tracked accordingly. Naviant customers are provided with a dedicated toll-free number to use when calling in for support, as well as a dedicated support email address to email support inquiries. When contacting Naviant Support, the Customer will be connected directly with a help desk technician, the issue will be logged into the Naviant's Support System, assigned a reference number, and the Customer will receive an email confirmation for tracking purposes. Naviant's standard response time objective is to respond to Customer support inquiries within one hour during Naviant standard business hours; however, Naviant's response time protocol is not to exceed three hours for either callback phone support or remote access to resolve the issue. If the issue requires further investigation, status updates will be provided in a timely manner until the issue is resolved.

### 5. Customer Responsibilities

- A. Onsite Support. When support is performed at Customer's premises, Customer agrees to provide reasonable and safe access to the software and equipment consistent with the requirements of these SLA Provisions and shall be liable for any damages to persons or property arising from its failure in this respect.
- B. Operating Environment. Customer is responsible for maintaining the appropriate operating environment for their system, including but not limited to hardware, software, and disk space. Customer must also provide appropriate electrical power and protective devices. If an appropriate operating environment causes system problems, Naviant will complete a problem definition and resolution effort. If the system problems may be resolved by a recommended change/upgrade to components that are required by the system, Customer at its expense will be responsible for executing said upgrade. If said upgrade is not executed, then at Naviant's option the Software Support Level Agreement may be terminated. System (hardware) enhancement necessitated by a software upgrade must be purchased by Customer prior to the installation of such software upgrade. Customer acknowledges and agrees that Naviant requires online access to the software installed on Customer's systems in order for the software manufacturer to provide maintenance and for Naviant to provide support. Customer shall install and maintain, at Customer's sole cost and expense, communications software approved by Naviant. Customer shall establish and maintain at its sole cost and expense, an adequate or dedicated connection to facilitate the provision of Maintenance and Support Services.

### 6. Products and Services Not Covered

Software Support Level Agreements do not cover installation fees for initial system configuration, expansion of the system in applications, enhanced functionality, or inclusion of additional users. Unless specifically agreed to in writing, Software Support Level Agreements shall not cover: (i) Support for scripting, API or workflow changes or additions by Customer; (ii) Customized application functions or device support for the software and/or the hardware utilized by the software; (iii) Conversions for the Customer, whether such conversion be to data or to programs; (iv) Onsite support, training, and implementation services beyond the terms specified; (v) Installation of software version upgrades; (vi) Annual system audits not outlined in Section 1; (vii) Support calls related to issues traced to a Customer action, inaction, non-Naviant supported hardware, or non-Naviant supplied or supported software not covered under these SLA Provisions.

Software Support Level Agreements do not provide support for any hardware or software not purchased from Naviant that is used with or attached to the system, or any hardware or software that is required to make the supported system work with excluded items. Any services provided by Naviant to provide compatibility with non-Naviant hardware and software and identify and resolve problems caused by these excluded items will be charged to Customer at Naviant's prevailing Professional Services Group rates. Naviant is not responsible for any damages resulting from Customer's improper use of the system, from the Customer's failure to follow standard back-up procedures, or from any consequences arising from failure of the various computer media used. The use of an unauthorized part, component, modification, or person to effect repairs or changes will cause the Software Support Level Agreement to be null and void at the option of Naviant. Software Support Level Agreements do not cover software reinstallations due to Customer computer moves, relocations, or replacements.

## 7. Term

- C. Software Support Level Agreements are effective from the commencement date and shall continue for an initial minimum term of one (1) year, unless otherwise stated. Unless Customer notifies Naviant of intent to terminate Software Support Level Agreement in writing via certified mail or registered mail within thirty (30) days prior to expiration of the initial term, the Agreement shall automatically renew for an additional one (1) year term and shall thereafter renew for additional one (1) year terms until canceled by either party in writing via certified mail or registered mail within thirty (30) days prior to the anniversary date of any successive one (1) year term. Naviant shall have the right to change the rates contained in the Software Support Level Agreement for any aforementioned successive one (1) year term upon written notice to Customer at least forty-five (45) days prior to any anniversary date of the Software Support Level Agreement. Payment must be received within 20 days of renewal invoice date; if Software Support Level Agreement lapses and Customer calls for service, Customer will be billed at Naviant's then prevailing Time & Materials rate for the service call and Naviant will require a PO or credit card prior to scheduling service. The Software Support Level Agreement may be reinstated after the service call has been resolved and will be valid for a 12 month term. All Software Support Level Agreements shall be billed for one year in advance.
- D. Notwithstanding the foregoing, this Software Support Level Agreement may be terminated in whole or in part at the option of Naviant in the event that (i) Customer defaults in payment or performance of any of its liabilities or obligations pursuant to the SLA Provisions and such default continues for a period of thirty (30) days after written notice thereof specifying the default or (ii) Customer becomes the subject of any voluntary or involuntary bankruptcy; insolvency, reorganization or liquidation proceedings; makes an assignment for the benefit of creditors; or admits in writing its inability to pay its debts when due. The right of termination provided in this subparagraph B is in addition to any other remedy available to Naviant at law or in equity with respect to default by Customer or in any proceeding referred to in clause (ii) hereof.

## 8. Software Licensing Agreement

A manufacturer software licensing agreement for each software product utilized in a Customer's system must be in effect at all times during the term of the Software Support Level Agreement.

# MASTER TERMS AND CONDITIONS

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**MASTER TERMS AND CONDITIONS  
("TERMS")**

**THESE MASTER TERMS AND CONDITIONS, INCLUDING ANY EXHIBITS, SCHEDULES AND ATTACHMENTS, SET FORTH THE TERMS AND CONDITIONS UNDER WHICH COMPANY AGREES TO PROVIDE SOFTWARE AND SERVICES AND ARE MADE A PART OF ALL STATEMENTS OF WORK ("SOW") COLLECTIVELY, THE "AGREEMENT".**

1. **TERMS.** These Terms shall remain in effect for the full term of the Agreement. Any counteroffer, proposed addition to, or supplement of the Terms is hereby expressly rejected unless in writing and agreed to by the Company.

2. **SOFTWARE AND SERVICES.** Customer agrees to buy and/or license (as applicable), and Company agrees to deliver (as applicable) (a) the professional consulting services ("Services"), (b) software ("Software"), including any documentation thereto, (c) Software Support Level Agreement ("SLA"), and (d) Cloud Service Agreement, if applicable, as described in the separate Statements of Work, Contracts, Change Orders, or other such documents signed by authorized representatives of both parties (collectively the "Software and Services").

3. **SOFTWARE LICENSE.** Customer accepts license of Software in accordance with the terms of the applicable Licensor End User License Agreement ("EULA"). Ownership of intellectual property rights in the Software is set forth in the applicable EULA. As between said Licensor and Customer, Licensor shall retain all right, title and interest, including all intellectual property rights, in and to all documentation, code and data. Except as expressly set forth in these Terms, any warranties, obligations and liabilities of Licensor in relation to Software are set forth in the applicable EULA.

4. **SERVICES.** Services provided by Naviant, Inc. ("Company") shall be as described in the Agreement. Any work product that is a result of Services provided by Company remains the intellectual property of Company. Customer will have a perpetual, non-exclusive, revocable right to use said work product for the period of time that the work product is in use by Customer, but shall have no right to resell, transfer or assign the same. Company warrants to Customer that it possesses the necessary expertise, capability, equipment and personnel to properly and professionally perform the Services hereunder, that it is properly and legally licensed (if applicable) to perform the Services, and that it shall at all times in the performance of the Services comply with all applicable laws, ordinances and regulations and shall perform all Services in a good, workmanlike, professional and efficient manner.

5. **MAINTENANCE AND SUPPORT.** Customer agrees to abide by the provisions set forth in the SLA Provisions located at [www.naviant.com/services/tech-support-onbase](http://www.naviant.com/services/tech-support-onbase).

6. **PRICE.** Customer shall pay the agreed upon amounts for the Software and Services without setoff or deduction in accordance with the payment terms set forth in the Statement of Work. Such Prices generally exclude any excise, sales, use or like taxes, and therefore such prices are subject to increase in the amount of any such tax (excluding tax on net income) that Company may be required to collect or pay upon the sale of Software or performance of Services. Prices are, and all payments shall be made, in U. S. dollars. Customer shall pay Company's reasonable travel expenses associated with the performance of Services.

7. **PAYMENT TERMS.** Unless stated differently in the SOW, the Company follows the billing cycle and service period of the Software Licensor for Subscription Software, Manufacturer Software Maintenance, Cloud Hosting, and other recurring billings. This includes billings for the initial order and any subsequent add-on orders. Payments are due within twenty (20) days of date of invoice. Past due amounts bear interest at a

rate of one and one-half percent (1 1/2%) per month or at the maximum rate allowed by law, whichever is less. Company reserves the right to cancel or reschedule performance of Services if Customer fails to make any payment when due. Customer shall be liable for all expenses attendant to collection of past due amounts due Company, including actual attorney's fees.

8. **PERFORMANCE.** Company shall use commercially reasonable efforts to deliver the Software and perform the Services in accordance with any agreed upon performance date(s). However, Company does not guarantee compliance with any such date(s) and Customer agrees that Company shall not be liable for any damages as a result of any delay in delivery or performance for any reason. If Services are to be performed on Customer's premises, Customer shall keep such premises safe and accessible to Company during business hours, and Customer warrants that each such premises is in compliance with all applicable health and safety regulations and other applicable laws and regulations. Customer shall indemnify and hold Company harmless from any claims arising from Customer's failure to comply with such laws and regulations or due to breach of the warranty set forth in the preceding sentence.

9. **LIMITED WARRANTIES-SERVICES.** COMPANY WARRANTS TO CUSTOMER THAT ALL SERVICES PERFORMED BY COMPANY SHALL BE PERFORMED IN A WORKMANLIKE MANNER. COMPANY WARRANTS FOR A PERIOD OF THIRTY (30) DAYS AFTER PROJECT COMPLETION THAT THE SERVICES ARE IN COMPLIANCE WITH THE AGREEMENT. CUSTOMER'S EXCLUSIVE REMEDY AND COMPANY'S SOLE LIABILITY FOR ANY BREACH OF THE FOREGOING SERVICE WARRANTY SHALL BE THE RE-PERFORMANCE OF THE APPLICABLE SERVICES, FAILING WHICH, AT COMPANY'S OPTION, COMPANY SHALL REFUND THE PORTION OF FEES PAID WHICH RELATE TO THE SPECIFIC NON-CONFORMING SERVICES. **THE EXPRESS WARRANTIES IN THIS SECTION ARE IN LIEU OF, AND COMPANY HEREBY EXPRESSLY DISCLAIMS, ALL OTHER WARRANTIES IN RELATION TO THE SERVICES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT, PROFITABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**

10. **LIMITED WARRANTY-SOFTWARE.** COMPANY PASSES ON TO CUSTOMER, IF POSSIBLE, ANY WARRANTY OFFERED BY THE SOFTWARE LICENSOR. SHOULD THE SOFTWARE NOT OPERATE, YOUR EXCLUSIVE REMEDY SHALL BE AS PROVIDED BY THE SOFTWARE LICENSOR'S WARRANTY. EXCEPT AS EXPLICITLY PROVIDED HEREIN, THE SOFTWARE IS PROVIDED "AS IS" AND, TO THE MAXIMUM EXTENT PERMITTED BY LAW, **WITHOUT WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF NON-INFRINGEMENT, PERFORMANCE, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE.** COMPANY DOES NOT WARRANT THAT THE SOFTWARE OR ITS FUNCTIONS WILL MEET CUSTOMER'S REQUIREMENTS, OPERATE WITHOUT INTERRUPTION OR BE ERROR FREE. CUSTOMER BEARS ALL RISK RELATING TO CUSTOMER'S USE OF THE SOFTWARE.

11. **LIMITATION OF LIABILITY.** **COMPANY SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE CAUSED BY DELAY IN FURNISHING THE SERVICES OR THE SOFTWARE. COMPANY SHALL NOT BE LIABLE FOR ANY LOSS, DESTRUCTION, OR DAMAGE TO ANY DOCUMENTS OR DATA OF CUSTOMER, HOWEVER CAUSED. IT IS UNDERSTOOD AND AGREED BY THE CUSTOMER THAT COMPANY IS NOT AN INSURER. COMPANY STRONGLY ENCOURAGES CUSTOMER TO INSURE FOR THE RECOVERY OF THE INFORMATION CONTAINED WITHIN THEIR DOCUMENTS AND DATA VIA**

AVAILABLE MEANS, SUCH AS VALUABLE PAPERS INSURANCE AND CYBER LIABILITY INSURANCE. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS SECTION, IN NO EVENT SHALL COMPANY BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE, INDIRECT OR SIMILAR DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST PROFITS, LOSS OF USE, LOSS OF REVENUE, DATA LOSS OR OTHER LOSSES ARISING FROM VIRUSES, RANSOMWARE, CYBERATTACKS OR FAILURES OR INTERRUPTIONS TO NETWORK SYSTEMS) ARISING OUT OF THIS AGREEMENT (WHETHER FOR BREACH OF AGREEMENT, TORT, NEGLIGENCE OR OTHER FORM OF ACTION), OR ITS CANCELLATION, IRRESPECTIVE OF WHETHER COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF ANY SUCH LOSS OR DAMAGE. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL COMPANY'S AGGREGATE LIABILITY UNDER THIS AGREEMENT EXCEED THE AMOUNT PAID BY CUSTOMER DURING THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE OCCURRENCE OF THE EVENT DIRECTLY GIVING RISE TO THE LIABILITY. THE PARTIES AGREE THAT THE LIMITATIONS ON LIABILITY SET FORTH IN THE TERMS ARE INDEPENDENT OF ANY EXCLUSIVE OR LIMITED REMEDIES AND SHALL SURVIVE AND APPLY EVEN IF SUCH REMEDIES ARE FOUND TO HAVE FAILED OF THEIR ESSENTIAL PURPOSE. NO ACTION ARISING OUT OF OR RELATED TO THE AGREEMENT MAY BE BROUGHT BY CUSTOMER MORE THAN ONE (1) YEAR AFTER SUCH CAUSE OF ACTION HAS ARISEN.

12. CONFIDENTIAL INFORMATION. The separate Nondisclosure Agreement between the parties and which is part of the Agreement shall govern the protection of any confidential information disclosed by either party hereunder. If there is no Nondisclosure Agreement, all information disclosed by either party regardless of the form in which it is disclosed, is, and shall remain the confidential information of disclosing party ("Confidential Information"). The information contained in this and other Agreements between the parties is confidential and shall not be disclosed by either party without the prior written consent of the other party. Both parties shall protect such Confidential Information from disclosure to others with at least the same degree of care it exercises in protecting its own Confidential Information, but in no event less than a reasonable degree of care. The parties shall not duplicate or reproduce any Confidential Information without the express prior written consent of disclosing party. The parties shall not use any Confidential Information except as is contemplated by the Agreement. The parties shall enforce against its employees and agents these obligations of confidentiality. Notwithstanding the foregoing, information disclosed shall not be deemed to be Confidential Information if (a) receiving party establishes that the information was already known to receiving party, without any obligation to keep it confidential, at the time of its receipt from disclosing party, as evidenced by documents in the possession of receiving party prepared prior to disclosing party's disclosure, or (b) receiving party establishes that the information was publicly known at the time of its receipt by receiving party from disclosing party or has become publicly known other than by a breach of the Terms or other action or omission by receiving party. The Terms shall not prevent either party from disclosing Confidential Information to the extent required by law, provided that receiving party promptly notifies disclosing party to allow intervention and cooperates with disclosing party to contest or minimize the scope of the disclosure.

13. NON-SOLICITATION. During the term of the Agreement and for a period of two (2) years after the termination of the Agreement on any basis, neither party shall, directly or indirectly, solicit or induce, or attempt to solicit or induce, any employee or consultant of the other party to terminate their employment with or services to their employer. Each party recognizes and agrees that compliance with the preceding sentence is

reasonable and necessary for the protection of each party's interest in their respective employees and consultants. In the event of a breach or any threatened breach, the parties acknowledge and agree that no adequate remedy at law exists for, and such provisions may be enforced by, any equitable remedy, including injunction, without bond and without limiting right to proceed to remedy at law. If the period of time or scope should be judged unreasonable in any court proceeding, then the parties agree that the court shall enforce such requirements and the period of time or scope shall be reduced by such time or scope that is deemed unreasonable, so that such non-solicitation provision may be enforced using such period of time or scope as is judged to be reasonable.

14. USE OF NAME. Unless otherwise authorized under the Agreement, neither party may represent that it is associated with the other party for its own promotional purposes without prior written permission of such other party.

15. CANCELLATION. Company may cancel the Agreement by written notice to Customer due to (a) Customer's material breach of, or failure to comply with, the Agreement or any of the Terms or any subsequent agreements between the parties; or (b) Customer filing a petition of any type as to its bankruptcy, being declared bankrupt, becoming insolvent, making an assignment for the benefit of creditors or going into liquidation or receivership. If Company cancels the Agreement as set forth above, Customer agrees to pay to Company all amounts due for Software ordered and Services performed prior to the effective date of termination and to indemnify and hold Company harmless from any amounts due by Company to third parties as a result of the cancellation. This Section and Sections 3, 4, 6, 8, 9, 10, 11, 12, 13, 14, and 19 shall survive any cancellation of this Agreement.

16. SOFTWARE AND SERVICES. Customer may only use the Software expressly permitted by the license granted in the applicable EULA. Without limiting the generality of the foregoing, the Software may not be resold, leased, sublicensed, distributed, or transferred in any way except as expressly permitted under the applicable EULA. Company may make any changes to the Software or Services or discontinue any of the Services at Company's sole discretion. The parties acknowledge and agree that Company, in the course of performing Services, may use or incorporate its pre-existing materials and other intellectual property developed or otherwise owned by Company ("Pre-Existing Intellectual Property"). Company shall at all times retain all rights to such Pre-Existing Intellectual Property and any Customer specific by-product of the utilization of Pre-Existing Intellectual Property for purposes of completing Services shall be considered intellectual property of Company and Customer is granted a perpetual license to utilize any by-product that is derived as a result of the requirements of the Agreement.

17. INDEPENDENT CONTRACTOR. In performance of all Services, Company shall be deemed to be an "independent contractor" and as such, shall not be entitled to any benefits applicable to the employees of the Customer. Company declares that it is engaged in an independent business and that similar services are provided for other customers and the Customer is not Company's sole and only customer. Neither party shall in any way be deemed to be an agent or representative of the other party. Neither party shall have any authority to bind or speak for the other party except as may be specifically given to such party in writing from time to time.

18. INSURANCE. Company shall maintain the following insurance coverages:

- General Liability
  - Each Occurrence - \$2,000,000
  - General Aggregate - \$4,000,000
  - Products/Completed Operations Aggregate - \$2,000,000
  - Personal/Advertising Injury - \$1,000,000
  - Professional/Cyber Liability - \$5,000,000
- Automobile Liability (Combined Single Limit - \$1,000,000)

DS  
MC v 4.22 DS  
Initials

Umbrella Liability

Each Occurrence - \$10,000,000

General Aggregate - \$10,000,000

Workers Compensation and Employers' liability

Each Accident - \$500,000

Disease Policy Limit - \$500,000

19. INDEMNIFICATION. Subject to this Agreement, each party agrees to indemnify and hold harmless the other party, its officers, directors, agents and employees with respect to third party claims for any loss, including actual, reasonable attorney's fees, costs or damages for any death, injury, or damage to tangible personal property or real property in connection with the Agreement or arising from the performance of Services to the extent caused by the negligent acts or omissions or willful misconduct of its employees or its agents.

20. ASSIGNMENT. The Agreement may not be assigned by Customer without prior written permission from Company. Any attempt to assign any rights or delegate any duties or obligations, which arise under the Agreement without such permission, shall be void

21. DISPUTES. Each party consents to the forum, jurisdiction, and venue of the state courts of the State of Wisconsin and federal courts located therein in any actions, disputes or controversies under the Agreement. The rights and obligations of a party shall survive completion of performance in accordance with the provisions of the Agreement and any Change Orders issued thereunder.

22. SEVERABILITY. Any provision or part thereof of the Agreement held to be void or unenforceable by any court shall be deemed stricken and all remaining provisions shall continue to be valid and binding upon the parties. The court may reform or replace such stricken provision or part thereof with a valid and enforceable provision, which expresses the intent of the stricken provision.

23. GOVERNING LAW. The Agreement shall be governed by and interpreted in accordance with the laws of the State of Wisconsin, without regard to conflicts of laws principles.

24. ENTIRE AGREEMENT. The Agreement, including all Change Orders issued thereunder, constitutes the sole and only agreement of the parties hereto and supersedes any prior understandings or written or oral agreements between the parties. The Agreement may be amended only by a writing signed by the duly authorized representative of each party. The terms and conditions of any purchase order, acknowledgement, invoice, or other commercial form issued by Customer to Company are specifically excluded and shall not be deemed a part of or to modify or amend the Agreement, unless such other party expressly agrees in writing to be bound by such commercial form.

25. FORCE MAJEURE. Neither party shall be responsible or liable for delays or failure to perform related to any cause or contingency beyond its reasonable control including, without limitation, acts of God, floods, fires, explosions, extreme heat or cold, earthquakes, storms or other adverse weather; power shortages, epidemic or pandemic, transportation difficulties, strikes, lockouts or other industrial disturbances, wars, acts of terrorism or sabotage, or any law, rule, order or action of any court or instrumentality of the federal, state or local government.

26. NOTICES. Any notice provided for or concerning the Agreement shall be in writing and shall be deemed sufficiently given when sent by certified mail to the address as set forth in the Agreement.

Any notice provided for or concerning these Master Terms and Conditions shall be in writing and shall be deemed sufficiently given when sent by certified mail to the address as set forth below.

NAVIANT, INC.  
201 Prairie Heights Drive  
Verona, WI 53593

DocuSigned by:  
Michael Carr  
Authorized Signature

Michael Carr President & CEO

Print Name and Title

4/24/2023

Date

CUSTOMER

Bay Area Air Quality Management District  
Customer Name

375 Beale St., Suite 600  
Street Address

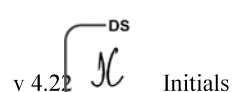
San Francisco, CA 94066  
City, State Zip Code

DocuSigned by:  
John Chitadakis  
Authorized Signature

Philip M. Fine, Executive Officer/APCO  
Print Name and Title

4/24/2023

Date



# CHANGE ORDER AUTHORIZATION # 01

This document sets forth the mutually agreed upon changes and modifications to the Statement of Work for OnBase Workflow Implementation (“Agreement”) entered into as of 5 September 2023 by and between Naviant, Inc. (“Naviant”) and Bay Area Air Quality Management District (“Customer”).

Except as expressly set forth in this Change Order Authorization, all other terms and provisions of the Agreement shall remain in full force and effect. The changes contained in this Change Order Authorization are intended to add additional implementation work in order to modify the original Agreement entered into as of 5 September 2023 by and between Naviant and Customer, and do not replace any of the original work outlined in the Agreement.

A Change Order Authorization will become effective subject to timely approval and execution by authorized representatives of each party.

## Change Order Authorization Description

**Background:** During the implementation project, document retention and records management solutions were applied to existing document types. Human Resources document types were not defined and were not included in the DR/RM scope of the project. Since then, HR has defined their document types and would like to have a DR/RM solution in place.

HR is currently converting their paper files to the following OnBase document types.

- HR – Benefits Records
- HR - Confidential Records
- HR - I-9
- HR - Payroll Files
- HR - Performance Review
- HR - Personnel Files
- HR – Training Records

All document types have the following keywords

- First Name
- Last Name
- Employee ID
- Hire Date
- Employment End Date
- Employment Status
- SK-HR Secure Assign
  - Used as a security keyword that is set by a workflow rule.
  - Y=limited visibility to only HR director
  - N=visible to all HR employees.

NOTE: HR does not have a retention schedule, an autofill keyword dataset, or an OnBase file cabinet structure. The HRIS is Dayforce.

**Scope Statement:** Implement a retention plan for HR document types.

**Effort**

- Assumes that BAAQMD would like to include a scan queue and autofill keyword dataset.
- Assumes that BAAQMD has defined the retention schedule for the HR document types.

Task	Est Effort	Notes
Requirements Gathering (JAD session)	4 hours	Review the retention schedule, determine solution (DR, RM, or a combo of both)

Task	Est Effort	Notes
Document requirements and design specs	2 hours	
Configuration	16 hours	Assumes a DR solution with W/F for the HR I-9 doc type, RM or DR/Folder solution for other doc types and Unit Testing
HR Scan Queue - Optional	3 hours	Includes workstation set up and Training
HR AutoFill Keyword Dataset – Optional	3 hours	
Training and Testing Support	3 hours	
Update Production	4 hours	
Total	35 hours	

### Signature Acceptance

If PO is required, the PO # must be inserted below upon Customer’s execution of this Agreement. Any terms and conditions appearing in any PO shall have no effect unless agreed to in writing by both parties hereof.

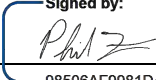

<b>PURCHASE ORDER (PO) REQUIREMENT</b> Is a PO Required by Customer? <input type="checkbox"/> Yes <input type="checkbox"/> No   Purchase Order #
---

Professional Services		
Description	Hours	Total
Professional Services	35	\$7,700
<b>Total Due</b>		<b>\$7,700</b>

1. This Change Order Authorization will increase the maximum not-to-exceed amount of the Agreement by \$7,700 from \$58,000 to \$65,700. All work under the Agreement will be billed and paid for on an hourly basis at the standard hourly rates listed below.
2. Naviant standard hourly rates vary by resource type, and resource types are assigned to projects based on project requirements. Following are the standard rates by resource type:

Resource	Hourly Rate
Principal Consultant	\$265
Senior Architect	\$265
Consultant	\$220
Architect	\$220
Trainer	\$220
Customer Success Specialist – Standard Hours	\$195
Customer Success Specialist – Non-standard Hours	\$293
SLA Customer Success Specialist – Standard Hours	\$175
SLA Customer Success Specialist – Non-standard Hours	\$205

Upon signed acceptance, please return the entire document to "Attention: Naviant Sales Support" via email or fax at purchasing@naviant.com or 608-848-0901. Acceptance creates a binding contract.

CUSTOMER	NAVIANT, INC.
NAME: Philip M. Fine	NAME: Michael Carr
TITLE: Executive Officer/APCO	TITLE: President & CEO
SIGNATURE:  Signed by: 98506AF9981D4CC...	SIGNATURE:  Signed by: 528EDA57C701483...
DATE: 1/19/2025	DATE: 1/21/2025

**MASTER TERMS AND CONDITIONS  
("TERMS")**

**THESE MASTER TERMS AND CONDITIONS, INCLUDING ANY EXHIBITS, SCHEDULES AND ATTACHMENTS, SET FORTH THE TERMS AND CONDITIONS UNDER WHICH COMPANY AGREES TO PROVIDE SOFTWARE AND SERVICES AND ARE MADE A PART OF ALL STATEMENTS OF WORK ("SOW") COLLECTIVELY, THE "AGREEMENT".**

1. **TERMS.** These Terms shall remain in effect for the full term of the Agreement. Any counteroffer, proposed addition to, or supplement of the Terms is hereby expressly rejected unless in writing and agreed to by the Company.

2. **SOFTWARE AND SERVICES.** Customer agrees to buy and/or license (as applicable), and Company agrees to deliver (as applicable) (a) the professional consulting services ("Services"), (b) software ("Software"), including any documentation thereto, (c) Software Support Level Agreement ("SLA"), and (d) Cloud Service Agreement, if applicable, as described in the separate Statements of Work, Contracts, Change Orders, or other such documents signed by authorized representatives of both parties (collectively the "Software and Services").

3. **SOFTWARE LICENSE.** Customer accepts license of Software in accordance with the terms of the applicable Licensor End User License Agreement ("EULA"). Ownership of intellectual property rights in the Software is set forth in the applicable EULA. As between said Licensor and Customer, Licensor shall retain all right, title and interest, including all intellectual property rights, in and to all documentation, code and data. Except as expressly set forth in these Terms, any warranties, obligations and liabilities of Licensor in relation to Software are set forth in the applicable EULA.

4. **SERVICES.** Services provided by Naviant, Inc. ("Company") shall be as described in the Agreement. Any work product that is a result of Services provided by Company remains the intellectual property of Company. Customer will have a perpetual, non-exclusive, revocable right to use said work product for the period of time that the work product is in use by Customer, but shall have no right to resell, transfer or assign the same. Company warrants to Customer that it possesses the necessary expertise, capability, equipment and personnel to properly and professionally perform the Services hereunder, that it is properly and legally licensed (if applicable) to perform the Services, and that it shall at all times in the performance of the Services comply with all applicable laws, ordinances and regulations and shall perform all Services in a good, workmanlike, professional and efficient manner.

5. **MAINTENANCE AND SUPPORT.** Customer agrees to abide by the provisions set forth in the SLA Provisions located at [www.naviant.com/services/tech-support-onbase](http://www.naviant.com/services/tech-support-onbase).

6. **PRICE.** Customer shall pay the agreed upon amounts for the Software and Services without setoff or deduction in accordance with the payment terms set forth in the Statement of Work. Such Prices generally exclude any excise, sales, use or like taxes, and therefore such prices are subject to increase in the amount of any such tax (excluding tax on net income) that Company may be required to collect or pay upon the sale of Software or performance of Services. Prices are, and all payments shall be made, in U. S. dollars. Customer shall pay Company's reasonable travel expenses associated with the performance of Services.

7. **PAYMENT TERMS.** Unless stated differently in the SOW, the Company follows the billing cycle and service period of the Software Licensor for Subscription Software, Manufacturer Software Maintenance, Cloud Hosting, and other recurring billings. This includes billings for the initial order and any subsequent add-on orders. Payments are due within twenty (20) days of date of invoice. Past due amounts bear interest at a

rate of one and one-half percent (1 1/2%) per month or at the maximum rate allowed by law, whichever is less. Company reserves the right to cancel or reschedule performance of Services if Customer fails to make any payment when due. Customer shall be liable for all expenses attendant to collection of past due amounts due Company, including actual attorney's fees.

8. **PERFORMANCE.** Company shall use commercially reasonable efforts to deliver the Software and perform the Services in accordance with any agreed upon performance date(s). However, Company does not guarantee compliance with any such date(s) and Customer agrees that Company shall not be liable for any damages as a result of any delay in delivery or performance for any reason. If Services are to be performed on Customer's premises, Customer shall keep such premises safe and accessible to Company during business hours, and Customer warrants that each such premises is in compliance with all applicable health and safety regulations and other applicable laws and regulations. Customer shall indemnify and hold Company harmless from any claims arising from Customer's failure to comply with such laws and regulations or due to breach of the warranty set forth in the preceding sentence.

9. **LIMITED WARRANTIES-SERVICES.** COMPANY WARRANTS TO CUSTOMER THAT ALL SERVICES PERFORMED BY COMPANY SHALL BE PERFORMED IN A WORKMANLIKE MANNER. COMPANY WARRANTS FOR A PERIOD OF THIRTY (30) DAYS AFTER PROJECT COMPLETION THAT THE SERVICES ARE IN COMPLIANCE WITH THE AGREEMENT. CUSTOMER'S EXCLUSIVE REMEDY AND COMPANY'S SOLE LIABILITY FOR ANY BREACH OF THE FOREGOING SERVICE WARRANTY SHALL BE THE RE-PERFORMANCE OF THE APPLICABLE SERVICES, FAILING WHICH, AT COMPANY'S OPTION, COMPANY SHALL REFUND THE PORTION OF FEES PAID WHICH RELATE TO THE SPECIFIC NON-CONFORMING SERVICES. **THE EXPRESS WARRANTIES IN THIS SECTION ARE IN LIEU OF, AND COMPANY HEREBY EXPRESSLY DISCLAIMS, ALL OTHER WARRANTIES IN RELATION TO THE SERVICES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT, PROFITABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**

10. **LIMITED WARRANTY-SOFTWARE.** COMPANY PASSES ON TO CUSTOMER, IF POSSIBLE, ANY WARRANTY OFFERED BY THE SOFTWARE LICENSOR. SHOULD THE SOFTWARE NOT OPERATE, YOUR EXCLUSIVE REMEDY SHALL BE AS PROVIDED BY THE SOFTWARE LICENSOR'S WARRANTY. EXCEPT AS EXPLICITLY PROVIDED HEREIN, THE SOFTWARE IS PROVIDED "AS IS" AND, TO THE MAXIMUM EXTENT PERMITTED BY LAW, WITHOUT WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF NON-INFRINGEMENT, PERFORMANCE, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. COMPANY DOES NOT WARRANT THAT THE SOFTWARE OR ITS FUNCTIONS WILL MEET CUSTOMER'S REQUIREMENTS, OPERATE WITHOUT INTERRUPTION OR BE ERROR FREE. CUSTOMER BEARS ALL RISK RELATING TO CUSTOMER'S USE OF THE SOFTWARE.

11. **LIMITATION OF LIABILITY.** COMPANY SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE CAUSED BY DELAY IN FURNISHING THE SERVICES OR THE SOFTWARE. COMPANY SHALL NOT BE LIABLE FOR ANY LOSS, DESTRUCTION, OR DAMAGE TO ANY DOCUMENTS OR DATA OF CUSTOMER, HOWEVER CAUSED. IT IS UNDERSTOOD AND AGREED BY THE CUSTOMER THAT COMPANY IS NOT AN INSURER. COMPANY STRONGLY ENCOURAGES CUSTOMER TO INSURE FOR THE RECOVERY OF THE INFORMATION CONTAINED WITHIN THEIR DOCUMENTS AND DATA VIA

AVAILABLE MEANS, SUCH AS VALUABLE PAPERS INSURANCE AND CYBER LIABILITY INSURANCE. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS SECTION, IN NO EVENT SHALL COMPANY BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE, INDIRECT OR SIMILAR DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST PROFITS, LOSS OF USE, LOSS OF REVENUE, DATA LOSS OR OTHER LOSSES ARISING FROM VIRUSES, RANSOMWARE, CYBERATTACKS OR FAILURES OR INTERRUPTIONS TO NETWORK SYSTEMS) ARISING OUT OF THIS AGREEMENT (WHETHER FOR BREACH OF AGREEMENT, TORT, NEGLIGENCE OR OTHER FORM OF ACTION), OR ITS CANCELLATION, IRRESPECTIVE OF WHETHER COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF ANY SUCH LOSS OR DAMAGE. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL COMPANY'S AGGREGATE LIABILITY UNDER THIS AGREEMENT EXCEED THE AMOUNT PAID BY CUSTOMER DURING THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE OCCURRENCE OF THE EVENT DIRECTLY GIVING RISE TO THE LIABILITY. THE PARTIES AGREE THAT THE LIMITATIONS ON LIABILITY SET FORTH IN THE TERMS ARE INDEPENDENT OF ANY EXCLUSIVE OR LIMITED REMEDIES AND SHALL SURVIVE AND APPLY EVEN IF SUCH REMEDIES ARE FOUND TO HAVE FAILED OF THEIR ESSENTIAL PURPOSE. NO ACTION ARISING OUT OF OR RELATED TO THE AGREEMENT MAY BE BROUGHT BY CUSTOMER MORE THAN ONE (1) YEAR AFTER SUCH CAUSE OF ACTION HAS ARISEN.

12. CONFIDENTIAL INFORMATION. The separate Nondisclosure Agreement between the parties and which is part of the Agreement shall govern the protection of any confidential information disclosed by either party hereunder. If there is no Nondisclosure Agreement, all information disclosed by either party regardless of the form in which it is disclosed, is, and shall remain the confidential information of disclosing party ("Confidential Information"). The information contained in this and other Agreements between the parties is confidential and shall not be disclosed by either party without the prior written consent of the other party. Both parties shall protect such Confidential Information from disclosure to others with at least the same degree of care it exercises in protecting its own Confidential Information, but in no event less than a reasonable degree of care. The parties shall not duplicate or reproduce any Confidential Information without the express prior written consent of disclosing party. The parties shall not use any Confidential Information except as is contemplated by the Agreement. The parties shall enforce against its employees and agents these obligations of confidentiality. Notwithstanding the foregoing, information disclosed shall not be deemed to be Confidential Information if (a) receiving party establishes that the information was already known to receiving party, without any obligation to keep it confidential, at the time of its receipt from disclosing party, as evidenced by documents in the possession of receiving party prepared prior to disclosing party's disclosure, or (b) receiving party establishes that the information was publicly known at the time of its receipt by receiving party from disclosing party or has become publicly known other than by a breach of the Terms or other action or omission by receiving party. The Terms shall not prevent either party from disclosing Confidential Information to the extent required by law, provided that receiving party promptly notifies disclosing party to allow intervention and cooperates with disclosing party to contest or minimize the scope of the disclosure.

13. NON-SOLICITATION. During the term of the Agreement and for a period of two (2) years after the termination of the Agreement on any basis, neither party shall, directly or indirectly, solicit or induce, or attempt to solicit or induce, any employee or consultant of the other party to terminate their employment with or services to their employer. Each party recognizes and agrees that compliance with the preceding sentence is

reasonable and necessary for the protection of each party's interest in their respective employees and consultants. In the event of a breach or any threatened breach, the parties acknowledge and agree that no adequate remedy at law exists for, and such provisions may be enforced by, any equitable remedy, including injunction, without bond and without limiting right to proceed to remedy at law. If the period of time or scope should be judged unreasonable in any court proceeding, then the parties agree that the court shall enforce such requirements and the period of time or scope shall be reduced by such time or scope that is deemed unreasonable, so that such non-solicitation provision may be enforced using such period of time or scope as is judged to be reasonable.

14. USE OF NAME. Unless otherwise authorized under the Agreement, neither party may represent that it is associated with the other party for its own promotional purposes without prior written permission of such other party.

15. CANCELLATION. Company may cancel the Agreement by written notice to Customer due to (a) Customer's material breach of, or failure to comply with, the Agreement or any of the Terms or any subsequent agreements between the parties; or (b) Customer filing a petition of any type as to its bankruptcy, being declared bankrupt, becoming insolvent, making an assignment for the benefit of creditors or going into liquidation or receivership. If Company cancels the Agreement as set forth above, Customer agrees to pay to Company all amounts due for Software ordered and Services performed prior to the effective date of termination and to indemnify and hold Company harmless from any amounts due by Company to third parties as a result of the cancellation. This Section and Sections 3, 4, 6, 8, 9, 10, 11, 12, 13, 14, and 19 shall survive any cancellation of this Agreement.

16. SOFTWARE AND SERVICES. Customer may only use the Software expressly permitted by the license granted in the applicable EULA. Without limiting the generality of the foregoing, the Software may not be resold, leased, sublicensed, distributed, or transferred in any way except as expressly permitted under the applicable EULA. Company may make any changes to the Software or Services or discontinue any of the Services at Company's sole discretion. The parties acknowledge and agree that Company, in the course of performing Services, may use or incorporate its pre-existing materials and other intellectual property developed or otherwise owned by Company ("Pre-Existing Intellectual Property"). Company shall at all times retain all rights to such Pre-Existing Intellectual Property and any Customer specific by-product of the utilization of Pre-Existing Intellectual Property for purposes of completing Services shall be considered intellectual property of Company and Customer is granted a perpetual license to utilize any by-product that is derived as a result of the requirements of the Agreement.

17. INDEPENDENT CONTRACTOR. In performance of all Services, Company shall be deemed to be an "independent contractor" and as such, shall not be entitled to any benefits applicable to the employees of the Customer. Company declares that it is engaged in an independent business and that similar services are provided for other customers and the Customer is not Company's sole and only customer. Neither party shall in any way be deemed to be an agent or representative of the other party. Neither party shall have any authority to bind or speak for the other party except as may be specifically given to such party in writing from time to time.

18. INSURANCE. Company shall maintain the following insurance coverages:

- General Liability
  - Each Occurrence - \$2,000,000
  - General Aggregate - \$4,000,000
  - Products/Completed Operations Aggregate - \$2,000,000
  - Personal/Advertising Injury - \$1,000,000
  - Professional/Cyber Liability - \$5,000,000
- Automobile Liability (Combined Single Limit - \$1,000,000)

DS  
MC v 4.22 DS  
Initials

Umbrella Liability

Each Occurrence - \$10,000,000

General Aggregate - \$10,000,000

Workers Compensation and Employers' liability

Each Accident - \$500,000

Disease Policy Limit - \$500,000

19. INDEMNIFICATION. Subject to this Agreement, each party agrees to indemnify and hold harmless the other party, its officers, directors, agents and employees with respect to third party claims for any loss, including actual, reasonable attorney's fees, costs or damages for any death, injury, or damage to tangible personal property or real property in connection with the Agreement or arising from the performance of Services to the extent caused by the negligent acts or omissions or willful misconduct of its employees or its agents.

20. ASSIGNMENT. The Agreement may not be assigned by Customer without prior written permission from Company. Any attempt to assign any rights or delegate any duties or obligations, which arise under the Agreement without such permission, shall be void

21. DISPUTES. Each party consents to the forum, jurisdiction, and venue of the state courts of the State of Wisconsin and federal courts located therein in any actions, disputes or controversies under the Agreement. The rights and obligations of a party shall survive completion of performance in accordance with the provisions of the Agreement and any Change Orders issued thereunder.

22. SEVERABILITY. Any provision or part thereof of the Agreement held to be void or unenforceable by any court shall be deemed stricken and all remaining provisions shall continue to be valid and binding upon the parties. The court may reform or replace such stricken provision or part thereof with a valid and enforceable provision, which expresses the intent of the stricken provision.

23. GOVERNING LAW. The Agreement shall be governed by and interpreted in accordance with the laws of the State of Wisconsin, without regard to conflicts of laws principles.

24. ENTIRE AGREEMENT. The Agreement, including all Change Orders issued thereunder, constitutes the sole and only agreement of the parties hereto and supersedes any prior understandings or written or oral agreements between the parties. The Agreement may be amended only by a writing signed by the duly authorized representative of each party. The terms and conditions of any purchase order, acknowledgement, invoice, or other commercial form issued by Customer to Company are specifically excluded and shall not be deemed a part of or to modify or amend the Agreement, unless such other party expressly agrees in writing to be bound by such commercial form.

25. FORCE MAJEURE. Neither party shall be responsible or liable for delays or failure to perform related to any cause or contingency beyond its reasonable control including, without limitation, acts of God, floods, fires, explosions, extreme heat or cold, earthquakes, storms or other adverse weather; power shortages, epidemic or pandemic, transportation difficulties, strikes, lockouts or other industrial disturbances, wars, acts of terrorism or sabotage, or any law, rule, order or action of any court or instrumentality of the federal, state or local government.

26. NOTICES. Any notice provided for or concerning the Agreement shall be in writing and shall be deemed sufficiently given when sent by certified mail to the address as set forth in the Agreement.

Any notice provided for or concerning these Master Terms and Conditions shall be in writing and shall be deemed sufficiently given when sent by certified mail to the address as set forth below.

NAVIANT, INC.

201 Prairie Heights Drive  
Verona, WI 53593

DocuSigned by:  
Michael Carr  
Authorized Signature

Michael Carr President & CEO

Print Name and Title

4/24/2023

Date

CUSTOMER

Bay Area Air Quality Management District  
Customer Name

375 Beale St., Suite 600  
Street Address

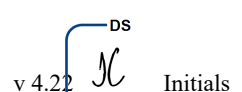
San Francisco, CA 94066  
City, State Zip Code

DocuSigned by:  
John Chikadakis  
Authorized Signature

Philip M. Fine, Executive Officer/APCO  
Print Name and Title

4/24/2023

Date





BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

## Statement of Work

### Planning Phase

OnBase Workflow Automation RFQ Planning Phase

### Prepared For

Magen Holloway, Records Manager / OnBase Administrator  
Bay Area Air Quality Management District

### Prepared By

Alex DeLaura, Sales Executive  
Ed Modjeska, SVP  
Jeff Comer, Manager Sales Engineering  
Naviant, Inc.

13 March 2023



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# PROJECT SCOPE

## Introduction

Naviant, Inc. (“Naviant”) has engaged in preliminary discussions with Bay Area Air Quality Management District (“Customer”) to discuss options and best practices for optimizing Customer’s processes via Content Services such as content management, case management, process management, records management, and/or other automation technologies.

As a result of these discussions, Bay Area Air Quality Management District has requested that Naviant provide solution planning assistance for process improvement recommendations and solution design requirements as defined by this Statement of Work (sometimes referred to as “SOW” or “Agreement”).

Solution planning for this project will be provided through a Planning Phase to define initial requirements, identify design options, and provide a Planning Phase Report. Planning will validate business process options, software licensing, and professional services required to deliver and implement the solution.

## Project Background

Customer issued a RFQ for “Hyland OnBase Workflow Automation services” on their current OnBase environment. Upon response of the RFQ, Naviant was selected by Customer to provide professional service and will have one year to provide services.

## Project Objectives

The following business objectives were defined:

1. Records Management Module
2. Physical Records Implementation
3. Document Security: (Protocols and Procedures)
4. Review/ Recommend Improvements Document Destruction Workflow
5. DIP & Scan Queue Ingestion Design

## Scope of Work

The focus of this Planning Phase engagement will include:

### Records Management/Retention Planning

- Document storage reconfiguration
  - Groups
  - Types: Customer estimated 230 doc types
  - Keywords
  - Retention time
- Record Indexing clean-up
- Knowledge transfer

### Physical Records Planning

- Customer estimated 200 Banker Boxes with 15 doc types.
  - Only digitizing long term records with high levels of request (nothing less than three (3) year retention and low levels of request)
- Plan for Retrieval and document whereabouts

### Document Security Planning

- Protocols and Procedures

### Procedure Documents

- Documentation and Training Design

### DIP and Scan Queues Planning

- Ingestion Design for 14 departments not in system today

The following items are **considered out of the scope** of this project:

- Additional areas mentioned outside of “Project Objectives
- Implementation of Scope of Work
- Software or hardware for implementation

## Project Phases

The Naviant Methodology consists of two phases, the Planning Phase and the Implementation Phase. It is designed to ensure timely and effective delivery of Content Services solutions that meet our Customer’s requirements and are aligned with their strategy, vision and objectives. Naviant’s phased approach provides customers with a high-level overview of what to expect at each phase, including deliverables and responsibilities for both Customer and Naviant. **The focus of this SOW is the Planning Phase only.** An overview of the Naviant Methodology for the Planning Phase is provided in Appendix A of this Statement of Work. Once the Planning Phase is complete, the Customer and Naviant will execute an SOW for the Implementation Phase as appropriate.



## Project Deliverables

The following are project deliverables that are provided to the Customer during the phase outlined below:

### Planning Phase

- Agenda for Kickoff Meeting
- Planning Phase Project Plan
- Planning Phase Report

## Change Orders

This SOW has been prepared in accordance with Naviant's understanding of Customer requirements and the “Project Scope” based on the information provided by Customer to Naviant at this time. Although Naviant makes reasonable attempts to provide accurate estimates, estimates may change as further details of the solution are identified and the final Solution Design is developed. In the event that additional products and/or services beyond those outlined in this SOW are required, a “Change Order Authorization” will be generated outlining the details, as well as time and cost estimates, of the modifications to this SOW. A Change Order Authorization must be authorized, approved, and executed by Naviant and Customer in order for the modifications to be incorporated into the SOW.

In order to ensure that assignments are carried out in a timely manner so as not to impact the project schedule, Customer is responsible for directing the work assigned to its staff and 3<sup>rd</sup> party service providers. In the event that the SOW project schedule is delayed or needs to be extended due to a failure of Customer’s staff and/or

3<sup>rd</sup> party service providers to complete assigned work in a timely manner, Naviant shall be entitled to an extension of time and/or cost impact as set forth in a Change Order Authorization.

## PROJECT PRICING

Professional Services			
Description	Days Low	Days High	Total
Professional Services	7	10	\$12,160 - \$17,280
<b>Subtotal</b>			<b>\$12,160 - \$17,280</b>

1. Professional services will be billed on a monthly basis. Travel time will be billed to customer at the rate of \$110 per hour. Related expenses (mileage, transportation, lodging, meals, etc.) will be billed on a monthly basis at the actual cost incurred.
2. Please note, subtotals do not include applicable sales tax. If applicable, sales tax will be assessed during the course of the project and/or on the final invoice.
3. Customer agrees to cooperate with Naviant marketing efforts, as shall be reasonably requested which may include: (i) providing in-person or phone references to prospective customers; (ii) working to prepare a Customer-success story and/or press release documenting the relationship of the parties; and (iii) allowing use of Customer’s logo, subject to Customer’s standard guidelines, on Naviant’s website and in presentations under Naviant’s customer section and as part of marketing and pre-sales materials used by Naviant.

# SIGNATURE PAGE

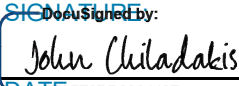
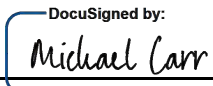
<b>CUSTOMER NAME</b> Bay Area Air Quality Management District	
<b>PROJECT CONTACT</b> Magen Holloway	
<b>BILLING ADDRESS (only required for New Customers)</b> 375 Beale St #600San Francisco, CA 94105	<b>SHIPPING ADDRESS</b>
<b>ATTENTION</b>	<b>ATTENTION</b>
<b>SPECIAL INSTRUCTIONS</b>	
<b>PURCHASE ORDER (PO) REQUIREMENT</b> Is a PO Required by Customer? <input type="checkbox"/> Yes <input type="checkbox"/> No Purchase Order #	

This Agreement is entered into pursuant to and incorporates the foregoing, including Appendices, Exhibits and Schedules, if any, and the Master Terms & Conditions (“Terms”) dated 4/24/2023. This Agreement represents the final description and scope of the Agreement between the parties. Any previous drafts of this Agreement or previous documents used to evaluate this project are not part of this Agreement. Naviant will not be obligated to accept any agreement which has not been signed and returned by Customer to Naviant within thirty (30) days from the date on this Agreement.

This Agreement has been prepared in accordance with Naviant's understanding of Customer requirements based on the information provided by Customer to Naviant. Therefore, it is understood and agreed that any additional software, professional services, and maintenance requests above and beyond the original scope of this Agreement will be billed in addition to those listed in this Agreement.

If a PO is required, the PO number must be inserted above upon Customer’s execution of this Agreement. Any terms and conditions appearing in any PO shall have no effect unless agreed to in writing by both parties hereof.

**Upon signed acceptance, please return the entire document to “Attention: Naviant Sales Support” via email or fax at purchasing@naviant.com or 608-848-0901. Acceptance creates a binding contract.**

CUSTOMER	NAVIANT, INC.
<b>NAME:</b> Philip M. Fine	<b>NAME:</b> Michael Carr
<b>TITLE:</b> Executive Officer/APCO	<b>TITLE:</b> President & CEO
<b>SIGNATURE:</b> 	<b>SIGNATURE:</b> 
<b>DATE:</b> 4/24/2023	<b>DATE:</b> 4/24/2023

## APPENDIX A – PLANNING PHASE METHODOLOGY

### Planning Phase



The Planning Phase (sometimes referred to as “Discovery”) is generally a relatively short engagement consisting of four (4) primary steps designed to gain a high-level understanding of the project objectives, requirements, and costs. This information is documented in a Planning Phase Report deliverable to present a common vision of the final project to all stakeholders and also serves both as a financial decision point as well as the primary input into the Implementation Phase.

### Overall Planning Phase Responsibilities

#### Naviant

- Identify Naviant Planning Phase Team and commit resources.
- Work with the Customer Project Manager to develop the Planning Phase Project Plan.
- Prepare the Planning-Phase Onsite Agenda and deliver to Customer in advance of the Kickoff Meeting.

#### Customer

- **Identify the Project Sponsor** - The Project Sponsor is the individual that has ultimate authority over the project, is involved in the project, and is the final escalation point for all issues, scope changes, and decisions. The Project Sponsor also provides project funding, approves major deliverables, and provides high-level direction. This person will champion the project with internal and external stakeholders and ensure that the appropriate personnel are made available to execute the project successfully.
- **Identify the Project Lead** - The Project Lead is the individual that is responsible for project management activities including:
  - Working with Naviant’s Project Manager to develop the Planning Phase Project Plan.
  - Coordinating project activities with the Naviant Project Manager and/or the Lead Naviant Consultant.
  - Ensuring Customer resource availability.
  - Tracking of Customer-assigned tasks.
  - Managing of Customer communication and status reporting.
  - Coordinate logistics for Naviant and other non-Customer team members (meeting rooms, remote access, etc.).
  - Create all Customer required documentation and ensure timely internal signoffs.
  - Commit and confirm that Project Team resources (Project Sponsor, Project Lead, Subject Matter Experts (SMEs), IT resources) will be available as needed for project sessions and activities.
- Secure meeting rooms for all onsite Planning Phase activities. Meeting rooms should be large enough for all onsite attendees and include the following:
  - Available telecommunications equipment as needed for remote attendees.
  - A projector or television monitor.

- A whiteboard that may be used in addition to any projection equipment.



## Initiation

### Pre-Engagement Questionnaire

Prior to the Project Kickoff Meeting, Naviant may provide Customer with a Pre-Engagement Questionnaire. This questionnaire may be used to establish an understanding of the current work environment prior to onsite sessions and may include the following areas of focus:

- Processes & Procedures
- Business Challenges & Risks
- Key Process Measures & Metrics
- Relevant Organizational Charts
- User Population & Distribution
- IT Infrastructure
- Test Environment Requirements
- Other, TBD

*Note: The Pre-Engagement Questionnaire is only used for certain projects. The Naviant Project Manager will advise if a questionnaire is required.*

### Pre-Engagement Questionnaire Responsibilities (if utilized)

#### **Naviant**

- Prepare and provide the questionnaire to the Customer.
- Review completed questionnaire in advance of the Kickoff Meeting.

#### **Customer**

- Assign responsibility, complete the questionnaire, and return to Naviant prior to the Kickoff Meeting.

### Planning Phase Kickoff Meeting

A formal Planning Phase Kickoff Meeting will be held and usually takes anywhere between thirty (30) minutes to two (2) hours, depending on the project complexity. The topics for the meeting may vary but typically include the following:

- Project Team Member Introductions & Roles
- Review of the Statement of Work
- Confirmation of Project Objectives & Timelines
- Communication Planning
- Planning Phase Logistics

### Planning Phase Kickoff Meeting Responsibilities

#### **Naviant**

- Ensure that relevant Naviant team members attend the Kickoff Meeting.
- Facilitate the meeting.

#### **Customer**

- Ensure that the Project Sponsor, Project Lead, and all other relevant Customer Project Team Members attend the Kickoff Meeting.



## Current State Review

In order to design a Future State solution based on each Customer's needs and objectives, it is necessary to gain a thorough understanding of the Current State environment. This is accomplished through a series of working sessions with various Subject Matter Experts (SMEs) including process owners and knowledge workers. Various techniques may be utilized to gather information including verbal descriptions, Customer-generated documentation, and/or live walk-throughs. Information on Current State systems' architecture/infrastructure will also be collected in this step, as appropriate.

### Current State Review Responsibilities

#### Naviant

- Review any Current State process documentation prepared and/or submitted by Customer in advance of the onsite activities.
- Facilitate the Current State Review session(s).
- Capture relevant Current State details for inclusion in the Planning Phase Report.
- Capture thoughts and ideas for consideration in the Future State Solution Roadmap

#### Customer

- Provide relevant Current State process documentation.
- Assign appropriate SMEs to attend and present relevant Current State information.
- Be prepared to discuss any business challenges and opportunities for consideration in the Future State Solution Roadmap.



## Future State Solution Roadmap

Future State Solution Roadmap is accomplished through Naviant-facilitated Joint Application Design (JAD) sessions with relevant project team participants including the Project Sponsor, Project Lead, Subject Matter Experts, Process Managers, IT Resources, and/or other resources as appropriate.

The primary objectives of this step include:

- Providing the Customer with an overview and understanding of the technology platforms that may be included as part of the solution.
- Identifying process automation opportunities and documenting the solution scope.
- Defining a list of Use Cases (both Primary and Alternate) to be included in the solution scope.
- Discussing and capturing sufficient requirements detail to estimate the Implementation Phase work effort as accurately as possible. *Note: A detailed solution design may be deferred until the Implementation Phase.*

### Future State Solution Roadmap Responsibilities

#### Naviant

- Facilitate the Future State Solution Roadmap session(s).
- Provide technology overviews and/or demos, as appropriate.

- Capture identified Future State Use Cases, Requirements, Risks, Action Items, and other notes during the session(s).

### **Customer**

- Ensure appropriate Customer resources are available to participate in the session(s) with minimal interruptions.
- Ensure Customer attendees individually or collectively have Future State decision making authority.
- Provide any additional information/documentation as requested/required for Future State needs.



## **Planning Phase Report**

The final step of the Planning Phase is the creation, delivery, review, and finalization of the Planning Phase Report. A draft of the report will be delivered to the Customer in PDF format. After an appropriate review period, a review meeting will be conducted (normally via remote web conference) to review any Customer feedback and/or questions. Naviant will then update the report with any required changes and deliver a final copy of the Planning Phase Report to the Customer.

While the content may vary based on the project scope and requirements, a typical Planning Phase Report may include the following:

- An overview of the project, scope, and Planning Phase participants.
- A summary of the Current State information relevant to the Future State solution.
- A high-level Future State Solution Roadmap containing the defined Use Cases as well as any requirements gathered during the Planning Phase.
- A list of the software/modules required for the Future State solution.
- Estimated project pricing including professional services and any required software .
- A Work Breakdown Structure (WBS) identifying the tasks required to successfully implement the project (as applicable)

## **Planning Phase Report Responsibilities**

### **Naviant**

- Create and deliver to Customer a draft copy of the Planning Phase Report.
- Work with Customer to schedule the Planning Phase Report Review Meeting.
- Facilitate the Planning Phase Report Review Meeting.
- Update the Planning Phase Report as appropriate based on the outcomes of the Planning Phase Report Review Meeting.
- Deliver a final copy of the Planning Phase Report.

### **Customer**

- Work with Naviant to schedule the Planning Phase Report Review Meeting.
- Review the draft copy of the Planning Phase Report and be prepared to discuss any questions/feedback in the Planning Phase Report Review Meeting.
- Sign-off on the Planning Phase Report.

Delivery of the final copy of the Planning Phase Report by Naviant to the Customer marks the formal end of the Planning Phase.

## APPENDIX B – OBLIGATIONS & KEY ASSUMPTIONS

The following are key assumptions that impact the success of the solution, and are applicable for all Project Areas within this proposal:

1. Naviant's project methodology will be executed by the project resources.
2. Services will be provided both onsite at one (1) End User location and remotely from Naviant offices.
3. To maintain anticipated timeframes, Customer will review deliverables in accordance to the agreed upon plan. Failure to respond where needed within the designated timelines may result in project delays, loss of resources, and the execution of a Change Order Authorization.
4. Naviant and Customer will review remaining work effort throughout the project. If at any time the number of hours required to complete a project phase exceeds the number of hours estimated by the project teams for that phase, then Naviant will execute a Change Order Authorization.
5. Customer will provide appropriate access to facilities and office space for all onsite or remote work. This includes, but is not limited to, work desks, networked computers, team meeting rooms, conference phones, whiteboards, the internet and VPN connection as dictated by Customer's reasonable security measures.
6. Customer will provide Subject Matter Experts (SMEs) who are thoroughly knowledgeable about the current business practices in their respective areas and who are capable of performing their assigned project roles.
7. Customer will make commercially reasonable efforts to maintain consistent project resources throughout the project.
8. Each deliverable created will use Naviant's standard deliverable templates. Customer requested changes to the deliverable template may increase project costs or introduce timeline delays.
9. Customer will include third-party vendors or subject matter/technical experts as required and at Customer's sole expense.
10. Customer will assign a Project Sponsor, who will be actively involved in the project and is the final escalation point for all issues and decisions. The project sponsor will also ensure that the appropriate personnel are made available to execute the project successfully.
11. Each project is intended to be engaged in a specified timeframe. Scheduling delays that impact the project timeline will result in changes to project cost.
12. While onsite, the Naviant personnel will work during normal operating hours generally between 8:00 AM and 5:00 PM, Monday through Friday in the Customer's local time zone. When providing remote services, Naviant and Customer will discuss generally acceptable working hours and take into consideration time zone differences. Issues deemed as non-critical will only be addressed during normal business hours.
13. The installation of this solution may require assistance from the Customer's IT staff to obtain access to the servers and network devices the solution may reside on; and thus, it is required that the Customer schedule their IT resource to be available within 30 minutes of Naviant being onsite for installation. If Naviant personnel need to wait for longer than 30 minutes for an IT resource to be available for assistance with the installation, the Customer will be charged in ¼ hour increments at the prevailing rate for the time lost. The installation of this solution may require Naviant to obtain access to the servers and network devices the solution may reside on. Customer will be responsible for additional equipment cabling, except as specifically set forth to be provided by Naviant. In the event Customer will be required to provide specific additional equipment prior to installation, it is the responsibility of Customer to provide the necessary versions of network OS, server software, database, hardware, browsers, and desktop OS to work with the proposed solutions prior to the scheduled Project milestone or task requiring additional equipment, or costs may be incurred by the Customer. Customer will be responsible for the actual results with hardware operations (including among other aspects, network, server or scanner speeds; personnel requirements; and costs) and results may vary from those indicated due to overall network environment, volume estimates, personnel and other factors.

**MASTER TERMS AND CONDITIONS  
("TERMS")**

**THESE MASTER TERMS AND CONDITIONS, INCLUDING ANY EXHIBITS, SCHEDULES AND ATTACHMENTS, SET FORTH THE TERMS AND CONDITIONS UNDER WHICH COMPANY AGREES TO PROVIDE SOFTWARE AND SERVICES AND ARE MADE A PART OF ALL STATEMENTS OF WORK ("SOW") COLLECTIVELY, THE "AGREEMENT".**

1. **TERMS.** These Terms shall remain in effect for the full term of the Agreement. Any counteroffer, proposed addition to, or supplement of the Terms is hereby expressly rejected unless in writing and agreed to by the Company.

2. **SOFTWARE AND SERVICES.** Customer agrees to buy and/or license (as applicable), and Company agrees to deliver (as applicable) (a) the professional consulting services ("Services"), (b) software ("Software"), including any documentation thereto, (c) Software Support Level Agreement ("SLA"), and (d) Cloud Service Agreement, if applicable, as described in the separate Statements of Work, Contracts, Change Orders, or other such documents signed by authorized representatives of both parties (collectively the "Software and Services").

3. **SOFTWARE LICENSE.** Customer accepts license of Software in accordance with the terms of the applicable Licensor End User License Agreement ("EULA"). Ownership of intellectual property rights in the Software is set forth in the applicable EULA. As between said Licensor and Customer, Licensor shall retain all right, title and interest, including all intellectual property rights, in and to all documentation, code and data. Except as expressly set forth in these Terms, any warranties, obligations and liabilities of Licensor in relation to Software are set forth in the applicable EULA.

4. **SERVICES.** Services provided by Naviant, Inc. ("Company") shall be as described in the Agreement. Any work product that is a result of Services provided by Company remains the intellectual property of Company. Customer will have a perpetual, non-exclusive, revocable right to use said work product for the period of time that the work product is in use by Customer, but shall have no right to resell, transfer or assign the same. Company warrants to Customer that it possesses the necessary expertise, capability, equipment and personnel to properly and professionally perform the Services hereunder, that it is properly and legally licensed (if applicable) to perform the Services, and that it shall at all times in the performance of the Services comply with all applicable laws, ordinances and regulations and shall perform all Services in a good, workmanlike, professional and efficient manner.

5. **MAINTENANCE AND SUPPORT.** Customer agrees to abide by the provisions set forth in the SLA Provisions located at [www.naviant.com/services/tech-support-onbase](http://www.naviant.com/services/tech-support-onbase).

6. **PRICE.** Customer shall pay the agreed upon amounts for the Software and Services without setoff or deduction in accordance with the payment terms set forth in the Statement of Work. Such Prices generally exclude any excise, sales, use or like taxes, and therefore such prices are subject to increase in the amount of any such tax (excluding tax on net income) that Company may be required to collect or pay upon the sale of Software or performance of Services. Prices are, and all payments shall be made, in U. S. dollars. Customer shall pay Company's reasonable travel expenses associated with the performance of Services.

7. **PAYMENT TERMS.** Unless stated differently in the SOW, the Company follows the billing cycle and service period of the Software Licensor for Subscription Software, Manufacturer Software Maintenance, Cloud Hosting, and other recurring billings. This includes billings for the initial order and any subsequent add-on orders. Payments are due within twenty (20) days of date of invoice. Past due amounts bear interest at a

rate of one and one-half percent (1 1/2%) per month or at the maximum rate allowed by law, whichever is less. Company reserves the right to cancel or reschedule performance of Services if Customer fails to make any payment when due. Customer shall be liable for all expenses attendant to collection of past due amounts due Company, including actual attorney's fees.

8. **PERFORMANCE.** Company shall use commercially reasonable efforts to deliver the Software and perform the Services in accordance with any agreed upon performance date(s). However, Company does not guarantee compliance with any such date(s) and Customer agrees that Company shall not be liable for any damages as a result of any delay in delivery or performance for any reason. If Services are to be performed on Customer's premises, Customer shall keep such premises safe and accessible to Company during business hours, and Customer warrants that each such premises is in compliance with all applicable health and safety regulations and other applicable laws and regulations. Customer shall indemnify and hold Company harmless from any claims arising from Customer's failure to comply with such laws and regulations or due to breach of the warranty set forth in the preceding sentence.

9. **LIMITED WARRANTIES-SERVICES.** COMPANY WARRANTS TO CUSTOMER THAT ALL SERVICES PERFORMED BY COMPANY SHALL BE PERFORMED IN A WORKMANLIKE MANNER. COMPANY WARRANTS FOR A PERIOD OF THIRTY (30) DAYS AFTER PROJECT COMPLETION THAT THE SERVICES ARE IN COMPLIANCE WITH THE AGREEMENT. CUSTOMER'S EXCLUSIVE REMEDY AND COMPANY'S SOLE LIABILITY FOR ANY BREACH OF THE FOREGOING SERVICE WARRANTY SHALL BE THE RE-PERFORMANCE OF THE APPLICABLE SERVICES, FAILING WHICH, AT COMPANY'S OPTION, COMPANY SHALL REFUND THE PORTION OF FEES PAID WHICH RELATE TO THE SPECIFIC NON-CONFORMING SERVICES. **THE EXPRESS WARRANTIES IN THIS SECTION ARE IN LIEU OF, AND COMPANY HEREBY EXPRESSLY DISCLAIMS, ALL OTHER WARRANTIES IN RELATION TO THE SERVICES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT, PROFITABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**

10. **LIMITED WARRANTY-SOFTWARE.** COMPANY PASSES ON TO CUSTOMER, IF POSSIBLE, ANY WARRANTY OFFERED BY THE SOFTWARE LICENSOR. SHOULD THE SOFTWARE NOT OPERATE, YOUR EXCLUSIVE REMEDY SHALL BE AS PROVIDED BY THE SOFTWARE LICENSOR'S WARRANTY. EXCEPT AS EXPLICITLY PROVIDED HEREIN, THE SOFTWARE IS PROVIDED "AS IS" AND, TO THE MAXIMUM EXTENT PERMITTED BY LAW, WITHOUT WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF NON-INFRINGEMENT, PERFORMANCE, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. COMPANY DOES NOT WARRANT THAT THE SOFTWARE OR ITS FUNCTIONS WILL MEET CUSTOMER'S REQUIREMENTS, OPERATE WITHOUT INTERRUPTION OR BE ERROR FREE. CUSTOMER BEARS ALL RISK RELATING TO CUSTOMER'S USE OF THE SOFTWARE.

11. **LIMITATION OF LIABILITY.** COMPANY SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE CAUSED BY DELAY IN FURNISHING THE SERVICES OR THE SOFTWARE. COMPANY SHALL NOT BE LIABLE FOR ANY LOSS, DESTRUCTION, OR DAMAGE TO ANY DOCUMENTS OR DATA OF CUSTOMER, HOWEVER CAUSED. IT IS UNDERSTOOD AND AGREED BY THE CUSTOMER THAT COMPANY IS NOT AN INSURER. COMPANY STRONGLY ENCOURAGES CUSTOMER TO INSURE FOR THE RECOVERY OF THE INFORMATION CONTAINED WITHIN THEIR DOCUMENTS AND DATA VIA

AVAILABLE MEANS, SUCH AS VALUABLE PAPERS INSURANCE AND CYBER LIABILITY INSURANCE. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS SECTION, IN NO EVENT SHALL COMPANY BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE, INDIRECT OR SIMILAR DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST PROFITS, LOSS OF USE, LOSS OF REVENUE, DATA LOSS OR OTHER LOSSES ARISING FROM VIRUSES, RANSOMWARE, CYBERATTACKS OR FAILURES OR INTERRUPTIONS TO NETWORK SYSTEMS) ARISING OUT OF THIS AGREEMENT (WHETHER FOR BREACH OF AGREEMENT, TORT, NEGLIGENCE OR OTHER FORM OF ACTION), OR ITS CANCELLATION, IRRESPECTIVE OF WHETHER COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF ANY SUCH LOSS OR DAMAGE. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL COMPANY'S AGGREGATE LIABILITY UNDER THIS AGREEMENT EXCEED THE AMOUNT PAID BY CUSTOMER DURING THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE OCCURRENCE OF THE EVENT DIRECTLY GIVING RISE TO THE LIABILITY. THE PARTIES AGREE THAT THE LIMITATIONS ON LIABILITY SET FORTH IN THE TERMS ARE INDEPENDENT OF ANY EXCLUSIVE OR LIMITED REMEDIES AND SHALL SURVIVE AND APPLY EVEN IF SUCH REMEDIES ARE FOUND TO HAVE FAILED OF THEIR ESSENTIAL PURPOSE. NO ACTION ARISING OUT OF OR RELATED TO THE AGREEMENT MAY BE BROUGHT BY CUSTOMER MORE THAN ONE (1) YEAR AFTER SUCH CAUSE OF ACTION HAS ARISEN.

12. CONFIDENTIAL INFORMATION. The separate Nondisclosure Agreement between the parties and which is part of the Agreement shall govern the protection of any confidential information disclosed by either party hereunder. If there is no Nondisclosure Agreement, all information disclosed by either party regardless of the form in which it is disclosed, is, and shall remain the confidential information of disclosing party ("Confidential Information"). The information contained in this and other Agreements between the parties is confidential and shall not be disclosed by either party without the prior written consent of the other party. Both parties shall protect such Confidential Information from disclosure to others with at least the same degree of care it exercises in protecting its own Confidential Information, but in no event less than a reasonable degree of care. The parties shall not duplicate or reproduce any Confidential Information without the express prior written consent of disclosing party. The parties shall not use any Confidential Information except as is contemplated by the Agreement. The parties shall enforce against its employees and agents these obligations of confidentiality. Notwithstanding the foregoing, information disclosed shall not be deemed to be Confidential Information if (a) receiving party establishes that the information was already known to receiving party, without any obligation to keep it confidential, at the time of its receipt from disclosing party, as evidenced by documents in the possession of receiving party prepared prior to disclosing party's disclosure, or (b) receiving party establishes that the information was publicly known at the time of its receipt by receiving party from disclosing party or has become publicly known other than by a breach of the Terms or other action or omission by receiving party. The Terms shall not prevent either party from disclosing Confidential Information to the extent required by law, provided that receiving party promptly notifies disclosing party to allow intervention and cooperates with disclosing party to contest or minimize the scope of the disclosure.

13. NON-SOLICITATION. During the term of the Agreement and for a period of two (2) years after the termination of the Agreement on any basis, neither party shall, directly or indirectly, solicit or induce, or attempt to solicit or induce, any employee or consultant of the other party to terminate their employment with or services to their employer. Each party recognizes and agrees that compliance with the preceding sentence is

reasonable and necessary for the protection of each party's interest in their respective employees and consultants. In the event of a breach or any threatened breach, the parties acknowledge and agree that no adequate remedy at law exists for, and such provisions may be enforced by, any equitable remedy, including injunction, without bond and without limiting right to proceed to remedy at law. If the period of time or scope should be judged unreasonable in any court proceeding, then the parties agree that the court shall enforce such requirements and the period of time or scope shall be reduced by such time or scope that is deemed unreasonable, so that such non-solicitation provision may be enforced using such period of time or scope as is judged to be reasonable.

14. USE OF NAME. Unless otherwise authorized under the Agreement, neither party may represent that it is associated with the other party for its own promotional purposes without prior written permission of such other party.

15. CANCELLATION. Company may cancel the Agreement by written notice to Customer due to (a) Customer's material breach of, or failure to comply with, the Agreement or any of the Terms or any subsequent agreements between the parties; or (b) Customer filing a petition of any type as to its bankruptcy, being declared bankrupt, becoming insolvent, making an assignment for the benefit of creditors or going into liquidation or receivership. If Company cancels the Agreement as set forth above, Customer agrees to pay to Company all amounts due for Software ordered and Services performed prior to the effective date of termination and to indemnify and hold Company harmless from any amounts due by Company to third parties as a result of the cancellation. This Section and Sections 3, 4, 6, 8, 9, 10, 11, 12, 13, 14, and 19 shall survive any cancellation of this Agreement.

16. SOFTWARE AND SERVICES. Customer may only use the Software expressly permitted by the license granted in the applicable EULA. Without limiting the generality of the foregoing, the Software may not be resold, leased, sublicensed, distributed, or transferred in any way except as expressly permitted under the applicable EULA. Company may make any changes to the Software or Services or discontinue any of the Services at Company's sole discretion. The parties acknowledge and agree that Company, in the course of performing Services, may use or incorporate its pre-existing materials and other intellectual property developed or otherwise owned by Company ("Pre-Existing Intellectual Property"). Company shall at all times retain all rights to such Pre-Existing Intellectual Property and any Customer specific by-product of the utilization of Pre-Existing Intellectual Property for purposes of completing Services shall be considered intellectual property of Company and Customer is granted a perpetual license to utilize any by-product that is derived as a result of the requirements of the Agreement.

17. INDEPENDENT CONTRACTOR. In performance of all Services, Company shall be deemed to be an "independent contractor" and as such, shall not be entitled to any benefits applicable to the employees of the Customer. Company declares that it is engaged in an independent business and that similar services are provided for other customers and the Customer is not Company's sole and only customer. Neither party shall in any way be deemed to be an agent or representative of the other party. Neither party shall have any authority to bind or speak for the other party except as may be specifically given to such party in writing from time to time.

18. INSURANCE. Company shall maintain the following insurance coverages:

- General Liability
  - Each Occurrence - \$2,000,000
  - General Aggregate - \$4,000,000
  - Products/Completed Operations Aggregate - \$2,000,000
  - Personal/Advertising Injury - \$1,000,000
  - Professional/Cyber Liability - \$5,000,000
- Automobile Liability (Combined Single Limit - \$1,000,000)

DS  
MC v 4.23 DS  
Initials

Umbrella Liability

Each Occurrence - \$10,000,000

General Aggregate - \$10,000,000

Workers Compensation and Employers' liability

Each Accident - \$500,000

Disease Policy Limit - \$500,000

19. INDEMNIFICATION. Subject to this Agreement, each party agrees to indemnify and hold harmless the other party, its officers, directors, agents and employees with respect to third party claims for any loss, including actual, reasonable attorney's fees, costs or damages for any death, injury, or damage to tangible personal property or real property in connection with the Agreement or arising from the performance of Services to the extent caused by the negligent acts or omissions or willful misconduct of its employees or its agents.

20. ASSIGNMENT. The Agreement may not be assigned by Customer without prior written permission from Company. Any attempt to assign any rights or delegate any duties or obligations, which arise under the Agreement without such permission, shall be void

21. DISPUTES. Each party consents to the forum, jurisdiction, and venue of the state courts of the State of Wisconsin and federal courts located therein in any actions, disputes or controversies under the Agreement. The rights and obligations of a party shall survive completion of performance in accordance with the provisions of the Agreement and any Change Orders issued thereunder.

22. SEVERABILITY. Any provision or part thereof of the Agreement held to be void or unenforceable by any court shall be deemed stricken and all remaining provisions shall continue to be valid and binding upon the parties. The court may reform or replace such stricken provision or part thereof with a valid and enforceable provision, which expresses the intent of the stricken provision.

23. GOVERNING LAW. The Agreement shall be governed by and interpreted in accordance with the laws of the State of Wisconsin, without regard to conflicts of laws principles.

24. ENTIRE AGREEMENT. The Agreement, including all Change Orders issued thereunder, constitutes the sole and only agreement of the parties hereto and supersedes any prior understandings or written or oral agreements between the parties. The Agreement may be amended only by a writing signed by the duly authorized representative of each party. The terms and conditions of any purchase order, acknowledgement, invoice, or other commercial form issued by Customer to Company are specifically excluded and shall not be deemed a part of or to modify or amend the Agreement, unless such other party expressly agrees in writing to be bound by such commercial form.

25. FORCE MAJEURE. Neither party shall be responsible or liable for delays or failure to perform related to any cause or contingency beyond its reasonable control including, without limitation, acts of God, floods, fires, explosions, extreme heat or cold, earthquakes, storms or other adverse weather; power shortages, epidemic or pandemic, transportation difficulties, strikes, lockouts or other industrial disturbances, wars, acts of terrorism or sabotage, or any law, rule, order or action of any court or instrumentality of the federal, state or local government.

26. NOTICES. Any notice provided for or concerning the Agreement shall be in writing and shall be deemed sufficiently given when sent by certified mail to the address as set forth in the Agreement.

Any notice provided for or concerning these Master Terms and Conditions shall be in writing and shall be deemed sufficiently given when sent by certified mail to the address as set forth below.

NAVIANT, INC.  
201 Prairie Heights Drive  
Verona, WI 53593

DocuSigned by:  
Michael Carr  
Authorized Signature

Michael Carr President & CEO

Print Name and Title

4/24/2023

Date

CUSTOMER

Bay Area Air Quality Management District  
Customer Name

375 Beale St., Suite 600  
Street Address

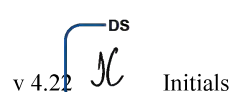
San Francisco, CA 94066  
City, State Zip Code

DocuSigned by:  
John Chitadakis  
Authorized Signature

Philip M. Fine, Executive Officer/APCO  
Print Name and Title

4/24/2023

Date





# Statement of Work

## Implementation Phase

OnBase Workflow Implementation

## Prepared For

Magen Halloway, Records Manager  
Bay Area Air Quality Management District

## Prepared By

Alex DeLaura, Sales Executive  
Ed Modjeska, SVP  
Matt Shy, Consultant  
Naviant, Inc.

12 June 2023



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[naviant.com/blog](http://naviant.com/blog)



Naviant Inc.



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# PROJECT SCOPE

## Introduction

Bay Area Air Quality Management District (“Customer”) engaged Naviant, Inc. (“Naviant”) to conduct a formal Planning Phase with the intent to define the processes and technology requirements behind this project. The final Planning Phase Report dated 6/6/2023 provides a situation overview, identifies the business drivers and problems, and outlines a project vision as well as project goals. The Planning Phase Report details Current State processes, and makes recommendations for Future State requirements and deployment options.

## Scope of Work

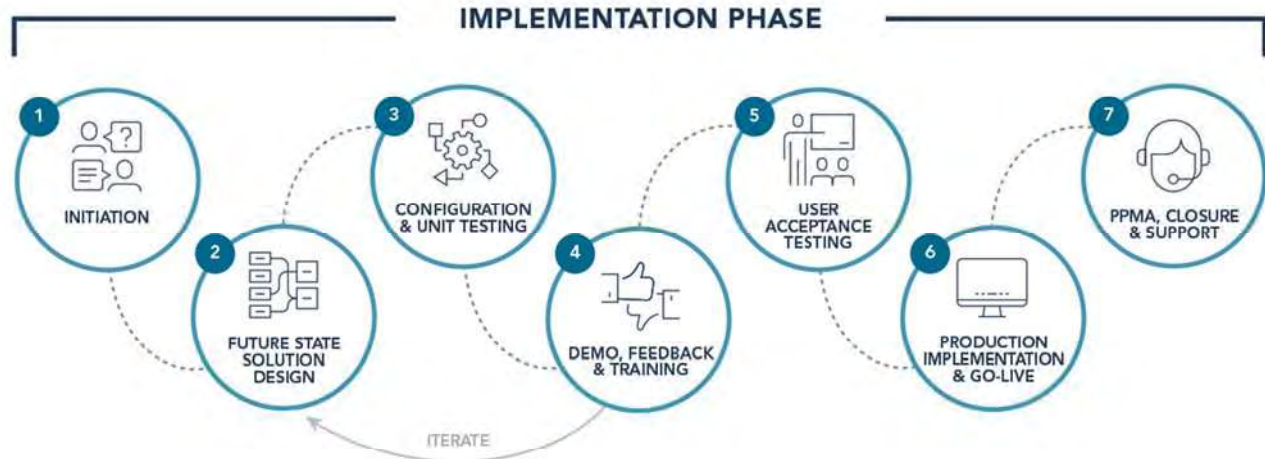
Naviant will provide the professional services outlined in the Project Pricing section of this Statement of Work (sometimes referred to as “SOW” or “Agreement”) based on the findings and recommendations made within the Planning Phase Report. Detailed project scope for implementation services including summaries, design assumptions, process flow diagrams, and process descriptions are included in the Planning Phase Report. The Planning Phase Report has been attached to this SOW as Appendix E. Naviant will include the following implementation services from the report:

1. Final Solution Design for a Single workflow process that could be duplicated for up to 4 more small variation workflow processes.
2. Naviant will configure a Document Import Process (DIP) and test the process with a customer created and properly formatted DIP index file. Naviant to provide DIP Index file format.
3. Naviant will provide up to 8 hours of customer user acceptance testing support and up to 10 hours of Admin training and documentation assistance.
4. Naviant will configure document retention on up to 150 document types based on the customer defined retention date. (ie. 7 years after creation date)
5. Naviant will provide up to 4 hours of Go Live support post migration to production to help ensure the customer does not encounter production issues at Go Live.

Note: Customer currently owns all the software to successfully deploy the solution, should additional software be required, a change order will be drafted for the additional software.

## Project Phases

The Naviant Methodology consists of two phases, the Planning Phase and the Implementation Phase. It is designed to ensure timely and effective delivery of Content Services solutions that meet our Customer’s requirements and are aligned with their strategy, vision, and objectives. Naviant’s phased approach provides customers with a high-level overview of what to expect at each phase, including deliverables and responsibilities for both Customer and Naviant. **The focus of this SOW is the Implementation Phase only.** An overview of the Naviant Methodology for the Implementation Phase is provided in Appendix A of this Statement of Work.



## Project Deliverables

The following are project deliverables that are provided to the Customer during the phase outlined below:

### Implementation Phase

- Agenda for Kickoff Meeting
- Implementation Phase Project Plan
- Functional Specifications
- Solution Demonstration
- Train-the-trainer materials & training
- Go-Live Plan

## Change Orders

This SOW has been prepared in accordance with Naviant's understanding of Customer requirements and the "Project Scope" based on the information provided by Customer to Naviant at this time. Although Naviant makes reasonable attempts to provide accurate estimates, estimates may change as further details of the solution are identified and the final Solution Design is developed. In the event that additional products and/or services beyond those outlined in this SOW are required, a "Change Order Authorization" will be generated outlining the details, as well as time and cost estimates, of the modifications to this SOW. A Change Order Authorization must be authorized, approved, and executed by Naviant and Customer in order for the modifications to be incorporated into the SOW.

In order to ensure that assignments are carried out in a timely manner so as not to impact the project schedule, Customer is responsible for directing the work assigned to its staff and 3<sup>rd</sup> party service providers. In the event that the SOW project schedule is delayed or needs to be extended due to a failure of Customer's staff and/or 3<sup>rd</sup> party service providers to complete assigned work in a timely manner, Naviant shall be entitled to an extension of time and/or cost impact as set forth in a Change Order Authorization.

# PROJECT PRICING

Professional Services			
Description	Days Low	Days High	Total
Professional Services	24	30	\$41,960 - \$52,720
Post-Production Monitoring & Assistance	2	3	\$3,520 - \$5,280
<b>Subtotal</b>			<b>\$45,480 - \$58,000</b>

1. Professional services will be billed on a monthly basis. Travel time will be billed to Customer at the rate of \$110 per hour. Related expenses (mileage, transportation, lodging, meals, etc.) will be billed on a monthly basis at the actual cost incurred.
2. Please note, subtotals do not include applicable sales tax. If applicable, sales tax will be assessed during the course of the project and/or on the final invoice.

# SIGNATURE PAGE

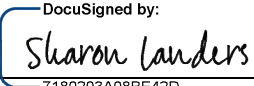

<b>CUSTOMER NAME</b> Bay Area Air Quality Management District	
<b>PROJECT CONTACT</b> Magen Halloway	
<b>BILLING ADDRESS (only required for New Customers)</b>	<b>SHIPPING ADDRESS</b>
<b>ATTENTION</b>	<b>ATTENTION</b>
<b>SPECIAL INSTRUCTIONS</b>	
<b>PURCHASE ORDER (PO) REQUIREMENT</b> Is a PO Required by Customer? <input type="checkbox"/> Yes <input type="checkbox"/> No Purchase Order #	

This Agreement is entered into pursuant to and incorporates the foregoing, including Appendices, Exhibits and Schedules, if any, and the Master Terms & Conditions (“Terms”) dated 4/24/2023. This Agreement represents the final description and scope of the Agreement between the parties. Any previous drafts of this Agreement or previous documents used to evaluate this project are not part of this Agreement. Naviant will not be obligated to accept any agreement which has not been signed and returned by Customer to Naviant within thirty (30) days from the date on this Agreement.

This Agreement has been prepared in accordance with Naviant's understanding of Customer requirements based on the information provided by Customer to Naviant. Therefore, it is understood and agreed that any additional hardware, software, professional services, and maintenance requests above and beyond the original scope of this Agreement will be billed in addition to those listed in this Agreement.

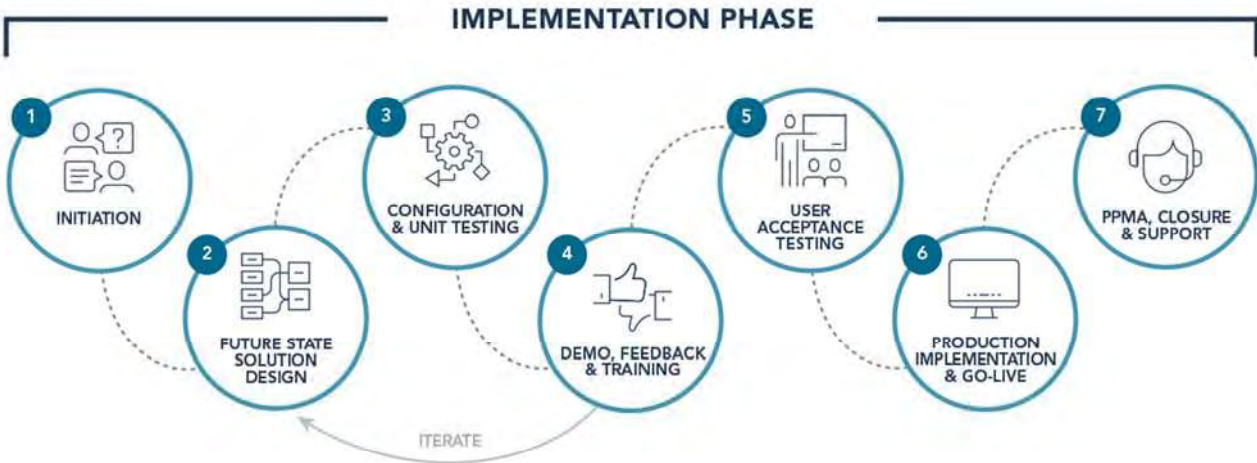
If a PO is required, the PO number must be inserted above upon Customer's execution of this Agreement. Any terms and conditions appearing in any PO shall have no effect unless agreed to in writing by both parties hereof.

**Upon signed acceptance, please return the entire document to “Attention: Naviant Sales Support” via email or fax at purchasing@naviant.com or 608-848-0901. Acceptance creates a binding contract.**

CUSTOMER	NAVIANT, INC.
<b>NAME:</b> Sharon Landers	<b>NAME:</b> Michael Carr
<b>TITLE:</b> Interim Chief Operating Officer	<b>TITLE:</b> President & CEO
<b>SIGNATURE:</b>  DocuSigned by: Sharon Landers	<b>SIGNATURE:</b>  DocuSigned by: Michael Carr
<b>DATE:</b> 9/1/2023 <small>7180203A08BE42D...</small>	<b>DATE:</b> 9/5/2023 <small>528EDA57C701483...</small>

## APPENDIX A – IMPLEMENTATION PHASE METHODOLOGY

### Implementation Phase



The Implementation Phase consists of seven (7) primary steps with multiple Iterations of design, configuration, and feedback (steps I2 through I4). This iterative model provides the stakeholders an understanding of the project deliverables and gives them an opportunity to provide feedback and request changes prior to User Acceptance Testing.

### Overall Implementation Phase Responsibilities

#### Naviant

- Assign the Naviant Project Manager serving as the primary Customer contact with responsibilities:
  - Overall project management and execution.
  - Managing project budget, tasks, issues, and risks.
  - Coordinating meetings and status reports with Customer Project Lead.
  - Managing Naviant resources and schedules.
- Identify Naviant Implementation Phase Team and commit resources.
- Work with Customer Project Manager to develop the Implementation Phase Project Plan.
- Prepare the agenda(s) and deliver to Customer in advance of the Meetings.

#### Customer

- **Identify the Project Sponsor** - The Project Sponsor is the individual that has ultimate authority over the project, is involved in the project, and is the final escalation point for all issues, scope changes, and decisions. The Project Sponsor also provides project funding, approves major deliverables, and provides high-level direction. This person will champion the project with internal and external stakeholders and ensure that the appropriate personnel are made available to execute the project successfully.
- **Identify the Project Lead** - The Project Lead is the individual that is responsible for project management activities including:
  - Working with Naviant Project Manager to develop Implementation Phase Project Plan.
  - Coordinating project activities with the Naviant Project Manager and/or the Lead Naviant Consultant.
  - Ensuring Customer resource availability.
  - Tracking of Customer-assigned tasks.
  - Managing Customer communication and status reporting.
  - Coordinate logistics for Naviant and other non-Customer team members (meeting rooms, remote access, etc.).

- Create all Customer required documentation and ensure timely internal signoffs.
- Commit and confirm that Project Team resources (Project Sponsor, Project Lead, Subject Matter Experts (SMEs), IT resources) will be available as needed for project sessions and activities.
- **Identify the Project Champion** - The Project Champion is an advocate for the project that has direct lines of communication to the Project Sponsor and/or key stakeholders. This position provides oversight on the project by removing blockers and ensuring the Customer is in a position to take overall ownership of the solution. This resource would know the decisions made during the JAD sessions, and stays engaged during the entire project.
- **Identify the Integration Lead** - As needed, projects with multiple integrations benefit from a dedicated coordinator who manages development, unit testing and support during the project lifecycle.
- As part of the planning and initiative, review the Naviant Roles and Responsibility Matrix and identify additional lead roles as appropriate.
  - Testing Lead
  - Training Lead
  - Infrastructure Lead (network and workstation)
- Verify compliance with minimum server specifications for Development/Test Environments (if required) and Production Environment
- Secure meeting rooms for all onsite Implementation Phase activities. Meeting rooms should be large enough for all onsite attendees and include the following:
  - Available telecommunications equipment as needed for remote attendees.
  - A projector or television monitor.
  - A whiteboard that may be used in addition to any projection equipment.



## Initiation

### Implementation Phase Kickoff Meeting

A formal Implementation Phase Kickoff Meeting will be held and usually takes anywhere between thirty (30) minutes to two (2) hours, depending on the project complexity. The topics for the meeting may vary but typically include the following:

- Project Team Member Introductions & Roles
- Review of the Statement of Work
- Review of the Planning Phase Report, as appropriate
- Confirmation of Project Objectives & Timelines
- Communication Planning
- Implementation Phase Logistics

### Implementation Phase Kickoff Meeting Responsibilities

#### Naviant

- Ensure relevant Naviant team members attend the Kickoff Meeting.
- Facilitate the meeting.

#### Customer

- Ensure the Project Sponsor, Project Lead, and all other relevant Customer Project Team Members attend the Kickoff Meeting.



## Future State Solution Design

Future State Solution Design is accomplished through Naviant-facilitated Joint Application Design (JAD) sessions with relevant project team participants including the Project Sponsor, Project Lead, Subject Matter Experts, Process Managers, IT Resources, and/or other resources as appropriate. This typically occurs onsite at the Customer location.

Similar to the JAD session(s) held in the Planning Phase, the Implementation Phase JAD sessions will focus on defining and documenting all remaining use case and requirements detail.

### Primary Objectives

1. Finalizing the complete list of Use Cases (both Primary and Alternate) included in the solution scope for the current Iteration.
2. Finalizing and capturing all detailed and necessary requirements included in the solution scope for the current Iteration.
3. Creating and/or updating the Functional Specifications.

### Future State Solution Design Responsibilities

#### Naviant

- Facilitate the Future State Solution Design session(s).
- Capture identified Future State Use Cases, Requirements, Risks, Action Items, and other notes during the session(s).
- Create and/or update the Functional Specifications.

#### Customer

- Ensure appropriate Customer resources are available to participate in the session(s) with minimal interruptions.
- Ensure that Customer attendees individually or collectively have Future State decision making authority.
- Provide any additional information/documentation as requested/required for Future State needs.



## Configuration & Unit Testing

In this step, the Functional Specifications are used as input to architect and complete the technical design of the solution, as well as complete any configuration, development, and unit testing within scope for the current Iteration. Activities in this step are typically completed remote; however, resources may need to be onsite at Naviant's discretion.

### Configuration & Unit Testing Responsibilities

#### Naviant

- Architect and complete the technical design of the solution based on the Functional Specifications.
- Configure, develop, and unit test solution components in scope for the current Iteration.

**Customer**

- Verify that basic equipment needs for deployment into Customer’s environment (development, test, and production) have been provided to Naviant (database server, file server with ample storage, web server if applicable, security, network’s ability to handle incoming traffic, Customer machines, etc.).
- Ensure that Naviant has remote access to the Customer development, test, and production environments, as appropriate.
- Ensure that SMEs are available to answer questions in a timely manner.
- Conduct, coordinate, and unit test any additional development efforts not being conducted by Naviant. This may include Integrations.

**Demo, Feedback & Training**

Upon the completion of each Iteration (steps I2 through I4), Naviant will facilitate a demonstration of the solution components configured in the current Iteration. This session is critical to ensuring that stakeholders have a thorough understanding of the solution as well as an opportunity to provide feedback and request changes prior to User Acceptance Testing.

Naviant utilizes a train-the-trainer methodology to facilitate end user training. Once the Customer has identified the lead trainer and lead testers that will participate in the training session, Naviant will align expectations regarding the training materials and the audience for the train-the-trainer sessions. Prior to the scheduled training sessions, Naviant will provide training documentation for common functionality in addition to documentation created specifically for the Customer. Naviant will then lead a training session with the customer’s pre-identified team. This session will provide the Customer with hands on experience working through specific use cases and the opportunity to leverage training materials and ask questions. The training documentation can then be adapted and used by the Customer to train their end-users.

Prior to the training, an environment strategy should be finalized. Typically, multiple OnBase environments are utilized prior to production to allow for testing and training activities.

**Demo, Feedback & Training Responsibilities****Naviant**

- Prepare the demonstration script.
- Prepare the non-production environment for the demonstration.
- Facilitate the demonstration and Feedback Session.
- Capture any outcomes and update the Functional Specifications as appropriate.
- Prepare training materials for Customer lead trainers and testers.
- Conduct train-the-trainer session for Customer lead trainers and testers to Kickoff testing.

**Customer**

- Ensure that all appropriate Customer resources attend and participate in the demonstration and Feedback Session.
- Complete any follow-ups and/or action items that come out of the session in a timely manner.
- Define participants (Customer lead trainers and testers) for Naviant-led train-the-trainer sessions.
- Customer will be responsible for end-user training after User Acceptance Testing (Step I5).
- Customer will be responsible for the review, update, and distribution of training documentation.



## User Acceptance Testing

User Acceptance Testing (UAT) is the responsibility of the Customer. During UAT, the Customer will fully test the system using defined Test Scripts with the objective of accepting the solution as ready for production implementation. Naviant and Customer will work together to facilitate testing and address any open issues.

Customer Training for end-users will take place towards the end of this phase. The Customer is responsible for delivering end-user training to their staff. The Customer is also responsible for updating and distributing training documentation provided by Naviant during the Demo, Feedback & Training (Step I4) for actual use within their environment during training.

### User Acceptance Testing Responsibilities

#### Naviant

- Work with Customer to establish a Test Plan.
- Work with Customer to establish Issue Management Plan including:
  - Method of tracking and reporting on issues
  - Establish agreed upon timeline and method to track progress for Customer questions and issues
- Resolve issues identified as needing resolution prior to production implementation.

#### Customer

- Assign test team members.
- Develop a Test Plan to ensure proper end-to-end testing of the solution.
- Work with Naviant to:
  - Determine method of tracking and reporting on issues.
  - Establish agree upon timeline and method to track progress.
- Complete Quality Assurance and User Acceptance Testing (UAT) activities in a timely fashion and within the agreed-to timeline as indicated in the Project Plan.
- Report and document any issues found during testing.
- Work with Naviant to review issues and determine resolution.
- Provide solution acceptance (sign-off) indicating readiness for production.
- Customer will be responsible for end-user training prior to starting Production Implementation & Go-Live.
- Customer will be responsible for review, update, and distribution of training documentation from Demo, Feedback & Training.
- Customer will be responsible for reviewing Appendix B Training Resources for additional training opportunities.

*Note: Issues are an inevitable part of implementing any solution, and typically, not all issues must be resolved before solution acceptance. Naviant and Customer will work together to review, categorize, and prioritize all issues to determine those that must be fixed before production vs. those that can be resolved in the future.*



## Production Implementation & Go-Live

Production Implementation encompasses the activities to deploy the solution and make it production-ready

before Go-Live. Activities in this step include defining and executing a production migration plan, ensuring desktop software is deployed on end-user workstations, and basic testing in the production environment to confirm that the migration was successful, and that the solution is fully functional.

## Production Implementation Responsibilities

### Naviant

- Work with Customer to create and review the Go-Live Plan.
- Migrate the solution from the previous environment into production.
- Work with Customer to validate production environment functionality.

### Customer

- Work with Naviant to create and approve the Go-Live Plan.
- Ensure desktop software is deployed to all end-user workstations.
- Work with Naviant to validate production environment functionality.
- Coordinate the migration of any development not delivered by Naviant.

## Production Go-Live

Production Go-Live is the point during which the solution is first utilized in a production capacity. The Naviant Project Team will provide a period of Go-Live Support during this phase. Naviant Go-Live Support is the stabilization period right before and immediately after project Go-Live which focuses on customer support, best practices, and system availability. The Naviant project team will provide technical and process support to the Customer's Go-Live project team. The team will leverage Business Process Management (BPM) and technical knowledge and experience from the Naviant deployment and support teams to answer all questions and resolve all issues in a timely and effective manner. Go-Live Support will aid the Customer's project team in technical issue resolution and system use.

The Implementation Plan will specify the timing of Go-Live activities, and how Go-Live is executed. Naviant and the Customer will work together to determine the best method for Go-Live, including the following considerations:

- Stages/phases of rollout (i.e. whether the entire solution Go-Live at one time, or implemented over time by process, user group, etc.)
- How in-process work/transactions will be managed (i.e. converted into the new solution or completed via the old process/solution.)

## Production Go-Live Responsibilities

### Naviant

- Naviant provide Go-Live support.

### Customer

- Ensure that personnel are trained and ready to use the new solution.
- Execute any procedures to manage work-in-process (if Customer-responsibility).



## PPMA, Closure & Support

Post Production Maintenance Assistance ("PPMA") affords dedicated project hours that may be utilized to provide process enhancement and design changes that are requested by the Customer after Go-Live. Naviant will provide process, development and technical support to the Customer's project team. The overall objective of PPMA is to

work with each Customer, onsite or remote as applicable, to provide an opportunity for continuous process improvement and to ensure that the solution will be utilized efficiently.

## PPMA Responsibilities

### Naviant

- Assign Project Team resources to work with Customer on any enhancements and design changes needed for effective use of the solution.

### Customer

- Execute/utilize the full scope of the solution as timely as possible/appropriate.
- Provide feedback on the solution to Naviant, including aspects that may need enhancement during the PPMA period.

## Closure & Support

Once the production environment is fully functional and stabilized, closure activities will occur, including the transition of the solution from the Project Team to the Naviant Support Team.

The Support Phase begins with a Support Kickoff Meeting facilitated by Naviant’s Customer Success Team (CST) to review how Customer would engage Naviant for support-related issues. CST will review the different methods for contacting CST, support programs, review authorized support contacts approved by Customer, share issue tracking methodology, training, and learning opportunities.

## Software Support Level Agreement (SLA)

Naviant’s experienced support team maintains a dedicated help desk to provide the first line of support for all Content Service solution implementations. Naviant Customers are provided with a toll-free number to use when calling in for support and will be connected directly with the help desk technician and the call will be logged into the Naviant support service system. By utilizing this streamlined approach to support, each issue will be responded to and tracked in a timely and efficient way to minimize disruption to both system operation and work processes. Naviant is an industry leader in solutions support and is recognized by Hyland Software as a “Diamond Level Support” provider with a 95%+ customer retention rate for annual support renewals. The SLA provisions are available at [www.naviant.com/customer-support](http://www.naviant.com/customer-support).

## Closure & Support Responsibilities

### Naviant

- Project Team conduct a handoff meeting with the Support Team to review the overall solution and ensure support readiness.
- Accept the solution into support according to the Customer’s SLA. Please reference Appendix C Naviant Support.
- Conduct the Support Kickoff Meeting.

### Customer

- Provide final sign-off and solution acceptance, indicating readiness for the transition to support.
- Define and provide list of staff authorized to contact Naviant CST for support (Authorized Support Contacts).
- Participate in the Support Kickoff Meeting.

## APPENDIX B – TRAINING RESOURCES

Naviant is committed to providing your team updates, information, and training in your Content Services solution. In addition to the training provided by the Naviant Implementation Phase team, Naviant recommends Customers to leverage the following additional Training Resources to promote self-sufficiency and encourage continued business and technical advancement. Customers will also receive a Naviant Welcome Guide which highlights the training opportunities provided by Naviant and Hyland Software.

### Naviant Trainers

In addition to the train-the-trainer methodology outlined in “Demo, Feedback & Training”, Naviant offers enhanced implementation and configuration-specific training and testing support to help Customers kickstart the training and testing process for additional fees.

### Hyland System Administrator Training

One element critical to the success of any solution is the users’ ability to effectively and efficiently work in the software on a daily basis. Hyland offers a wide array of Training courses designed to introduce end users to the basic features and technical resources to support the advanced functionality of a solution. Naviant recommends that at least one individual participate in the Hyland System Administration training class (typically \$3,000 per attendee) prior to the system being installed or within six months of installation. The course is designed to introduce new and existing system administrators to the use, maintenance, and administration of Hyland software and provide in-depth, hands-on experience using actual business scenarios. The class also investigates technical support process, effective maintenance strategies, online documentation, and other resources available to Hyland system administrators.

### Hyland CommunityLIVE Conference

Hyland's CommunityLIVE Conference (typically \$3,000 per attendee for 5 days) will stretch your imagination to the limits as Hyland experts and users from around the globe demonstrate how to achieve more with your current system and how you can be the technology leader in your industry with the latest and greatest Hyland upgrades and enhancements. Innovation, collaboration, and learning opportunities abound within Hyland’s platform portfolio including OnBase, Brainware, ShareBase, Enterprise Search, Medical Imaging, and more! CommunityLIVE offers the following benefits:

- Industry expert led discussions focused on best practices & areas of concern
- 200+ educational sessions & training courses offered
- Over 2,500 attendees to share best practices
- Compelling keynote speakers & networking events

### Naviant Summit

Naviant Customers are eligible for complimentary attendance at Naviant’s annual Summit (educational user conference). Naviant's nationally recognized Summit brings together customers, end-users, vendor partners, invited prospects, and Naviant resources to discuss industry trends, learn about new solution offerings, and recognize how to best leverage current investments in content management technologies. The annual Summit focuses on critical business issues, case studies, and solution/industry-focused educational sessions designed to bring increased value to your organization by improving the effectiveness and efficiency of your operations.

### Hyland Community

As a Naviant Customer, the Hyland Community site ([community.hyland.com](http://community.hyland.com)) provides access to the global network of other customers, partners, and employees to share points of view, ask questions of subject matter experts, and research business and technical best practices. Resources include detailed product information,

industry solutions & special interests, technical & administration content, user interest groups & member events, and more!

## Hyland Online Training

As a Naviant Customer, the Hyland Training site ([training.hyland.com](https://training.hyland.com)) provides access to Hyland’s Classroom and Online Training Schedules, plus an extensive collection of the industries-best training topics for end-users to explore including:

- New Courses – Latest & greatest training courses
- OnBase End Users – Learn the basics of OnBase customers
- Workflow – Workflow courses for new users & experts
- Brainware – Install & create Brainware projects
- Healthcare – Courses for healthcare solutions
- System Administration – Courses for new & existing system administrators
- WorkView – Case management courses for new users & experts
- Tech Support – Learn techniques for troubleshooting
- Forms – Design, create & manage forms
- Development – Courses for IS & API developers
- Installation – Design & implement Hyland solutions
- Premium Subscription – Optional fee-based online premium subscription to 200+ hours of technical training for your entire team including end users, support, new employees, and experts

## APPENDIX C – NAVIANT SUPPORT

### Support Level Agreements

#### Support Overview

Naviant’s Customer Success Team (CST) provides our customers with a structured Support Level Agreement (SLA) to meet our customers’ system and business needs. These provisions are available at [www.naviant.com/customer-support](http://www.naviant.com/customer-support).

During normal business hours, Naviant’s response time protocol is not to exceed three business hours for either a callback phone support, remote access or onsite support to resolve the issue; however, Naviant’s standard response time objective is to respond to customer support inquiries within one hour.

#### Support Hours

<b>Standard Business Hours:</b>	7:00 AM – 7:00 PM CT Monday through Friday
<b>Weekly Evening Hours:</b>	7:00 PM – 7:00 AM CT Monday Evening through Friday Morning
<b>Weekend Hours:</b>	7:00 PM – 7:00 AM CT Friday Evening through Monday Morning

#### Naviant SLA Overview

Phone, Live Chat & Email Support	Unlimited Support During Standard Business Hours
Standard System Upgrades	Upgrade requests to standard OnBase & ABBYY solutions every 12 months (35 hours)
24/7 Emergency Phone Support	Access to Team of Support Experts During Non-Standard Business Hours (\$205/hr)
Discounted Professional Services	Reduced Support Professional Services Rates for Time & Materials (\$175/hr during Regular Business Hours & \$205/hr during Evenings and Weekends)

#### Included Services

Issue Review Check-Ins	Regular check-ins to review issues, projects and discuss topics regarding your solution
Wellness Checks	Proactive wellness checks performed on your solution
Naviant Live Chat Support	Unlimited chat support during normal business hours
Access to Webinars	Access to our monthly educational webinars to increase your solution knowledge
Comprehensive Audit	A detailed audit of the current technical state of your system regarding efficiency/areas of improvement, and provides recommendations to ensure the future health of your system (40-60 hours total)
Remote License Certificate Activation	Installation and activation of licenses
OnBase SQL Settings Verifications	Regular review of your database settings to ensure optimal performance
Custom Report & Dashboard Bundle	75+ custom dashboards and reports to monitor your solution and assist with its use
Hyland Recertification	Complimentary System Admin & Workflow Recertifications at Naviant’s annual Summit

## APPENDIX D – OBLIGATIONS & KEY ASSUMPTIONS

The following are key assumptions that impact the success of the solution, and are applicable for all Project Areas within this proposal:

1. Naviant's project implementation methodology will be executed by the project resources.
2. Services will be provided both onsite at one (1) End User location and remotely from Naviant offices.
3. To maintain anticipated timeframes, Customer will review deliverables in accordance with the agreed upon plan. Failure to respond where needed within the designated timelines may result in project delays, loss of resources, and the execution of a Change Order Authorization.
4. Naviant and Customer will review remaining work effort throughout the project. If at any time the number of hours required to complete a project phase exceeds the number of hours estimated by the project teams for that phase, then Naviant will execute a Change Order Authorization.
5. Customer will provide appropriate access to facilities and office space for all onsite or remote work. This includes, but is not limited to, work desks, networked computers, team meeting rooms, conference phones, whiteboards, the internet and VPN connection as dictated by Customer's reasonable security measures.
6. Customer will provide Subject Matter Experts (SMEs) who are thoroughly knowledgeable about the current business practices in their respective areas and who are capable of performing their assigned project roles.
7. Customer will make commercially reasonable efforts to maintain consistent project resources throughout the project.
8. Each deliverable created will use Naviant's standard deliverable templates. Customer requested changes to the deliverable template may increase project costs or introduce timeline delays.
9. Customer will include third-party vendors or subject matter/technical experts as required and at Customer's sole expense.
10. Customer will assign a Project Sponsor, who will be actively involved in the project and is the final escalation point for all issues and decisions. The project sponsor will also ensure that the appropriate personnel are made available to execute the project successfully.
11. Each project is intended to be implemented in a specified timeframe. Scheduling delays that impact the project timeline will result in changes to project cost.
12. While onsite, the Naviant personnel will work during normal operating hours generally between 8:00 AM and 5:00 PM, Monday through Friday in the Customer's local time zone. When providing remote services, Naviant and Customer will discuss generally acceptable working hours and take into consideration time zone differences. Issues deemed as non-critical will only be addressed during normal business hours.
13. The installation of this solution may require assistance from the Customer's IT staff to obtain access to the servers and network devices the solution may reside on; and thus, it is required that the Customer schedule their IT resource to be available within 30 minutes of Naviant being onsite for installation. If Naviant personnel need to wait for longer than 30 minutes for an IT resource to be available for assistance with the installation, the Customer will be charged in ¼ hour increments at the prevailing rate for the time lost. The installation of this solution may require Naviant to obtain access to the servers and network devices the solution may reside on. Customer will be responsible for additional equipment cabling, except as specifically set forth to be provided by Naviant. In the event Customer will be required to provide specific additional equipment prior to installation, it is the responsibility of Customer to provide the necessary versions of network OS, server software, database, hardware, browsers, and desktop OS to work with the proposed solutions prior to the scheduled Project milestone or task requiring additional equipment, or costs may be incurred by the Customer. Customer will be responsible for the actual results with hardware operations (including among other aspects, network, server or scanner speeds; personnel requirements; and costs) and results may vary from those indicated due to overall network environment, volume estimates, personnel and other factors.

## APPENDIX E – PLANNING PHASE REPORT

Please find attached Naviant Planning Phase Report.

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BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

## Statement of Work

### Planning Phase

OnBase Workflow Automation RFQ Planning Phase

### Prepared For

Magen Holloway, Records Manager / OnBase Administrator  
Bay Area Air Quality Management District

### Prepared By

Alex DeLaura, Sales Executive  
Ed Modjeska, SVP  
Jeff Comer, Manager Sales Engineering  
Naviant, Inc.

13 March 2023



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# PROJECT SCOPE

## Introduction

Naviant, Inc. (“Naviant”) has engaged in preliminary discussions with Bay Area Air Quality Management District (“Customer”) to discuss options and best practices for optimizing Customer’s processes via Content Services such as content management, case management, process management, records management, and/or other automation technologies.

As a result of these discussions, Bay Area Air Quality Management District has requested that Naviant provide solution planning assistance for process improvement recommendations and solution design requirements as defined by this Statement of Work (sometimes referred to as “SOW” or “Agreement”).

Solution planning for this project will be provided through a Planning Phase to define initial requirements, identify design options, and provide a Planning Phase Report. Planning will validate business process options, software licensing, and professional services required to deliver and implement the solution.

## Project Background

Customer issued a RFQ for “Hyland OnBase Workflow Automation services” on their current OnBase environment. Upon response of the RFQ, Naviant was selected by Customer to provide professional service and will have one year to provide services.

## Project Objectives

The following business objectives were defined:

1. Records Management Module
2. Physical Records Implementation
3. Document Security: (Protocols and Procedures)
4. Review/ Recommend Improvements Document Destruction Workflow
5. DIP & Scan Queue Ingestion Design

## Scope of Work

The focus of this Planning Phase engagement will include:

### Records Management/Retention Planning

- Document storage reconfiguration
  - Groups
  - Types: Customer estimated 230 doc types
  - Keywords
  - Retention time
- Record Indexing clean-up
- Knowledge transfer

### Physical Records Planning

- Customer estimated 200 Banker Boxes with 15 doc types.
  - Only digitizing long term records with high levels of request (nothing less than three (3) year retention and low levels of request)
- Plan for Retrieval and document whereabouts

### Document Security Planning

- Protocols and Procedures

### Procedure Documents

- Documentation and Training Design

## DIP and Scan Queues Planning

- Ingestion Design for 14 departments not in system today

The following items are **considered out of the scope** of this project:

- Additional areas mentioned outside of “Project Objectives
- Implementation of Scope of Work
- Software or hardware for implementation

## Project Phases

The Naviant Methodology consists of two phases, the Planning Phase and the Implementation Phase. It is designed to ensure timely and effective delivery of Content Services solutions that meet our Customer’s requirements and are aligned with their strategy, vision and objectives. Naviant’s phased approach provides customers with a high-level overview of what to expect at each phase, including deliverables and responsibilities for both Customer and Naviant. **The focus of this SOW is the Planning Phase only.** An overview of the Naviant Methodology for the Planning Phase is provided in Appendix A of this Statement of Work. Once the Planning Phase is complete, the Customer and Naviant will execute an SOW for the Implementation Phase as appropriate.



## Project Deliverables

The following are project deliverables that are provided to the Customer during the phase outlined below:

### Planning Phase

- Agenda for Kickoff Meeting
- Planning Phase Project Plan
- Planning Phase Report

## Change Orders

This SOW has been prepared in accordance with Naviant's understanding of Customer requirements and the “Project Scope” based on the information provided by Customer to Naviant at this time. Although Naviant makes reasonable attempts to provide accurate estimates, estimates may change as further details of the solution are identified and the final Solution Design is developed. In the event that additional products and/or services beyond those outlined in this SOW are required, a “Change Order Authorization” will be generated outlining the details, as well as time and cost estimates, of the modifications to this SOW. A Change Order Authorization must be authorized, approved, and executed by Naviant and Customer in order for the modifications to be incorporated into the SOW.

In order to ensure that assignments are carried out in a timely manner so as not to impact the project schedule, Customer is responsible for directing the work assigned to its staff and 3<sup>rd</sup> party service providers. In the event that the SOW project schedule is delayed or needs to be extended due to a failure of Customer’s staff and/or

3<sup>rd</sup> party service providers to complete assigned work in a timely manner, Naviant shall be entitled to an extension of time and/or cost impact as set forth in a Change Order Authorization.

## PROJECT PRICING

Professional Services			
Description	Days Low	Days High	Total
Professional Services	7	10	\$12,160 - \$17,280
<b>Subtotal</b>			<b>\$12,160 - \$17,280</b>

- Professional services will be billed on a monthly basis. Travel time will be billed to customer at the rate of \$110 per hour. Related expenses (mileage, transportation, lodging, meals, etc.) will be billed on a monthly basis at the actual cost incurred.
- Please note, subtotals do not include applicable sales tax. If applicable, sales tax will be assessed during the course of the project and/or on the final invoice.
- Customer agrees to cooperate with Naviant marketing efforts, as shall be reasonably requested which may include: (i) providing in-person or phone references to prospective customers; (ii) working to prepare a Customer-success story and/or press release documenting the relationship of the parties; and (iii) allowing use of Customer's logo, subject to Customer's standard guidelines, on Naviant's website and in presentations under Naviant's customer section and as part of marketing and pre-sales materials used by Naviant.

# SIGNATURE PAGE

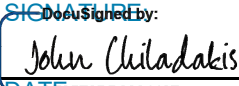
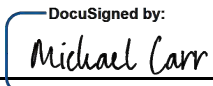
<b>CUSTOMER NAME</b> Bay Area Air Quality Management District	
<b>PROJECT CONTACT</b> Magen Holloway	
<b>BILLING ADDRESS (only required for New Customers)</b> 375 Beale St #600 San Francisco, CA 94105	<b>SHIPPING ADDRESS</b>
<b>ATTENTION</b>	<b>ATTENTION</b>
<b>SPECIAL INSTRUCTIONS</b>	
<b>PURCHASE ORDER (PO) REQUIREMENT</b> Is a PO Required by Customer? <input type="checkbox"/> Yes <input type="checkbox"/> No Purchase Order #	

This Agreement is entered into pursuant to and incorporates the foregoing, including Appendices, Exhibits and Schedules, if any, and the Master Terms & Conditions (“Terms”) dated 4/24/2023. This Agreement represents the final description and scope of the Agreement between the parties. Any previous drafts of this Agreement or previous documents used to evaluate this project are not part of this Agreement. Naviant will not be obligated to accept any agreement which has not been signed and returned by Customer to Naviant within thirty (30) days from the date on this Agreement.

This Agreement has been prepared in accordance with Naviant's understanding of Customer requirements based on the information provided by Customer to Naviant. Therefore, it is understood and agreed that any additional software, professional services, and maintenance requests above and beyond the original scope of this Agreement will be billed in addition to those listed in this Agreement.

If a PO is required, the PO number must be inserted above upon Customer’s execution of this Agreement. Any terms and conditions appearing in any PO shall have no effect unless agreed to in writing by both parties hereof.

**Upon signed acceptance, please return the entire document to “Attention: Naviant Sales Support” via email or fax at [purchasing@naviant.com](mailto:purchasing@naviant.com) or 608-848-0901. Acceptance creates a binding contract.**

CUSTOMER	NAVIANT, INC.
<b>NAME:</b> Philip M. Fine	<b>NAME:</b> Michael Carr
<b>TITLE:</b> Executive Officer/APCO	<b>TITLE:</b> President & CEO
<b>SIGNATURE:</b> 	<b>SIGNATURE:</b> 
<b>DATE:</b> 4/24/2023	<b>DATE:</b> 4/24/2023

## APPENDIX A –PLANNING PHASE METHODOLOGY

### Planning Phase



The Planning Phase (sometimes referred to as “Discovery”) is generally a relatively short engagement consisting of four (4) primary steps designed to gain a high-level understanding of the project objectives, requirements, and costs. This information is documented in a Planning Phase Report deliverable to present a common vision of the final project to all stakeholders and also serves both as a financial decision point as well as the primary input into the Implementation Phase.

### Overall Planning Phase Responsibilities

#### Naviant

- Identify Naviant Planning Phase Team and commit resources.
- Work with the Customer Project Manager to develop the Planning Phase Project Plan.
- Prepare the Planning-Phase Onsite Agenda and deliver to Customer in advance of the Kickoff Meeting.

#### Customer

- **Identify the Project Sponsor** - The Project Sponsor is the individual that has ultimate authority over the project, is involved in the project, and is the final escalation point for all issues, scope changes, and decisions. The Project Sponsor also provides project funding, approves major deliverables, and provides high-level direction. This person will champion the project with internal and external stakeholders and ensure that the appropriate personnel are made available to execute the project successfully.
- **Identify the Project Lead** - The Project Lead is the individual that is responsible for project management activities including:
  - Working with Naviant’s Project Manager to develop the Planning Phase Project Plan.
  - Coordinating project activities with the Naviant Project Manager and/or the Lead Naviant Consultant.
  - Ensuring Customer resource availability.
  - Tracking of Customer-assigned tasks.
  - Managing of Customer communication and status reporting.
  - Coordinate logistics for Naviant and other non-Customer team members (meeting rooms, remote access, etc.).
  - Create all Customer required documentation and ensure timely internal signoffs.
  - Commit and confirm that Project Team resources (Project Sponsor, Project Lead, Subject Matter Experts (SMEs), IT resources) will be available as needed for project sessions and activities.
- Secure meeting rooms for all onsite Planning Phase activities. Meeting rooms should be large enough for all onsite attendees and include the following:
  - Available telecommunications equipment as needed for remote attendees.
  - A projector or television monitor.

- A whiteboard that may be used in addition to any projection equipment.



## Initiation

### Pre-Engagement Questionnaire

Prior to the Project Kickoff Meeting, Naviant may provide Customer with a Pre-Engagement Questionnaire. This questionnaire may be used to establish an understanding of the current work environment prior to onsite sessions and may include the following areas of focus:

- Processes & Procedures
- Business Challenges & Risks
- Key Process Measures & Metrics
- Relevant Organizational Charts
- User Population & Distribution
- IT Infrastructure
- Test Environment Requirements
- Other, TBD

*Note: The Pre-Engagement Questionnaire is only used for certain projects. The Naviant Project Manager will advise if a questionnaire is required.*

### Pre-Engagement Questionnaire Responsibilities (if utilized)

#### **Naviant**

- Prepare and provide the questionnaire to the Customer.
- Review completed questionnaire in advance of the Kickoff Meeting.

#### **Customer**

- Assign responsibility, complete the questionnaire, and return to Naviant prior to the Kickoff Meeting.

### Planning Phase Kickoff Meeting

A formal Planning Phase Kickoff Meeting will be held and usually takes anywhere between thirty (30) minutes to two (2) hours, depending on the project complexity. The topics for the meeting may vary but typically include the following:

- Project Team Member Introductions & Roles
- Review of the Statement of Work
- Confirmation of Project Objectives & Timelines
- Communication Planning
- Planning Phase Logistics

### Planning Phase Kickoff Meeting Responsibilities

#### **Naviant**

- Ensure that relevant Naviant team members attend the Kickoff Meeting.
- Facilitate the meeting.

#### **Customer**

- Ensure that the Project Sponsor, Project Lead, and all other relevant Customer Project Team Members attend the Kickoff Meeting.



## Current State Review

In order to design a Future State solution based on each Customer's needs and objectives, it is necessary to gain a thorough understanding of the Current State environment. This is accomplished through a series of working sessions with various Subject Matter Experts (SMEs) including process owners and knowledge workers. Various techniques may be utilized to gather information including verbal descriptions, Customer-generated documentation, and/or live walk-throughs. Information on Current State systems' architecture/infrastructure will also be collected in this step, as appropriate.

### Current State Review Responsibilities

#### Naviant

- Review any Current State process documentation prepared and/or submitted by Customer in advance of the onsite activities.
- Facilitate the Current State Review session(s).
- Capture relevant Current State details for inclusion in the Planning Phase Report.
- Capture thoughts and ideas for consideration in the Future State Solution Roadmap

#### Customer

- Provide relevant Current State process documentation.
- Assign appropriate SMEs to attend and present relevant Current State information.
- Be prepared to discuss any business challenges and opportunities for consideration in the Future State Solution Roadmap.



## Future State Solution Roadmap

Future State Solution Roadmap is accomplished through Naviant-facilitated Joint Application Design (JAD) sessions with relevant project team participants including the Project Sponsor, Project Lead, Subject Matter Experts, Process Managers, IT Resources, and/or other resources as appropriate.

The primary objectives of this step include:

- Providing the Customer with an overview and understanding of the technology platforms that may be included as part of the solution.
- Identifying process automation opportunities and documenting the solution scope.
- Defining a list of Use Cases (both Primary and Alternate) to be included in the solution scope.
- Discussing and capturing sufficient requirements detail to estimate the Implementation Phase work effort as accurately as possible. *Note: A detailed solution design may be deferred until the Implementation Phase.*

### Future State Solution Roadmap Responsibilities

#### Naviant

- Facilitate the Future State Solution Roadmap session(s).
- Provide technology overviews and/or demos, as appropriate.

- Capture identified Future State Use Cases, Requirements, Risks, Action Items, and other notes during the session(s).

### **Customer**

- Ensure appropriate Customer resources are available to participate in the session(s) with minimal interruptions.
- Ensure Customer attendees individually or collectively have Future State decision making authority.
- Provide any additional information/documentation as requested/required for Future State needs.



## **Planning Phase Report**

The final step of the Planning Phase is the creation, delivery, review, and finalization of the Planning Phase Report. A draft of the report will be delivered to the Customer in PDF format. After an appropriate review period, a review meeting will be conducted (normally via remote web conference) to review any Customer feedback and/or questions. Naviant will then update the report with any required changes and deliver a final copy of the Planning Phase Report to the Customer.

While the content may vary based on the project scope and requirements, a typical Planning Phase Report may include the following:

- An overview of the project, scope, and Planning Phase participants.
- A summary of the Current State information relevant to the Future State solution.
- A high-level Future State Solution Roadmap containing the defined Use Cases as well as any requirements gathered during the Planning Phase.
- A list of the software/modules required for the Future State solution.
- Estimated project pricing including professional services and any required software .
- A Work Breakdown Structure (WBS) identifying the tasks required to successfully implement the project (as applicable)

## **Planning Phase Report Responsibilities**

### **Naviant**

- Create and deliver to Customer a draft copy of the Planning Phase Report.
- Work with Customer to schedule the Planning Phase Report Review Meeting.
- Facilitate the Planning Phase Report Review Meeting.
- Update the Planning Phase Report as appropriate based on the outcomes of the Planning Phase Report Review Meeting.
- Deliver a final copy of the Planning Phase Report.

### **Customer**

- Work with Naviant to schedule the Planning Phase Report Review Meeting.
- Review the draft copy of the Planning Phase Report and be prepared to discuss any questions/feedback in the Planning Phase Report Review Meeting.
- Sign-off on the Planning Phase Report.

Delivery of the final copy of the Planning Phase Report by Naviant to the Customer marks the formal end of the Planning Phase.

## APPENDIX B – OBLIGATIONS & KEY ASSUMPTIONS

The following are key assumptions that impact the success of the solution, and are applicable for all Project Areas within this proposal:

1. Naviant's project methodology will be executed by the project resources.
2. Services will be provided both onsite at one (1) End User location and remotely from Naviant offices.
3. To maintain anticipated timeframes, Customer will review deliverables in accordance to the agreed upon plan. Failure to respond where needed within the designated timelines may result in project delays, loss of resources, and the execution of a Change Order Authorization.
4. Naviant and Customer will review remaining work effort throughout the project. If at any time the number of hours required to complete a project phase exceeds the number of hours estimated by the project teams for that phase, then Naviant will execute a Change Order Authorization.
5. Customer will provide appropriate access to facilities and office space for all onsite or remote work. This includes, but is not limited to, work desks, networked computers, team meeting rooms, conference phones, whiteboards, the internet and VPN connection as dictated by Customer's reasonable security measures.
6. Customer will provide Subject Matter Experts (SMEs) who are thoroughly knowledgeable about the current business practices in their respective areas and who are capable of performing their assigned project roles.
7. Customer will make commercially reasonable efforts to maintain consistent project resources throughout the project.
8. Each deliverable created will use Naviant's standard deliverable templates. Customer requested changes to the deliverable template may increase project costs or introduce timeline delays.
9. Customer will include third-party vendors or subject matter/technical experts as required and at Customer's sole expense.
10. Customer will assign a Project Sponsor, who will be actively involved in the project and is the final escalation point for all issues and decisions. The project sponsor will also ensure that the appropriate personnel are made available to execute the project successfully.
11. Each project is intended to be engaged in a specified timeframe. Scheduling delays that impact the project timeline will result in changes to project cost.
12. While onsite, the Naviant personnel will work during normal operating hours generally between 8:00 AM and 5:00 PM, Monday through Friday in the Customer's local time zone. When providing remote services, Naviant and Customer will discuss generally acceptable working hours and take into consideration time zone differences. Issues deemed as non-critical will only be addressed during normal business hours.
13. The installation of this solution may require assistance from the Customer's IT staff to obtain access to the servers and network devices the solution may reside on; and thus, it is required that the Customer schedule their IT resource to be available within 30 minutes of Naviant being onsite for installation. If Naviant personnel need to wait for longer than 30 minutes for an IT resource to be available for assistance with the installation, the Customer will be charged in ¼ hour increments at the prevailing rate for the time lost. The installation of this solution may require Naviant to obtain access to the servers and network devices the solution may reside on. Customer will be responsible for additional equipment cabling, except as specifically set forth to be provided by Naviant. In the event Customer will be required to provide specific additional equipment prior to installation, it is the responsibility of Customer to provide the necessary versions of network OS, server software, database, hardware, browsers, and desktop OS to work with the proposed solutions prior to the scheduled Project milestone or task requiring additional equipment, or costs may be incurred by the Customer. Customer will be responsible for the actual results with hardware operations (including among other aspects, network, server or scanner speeds; personnel requirements; and costs) and results may vary from those indicated due to overall network environment, volume estimates, personnel and other factors.

**MASTER TERMS AND CONDITIONS  
("TERMS")**

**THESE MASTER TERMS AND CONDITIONS, INCLUDING ANY EXHIBITS, SCHEDULES AND ATTACHMENTS, SET FORTH THE TERMS AND CONDITIONS UNDER WHICH COMPANY AGREES TO PROVIDE SOFTWARE AND SERVICES AND ARE MADE A PART OF ALL STATEMENTS OF WORK ("SOW") COLLECTIVELY, THE "AGREEMENT".**

1. **TERMS.** These Terms shall remain in effect for the full term of the Agreement. Any counteroffer, proposed addition to, or supplement of the Terms is hereby expressly rejected unless in writing and agreed to by the Company.

2. **SOFTWARE AND SERVICES.** Customer agrees to buy and/or license (as applicable), and Company agrees to deliver (as applicable) (a) the professional consulting services ("Services"), (b) software ("Software"), including any documentation thereto, (c) Software Support Level Agreement ("SLA"), and (d) Cloud Service Agreement, if applicable, as described in the separate Statements of Work, Contracts, Change Orders, or other such documents signed by authorized representatives of both parties (collectively the "Software and Services").

3. **SOFTWARE LICENSE.** Customer accepts license of Software in accordance with the terms of the applicable Licensor End User License Agreement ("EULA"). Ownership of intellectual property rights in the Software is set forth in the applicable EULA. As between said Licensor and Customer, Licensor shall retain all right, title and interest, including all intellectual property rights, in and to all documentation, code and data. Except as expressly set forth in these Terms, any warranties, obligations and liabilities of Licensor in relation to Software are set forth in the applicable EULA.

4. **SERVICES.** Services provided by Naviant, Inc. ("Company") shall be as described in the Agreement. Any work product that is a result of Services provided by Company remains the intellectual property of Company. Customer will have a perpetual, non-exclusive, revocable right to use said work product for the period of time that the work product is in use by Customer, but shall have no right to resell, transfer or assign the same. Company warrants to Customer that it possesses the necessary expertise, capability, equipment and personnel to properly and professionally perform the Services hereunder, that it is properly and legally licensed (if applicable) to perform the Services, and that it shall at all times in the performance of the Services comply with all applicable laws, ordinances and regulations and shall perform all Services in a good, workmanlike, professional and efficient manner.

5. **MAINTENANCE AND SUPPORT.** Customer agrees to abide by the provisions set forth in the SLA Provisions located at [www.naviant.com/services/tech-support-onbase](http://www.naviant.com/services/tech-support-onbase).

6. **PRICE.** Customer shall pay the agreed upon amounts for the Software and Services without setoff or deduction in accordance with the payment terms set forth in the Statement of Work. Such Prices generally exclude any excise, sales, use or like taxes, and therefore such prices are subject to increase in the amount of any such tax (excluding tax on net income) that Company may be required to collect or pay upon the sale of Software or performance of Services. Prices are, and all payments shall be made, in U. S. dollars. Customer shall pay Company's reasonable travel expenses associated with the performance of Services.

7. **PAYMENT TERMS.** Unless stated differently in the SOW, the Company follows the billing cycle and service period of the Software Licensor for Subscription Software, Manufacturer Software Maintenance, Cloud Hosting, and other recurring billings. This includes billings for the initial order and any subsequent add-on orders. Payments are due within twenty (20) days of date of invoice. Past due amounts bear interest at a

rate of one and one-half percent (1 1/2%) per month or at the maximum rate allowed by law, whichever is less. Company reserves the right to cancel or reschedule performance of Services if Customer fails to make any payment when due. Customer shall be liable for all expenses attendant to collection of past due amounts due Company, including actual attorney's fees.

8. **PERFORMANCE.** Company shall use commercially reasonable efforts to deliver the Software and perform the Services in accordance with any agreed upon performance date(s). However, Company does not guarantee compliance with any such date(s) and Customer agrees that Company shall not be liable for any damages as a result of any delay in delivery or performance for any reason. If Services are to be performed on Customer's premises, Customer shall keep such premises safe and accessible to Company during business hours, and Customer warrants that each such premises is in compliance with all applicable health and safety regulations and other applicable laws and regulations. Customer shall indemnify and hold Company harmless from any claims arising from Customer's failure to comply with such laws and regulations or due to breach of the warranty set forth in the preceding sentence.

9. **LIMITED WARRANTIES-SERVICES.** COMPANY WARRANTS TO CUSTOMER THAT ALL SERVICES PERFORMED BY COMPANY SHALL BE PERFORMED IN A WORKMANLIKE MANNER. COMPANY WARRANTS FOR A PERIOD OF THIRTY (30) DAYS AFTER PROJECT COMPLETION THAT THE SERVICES ARE IN COMPLIANCE WITH THE AGREEMENT. CUSTOMER'S EXCLUSIVE REMEDY AND COMPANY'S SOLE LIABILITY FOR ANY BREACH OF THE FOREGOING SERVICE WARRANTY SHALL BE THE RE-PERFORMANCE OF THE APPLICABLE SERVICES, FAILING WHICH, AT COMPANY'S OPTION, COMPANY SHALL REFUND THE PORTION OF FEES PAID WHICH RELATE TO THE SPECIFIC NON-CONFORMING SERVICES. **THE EXPRESS WARRANTIES IN THIS SECTION ARE IN LIEU OF, AND COMPANY HEREBY EXPRESSLY DISCLAIMS, ALL OTHER WARRANTIES IN RELATION TO THE SERVICES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT, PROFITABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**

10. **LIMITED WARRANTY-SOFTWARE.** COMPANY PASSES ON TO CUSTOMER, IF POSSIBLE, ANY WARRANTY OFFERED BY THE SOFTWARE LICENSOR. SHOULD THE SOFTWARE NOT OPERATE, YOUR EXCLUSIVE REMEDY SHALL BE AS PROVIDED BY THE SOFTWARE LICENSOR'S WARRANTY. EXCEPT AS EXPLICITLY PROVIDED HEREIN, THE SOFTWARE IS PROVIDED "AS IS" AND, TO THE MAXIMUM EXTENT PERMITTED BY LAW, WITHOUT WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF NON-INFRINGEMENT, PERFORMANCE, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. COMPANY DOES NOT WARRANT THAT THE SOFTWARE OR ITS FUNCTIONS WILL MEET CUSTOMER'S REQUIREMENTS, OPERATE WITHOUT INTERRUPTION OR BE ERROR FREE. CUSTOMER BEARS ALL RISK RELATING TO CUSTOMER'S USE OF THE SOFTWARE.

11. **LIMITATION OF LIABILITY.** COMPANY SHALL NOT BE LIABLE FOR ANY LOSS OR DAMAGE CAUSED BY DELAY IN FURNISHING THE SERVICES OR THE SOFTWARE. COMPANY SHALL NOT BE LIABLE FOR ANY LOSS, DESTRUCTION, OR DAMAGE TO ANY DOCUMENTS OR DATA OF CUSTOMER, HOWEVER CAUSED. IT IS UNDERSTOOD AND AGREED BY THE CUSTOMER THAT COMPANY IS NOT AN INSURER. COMPANY STRONGLY ENCOURAGES CUSTOMER TO INSURE FOR THE RECOVERY OF THE INFORMATION CONTAINED WITHIN THEIR DOCUMENTS AND DATA VIA

AVAILABLE MEANS, SUCH AS VALUABLE PAPERS INSURANCE AND CYBER LIABILITY INSURANCE. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS SECTION, IN NO EVENT SHALL COMPANY BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, PUNITIVE, INDIRECT OR SIMILAR DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST PROFITS, LOSS OF USE, LOSS OF REVENUE, DATA LOSS OR OTHER LOSSES ARISING FROM VIRUSES, RANSOMWARE, CYBERATTACKS OR FAILURES OR INTERRUPTIONS TO NETWORK SYSTEMS) ARISING OUT OF THIS AGREEMENT (WHETHER FOR BREACH OF AGREEMENT, TORT, NEGLIGENCE OR OTHER FORM OF ACTION), OR ITS CANCELLATION, IRRESPECTIVE OF WHETHER COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF ANY SUCH LOSS OR DAMAGE. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL COMPANY'S AGGREGATE LIABILITY UNDER THIS AGREEMENT EXCEED THE AMOUNT PAID BY CUSTOMER DURING THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE OCCURRENCE OF THE EVENT DIRECTLY GIVING RISE TO THE LIABILITY. THE PARTIES AGREE THAT THE LIMITATIONS ON LIABILITY SET FORTH IN THE TERMS ARE INDEPENDENT OF ANY EXCLUSIVE OR LIMITED REMEDIES AND SHALL SURVIVE AND APPLY EVEN IF SUCH REMEDIES ARE FOUND TO HAVE FAILED OF THEIR ESSENTIAL PURPOSE. NO ACTION ARISING OUT OF OR RELATED TO THE AGREEMENT MAY BE BROUGHT BY CUSTOMER MORE THAN ONE (1) YEAR AFTER SUCH CAUSE OF ACTION HAS ARISEN.

12. CONFIDENTIAL INFORMATION. The separate Nondisclosure Agreement between the parties and which is part of the Agreement shall govern the protection of any confidential information disclosed by either party hereunder. If there is no Nondisclosure Agreement, all information disclosed by either party regardless of the form in which it is disclosed, is, and shall remain the confidential information of disclosing party ("Confidential Information"). The information contained in this and other Agreements between the parties is confidential and shall not be disclosed by either party without the prior written consent of the other party. Both parties shall protect such Confidential Information from disclosure to others with at least the same degree of care it exercises in protecting its own Confidential Information, but in no event less than a reasonable degree of care. The parties shall not duplicate or reproduce any Confidential Information without the express prior written consent of disclosing party. The parties shall not use any Confidential Information except as is contemplated by the Agreement. The parties shall enforce against its employees and agents these obligations of confidentiality. Notwithstanding the foregoing, information disclosed shall not be deemed to be Confidential Information if (a) receiving party establishes that the information was already known to receiving party, without any obligation to keep it confidential, at the time of its receipt from disclosing party, as evidenced by documents in the possession of receiving party prepared prior to disclosing party's disclosure, or (b) receiving party establishes that the information was publicly known at the time of its receipt by receiving party from disclosing party or has become publicly known other than by a breach of the Terms or other action or omission by receiving party. The Terms shall not prevent either party from disclosing Confidential Information to the extent required by law, provided that receiving party promptly notifies disclosing party to allow intervention and cooperates with disclosing party to contest or minimize the scope of the disclosure.

13. NON-SOLICITATION. During the term of the Agreement and for a period of two (2) years after the termination of the Agreement on any basis, neither party shall, directly or indirectly, solicit or induce, or attempt to solicit or induce, any employee or consultant of the other party to terminate their employment with or services to their employer. Each party recognizes and agrees that compliance with the preceding sentence is

reasonable and necessary for the protection of each party's interest in their respective employees and consultants. In the event of a breach or any threatened breach, the parties acknowledge and agree that no adequate remedy at law exists for, and such provisions may be enforced by, any equitable remedy, including injunction, without bond and without limiting right to proceed to remedy at law. If the period of time or scope should be judged unreasonable in any court proceeding, then the parties agree that the court shall enforce such requirements and the period of time or scope shall be reduced by such time or scope that is deemed unreasonable, so that such non-solicitation provision may be enforced using such period of time or scope as is judged to be reasonable.

14. USE OF NAME. Unless otherwise authorized under the Agreement, neither party may represent that it is associated with the other party for its own promotional purposes without prior written permission of such other party.

15. CANCELLATION. Company may cancel the Agreement by written notice to Customer due to (a) Customer's material breach of, or failure to comply with, the Agreement or any of the Terms or any subsequent agreements between the parties; or (b) Customer filing a petition of any type as to its bankruptcy, being declared bankrupt, becoming insolvent, making an assignment for the benefit of creditors or going into liquidation or receivership. If Company cancels the Agreement as set forth above, Customer agrees to pay to Company all amounts due for Software ordered and Services performed prior to the effective date of termination and to indemnify and hold Company harmless from any amounts due by Company to third parties as a result of the cancellation. This Section and Sections 3, 4, 6, 8, 9, 10, 11, 12, 13, 14, and 19 shall survive any cancellation of this Agreement.

16. SOFTWARE AND SERVICES. Customer may only use the Software expressly permitted by the license granted in the applicable EULA. Without limiting the generality of the foregoing, the Software may not be resold, leased, sublicensed, distributed, or transferred in any way except as expressly permitted under the applicable EULA. Company may make any changes to the Software or Services or discontinue any of the Services at Company's sole discretion. The parties acknowledge and agree that Company, in the course of performing Services, may use or incorporate its pre-existing materials and other intellectual property developed or otherwise owned by Company ("Pre-Existing Intellectual Property"). Company shall at all times retain all rights to such Pre-Existing Intellectual Property and any Customer specific by-product of the utilization of Pre-Existing Intellectual Property for purposes of completing Services shall be considered intellectual property of Company and Customer is granted a perpetual license to utilize any by-product that is derived as a result of the requirements of the Agreement.

17. INDEPENDENT CONTRACTOR. In performance of all Services, Company shall be deemed to be an "independent contractor" and as such, shall not be entitled to any benefits applicable to the employees of the Customer. Company declares that it is engaged in an independent business and that similar services are provided for other customers and the Customer is not Company's sole and only customer. Neither party shall in any way be deemed to be an agent or representative of the other party. Neither party shall have any authority to bind or speak for the other party except as may be specifically given to such party in writing from time to time.

18. INSURANCE. Company shall maintain the following insurance coverages:

- General Liability
  - Each Occurrence - \$2,000,000
  - General Aggregate - \$4,000,000
  - Products/Completed Operations Aggregate - \$2,000,000
  - Personal/Advertising Injury - \$1,000,000
  - Professional/Cyber Liability - \$5,000,000
- Automobile Liability (Combined Single Limit - \$1,000,000)

DS  
MC v 4.23 DS  
Initials

Umbrella Liability

Each Occurrence - \$10,000,000

General Aggregate - \$10,000,000

Workers Compensation and Employers' liability

Each Accident - \$500,000

Disease Policy Limit - \$500,000

19. INDEMNIFICATION. Subject to this Agreement, each party agrees to indemnify and hold harmless the other party, its officers, directors, agents and employees with respect to third party claims for any loss, including actual, reasonable attorney's fees, costs or damages for any death, injury, or damage to tangible personal property or real property in connection with the Agreement or arising from the performance of Services to the extent caused by the negligent acts or omissions or willful misconduct of its employees or its agents.

20. ASSIGNMENT. The Agreement may not be assigned by Customer without prior written permission from Company. Any attempt to assign any rights or delegate any duties or obligations, which arise under the Agreement without such permission, shall be void

21. DISPUTES. Each party consents to the forum, jurisdiction, and venue of the state courts of the State of Wisconsin and federal courts located therein in any actions, disputes or controversies under the Agreement. The rights and obligations of a party shall survive completion of performance in accordance with the provisions of the Agreement and any Change Orders issued thereunder.

22. SEVERABILITY. Any provision or part thereof of the Agreement held to be void or unenforceable by any court shall be deemed stricken and all remaining provisions shall continue to be valid and binding upon the parties. The court may reform or replace such stricken provision or part thereof with a valid and enforceable provision, which expresses the intent of the stricken provision.

23. GOVERNING LAW. The Agreement shall be governed by and interpreted in accordance with the laws of the State of Wisconsin, without regard to conflicts of laws principles.

24. ENTIRE AGREEMENT. The Agreement, including all Change Orders issued thereunder, constitutes the sole and only agreement of the parties hereto and supersedes any prior understandings or written or oral agreements between the parties. The Agreement may be amended only by a writing signed by the duly authorized representative of each party. The terms and conditions of any purchase order, acknowledgement, invoice, or other commercial form issued by Customer to Company are specifically excluded and shall not be deemed a part of or to modify or amend the Agreement, unless such other party expressly agrees in writing to be bound by such commercial form.

25. FORCE MAJEURE. Neither party shall be responsible or liable for delays or failure to perform related to any cause or contingency beyond its reasonable control including, without limitation, acts of God, floods, fires, explosions, extreme heat or cold, earthquakes, storms or other adverse weather; power shortages, epidemic or pandemic, transportation difficulties, strikes, lockouts or other industrial disturbances, wars, acts of terrorism or sabotage, or any law, rule, order or action of any court or instrumentality of the federal, state or local government.

26. NOTICES. Any notice provided for or concerning the Agreement shall be in writing and shall be deemed sufficiently given when sent by certified mail to the address as set forth in the Agreement.

Any notice provided for or concerning these Master Terms and Conditions shall be in writing and shall be deemed sufficiently given when sent by certified mail to the address as set forth below.

NAVIANT, INC.  
201 Prairie Heights Drive  
Verona, WI 53593

DocuSigned by:  
Michael Carr  
Authorized Signature

Michael Carr President & CEO

Print Name and Title

4/24/2023

Date

CUSTOMER

Bay Area Air Quality Management District  
Customer Name

375 Beale St., Suite 600  
Street Address

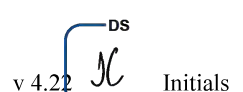
San Francisco, CA 94066  
City, State Zip Code

DocuSigned by:  
John Chitadakis  
Authorized Signature

Philip M. Fine, Executive Officer/APCO  
Print Name and Title

4/24/2023

Date



**BAY AREA AIR DISTRICT**  
Memorandum

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

From: Philip M. Fine  
Executive Officer/APCO

Date: July 1, 2026

Re: Authorization to Amend Contract with Oshyn, Inc. for Enterprise Technology  
Solutions Services

**RECOMMENDED ACTION**

Authorize the Executive Officer/APCO to amend the contract with Oshyn, Inc. to increase the total not-to-exceed dollar amount of the contract by \$600,000, from \$1,154,568 to \$1,754,568, to support online services maintenance, operations, software documentation and knowledge transfer services over the 12-month period beginning August 2026. The Finance and Administration Committee recommended this item at its meeting on June 17, 2026.

**BACKGROUND**

Last year, the Air District's online services and website operations underwent an internal operational efficiency review and a competitive vendor selection aimed at increasing efficiency and controlling costs. Prior to that effort, annual costs for maintenance and operations of the website totaled over \$1.1 million (M). Last year, as a direct result of improved operations and collaboration with the newly selected vendor Oshyn, Inc, the Air District was able to reduce its annual operating costs for these functions by 50% from approximately \$1.1M to \$524,000. Because the vendor has exceeded expectations, we have continued to expand the vendor's role to deliver new functionality and support on other related information management systems.

The initial Master Services Agreement with Oshyn Inc. was approved by the Board of Directors on February 5, 2025, for \$624,000 and provides services for 2 program areas:

- Online Services (ONS) Web Content Management and Digital Services.  
(\$524,000)

Support the Air District's online presence by managing and modernizing websites, digital platforms, infrastructure, marketing tools, and supporting services. Deliver Sitecore, Azure, and supporting services that ensure accessibility, security, and alignment with organizational goals. Customize and integrate web solutions using industry-standard tools to enhance functionality.

- **Phase I of Permitting and Compliance System Software Documentation and Knowledge Transfer Services. (\$100,000)**

In response to recommendations from the My Air Online management audit, provide clear and comprehensive documentation for the Air District's software systems to support operational continuity and future development. Facilitate effective knowledge sharing between teams, partners, and consultants through training, interactive sessions, and structured documentation. Ensure that technical, user, and operational resources are accessible in formats that meet the Air District's needs. Support smooth transitions and long-term usability by maintaining an organized repository of critical information and addressing any gaps through ongoing feedback.

On April 7, 2025, the Master Services Agreement with Oshyn Inc. was amended to \$629,568 to include:

- **Communications Website Integration Services for the 2024 Annual Report (\$5,568)**

The Air District produces an Annual Report each year highlighting accomplishments, progress on air quality programs, budget and strategic initiatives, and community impact. Additional funding added to support the online version of the Annual Report.

On June 13, 2025, the Master Services Agreement with Oshyn Inc. was amended to \$954,568 to include:

- **Phase II of Permitting and Compliance System Software Documentation and Knowledge Transfer Services (\$325,000)**

Broadened and expanded the software development documentation to front end architecture and design for business processes. Phase II will conclude the planned work to complete the core documentation for the Permitting & Compliance System functionality as recommended under the Management Audit.

On December 2, 2025, the Master Services Agreement with Oshyn Inc. was amended to \$1,154,568 to include:

- **Communications Website Services for the 2025 Annual Report (\$200,000)**

Development services, content support, testing, and publishing services for the Air District's Annual Report and Appliance Rules Know Your Facts websites.

### **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
- InformationTechnology (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.

Oshyn Inc. was further selected for this specific work through a competitive Project Solicitation under Request for Task Orders 1, 2, and 4 and through Requests for Exemption for Task Orders 3 and 5. Oshyn Inc., has been responsive and has executed and delivered successfully across all work under this contract.

### **DISCUSSION**

The proposed contract authorization will allow the Air District to:

- Continue with new lower cost necessary operations and maintenance for the Air District's public-facing website environment, including Sitecore CMS support, troubleshooting, releases, security controls, patching, and system updates to keep current websites stable and available
- Support website templates, components, integrations, and public-facing web tools, including migration of the Meeting Livestream Broadcast integration, while longer-term website modernization planning continues
- Update and maintain clear and comprehensive software documentation on Permitting & Compliance System on a quarterly basis to support operational continuity and future development
- Support creation of job aids, user guides, and training materials for Permitting Division that support major Permitting & Compliance System software releases, enabling Permitting staff to efficiently understand new features, user interfaces, and workflows

**Contract Authorization Request**

If approved, this authorization will allocate \$600,00 over the 12-month period starting August 2026 to support website maintenance and operations, and core permitting and compliance system development and maintenance.

**Table 1 Requested Authorization for Oshyn**

Section	Procurement Method	Service Description	Not to Exceed for this Authorization	Total Amount Contracted
Online Services (Program 309)	RFQ# 2024-229	Maintenance and Operations for Website Management	\$500,000	
Managed Software Development (Program 125)	RFQ# 2024-229	Software Documentation and Knowledge Transfer Services	\$100,000	
<b>OSHYN AMENDMENT TOTAL:</b>			<b>\$600,000</b>	<b>\$1,754,568</b>

BUDGET CONSIDERATION/FINANCIAL IMPACT

The total amount requested for this contract extension is \$600,000 and is included in the Fiscal Year Ending 2027 Enterprise Technology Services budget, including \$100,000 under Program 125 for Managed Software Development and \$500,000 under Program 309 for Online Services.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by:            Anja Page and Joy Chen  
Reviewed by:        John Chiladakis

ATTACHMENT(S):

1. Oshyn 2024.229\_exe
2. Oshyn\_2024.229.01\_Amend\_1\_to\_MSA\_exe
3. Oshyn 2024.229 Amendment 2\_exe
4. Oshyn 2024.229 Amendment 3\_exe
5. Draft\_Oshyn 2024.229 Amendment 4 to MSA\_Approve to Form

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**

**MASTER SERVICES CONTRACT**

**CONTRACT NO. 2024.229**

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 **Oshyn, Inc.** (“CONTRACTOR”) whose address is 10601 Walker Street, Suite 170, Cypress, CA 90630.
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 software systems and maintains and enhances web content platforms.
  - 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 \$624,000. 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: Oshyn, Inc.  
10601 Walker Street, Suite 170  
Cypress, CA 90630  
Attn: Dan Pahomi

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

OSHYN, INC.

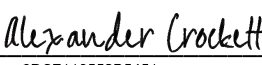
Signed by:  
  
 By: \_\_\_\_\_  
 98506AF9981D4CC  
 Dr. Philip M. Fine  
 Executive Officer/APCO

  
 By: \_\_\_\_\_  
 Diego Rebosio  
 Chief Executive Officer

Date: 2/26/2025

Date: 2/24/2025

Approved as to form:

DocuSigned by:  
  
 By: \_\_\_\_\_ 2/25/2025  
 60C7110552B545A  
 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 design, develop, and manage software systems while maintaining and enhancing web content platforms such as the New Production System (NPS) and DISTRICT's website, BAAQMD.gov.

Key services include software design, software development, development operations, web content management, project management, system delivery, software documentation, and knowledge transfer. Deliverables may include, but are not limited to, detailed technical and user documentation, streamlined workflows, testing frameworks, deployment processes, and performance metrics, ensuring operational efficiency, accessibility, and infrastructure reliability. By integrating expertise across these domains, CONTRACTOR will align deliverables with DISTRICT's strategic goals, driving continuous improvement and high system reliability.

**AMENDMENT NO. 1 TO**  
**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**CONTRACT NO. 2024.229**

This amendment to the above-entitled contract ("Contract Amendment") is dated, for reference purposes only, March 25, 2025.

**RECITALS:**

1. The Bay Area Air Quality Management District ("DISTRICT") and **Oshyn, Inc.** ("CONTRACTOR") (hereinafter referred to as the "PARTIES") entered into the above-entitled contract to design, develop, and manage software systems for DISTRICT and maintaining and enhancing DISTRICT web content platforms (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 seek to amend the total cost of the Contract because DISTRICT seeks additional services from CONTRACTOR, and CONTRACTOR desires to provide those services.
3. In accordance with Section 30 of the Contract, DISTRICT and CONTRACTOR amend the above-entitled Contract as follows:

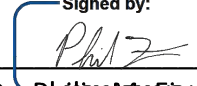
**TERMS AND CONDITIONS OF CONTRACT AMENDMENT:**

1. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph C of Section 9, "Agreement to Provide Services," of the Contract to replace "\$624,000" with "\$629,568."
2. 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

OSHYN, INC.

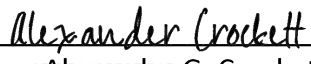
Signed by:  
By:   
Dr. Philip W. Fine  
Executive Officer/APCO

By:   
Diego Rebosio  
Chief Executive Officer

Date: 4/7/2025

Date: 3/28/2025

Approved as to form:  
General Counsel

DocuSigned by:  
By:  4/3/2025  
Alexander G. Crockett  
General Counsel

**AMENDMENT NO. 2 TO**  
**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**CONTRACT NO. 2024.229**

This amendment to the above-entitled contract (“Contract Amendment”) is dated, for reference purposes only, June 13, 2025.

**RECITALS:**

1. The Bay Area Air Quality Management District (“DISTRICT”) and **Oshyn, Inc.** (“CONTRACTOR”) (hereinafter referred to as the “PARTIES”) entered into the above-entitled contract to design, develop, and manage software systems for DISTRICT and maintaining and enhancing DISTRICT web content platforms (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 entered into Amendment No. 1 to the Contract, dated March 25, 2025, for reference purposes only, to amend the total cost of the Contract.
3. The PARTIES seek to amend the total cost of the Contract because DISTRICT seeks additional services from CONTRACTOR, and CONTRACTOR desires to provide those services.
4. In accordance with Section 30 of the Contract, DISTRICT and CONTRACTOR amend the above-entitled Contract as follows:


**TERMS AND CONDITIONS OF CONTRACT AMENDMENT:**


1. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph C of Section 9, “Agreement to Provide Services,” of the Contract to replace “\$629,568” with “\$954,568.”
2. 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

OSHYN, INC.


By: <sup>Signed by:</sup>  
  
\_\_\_\_\_  
88506AF9881D4CC...  
Dr. Philip M. Fine  
Executive Officer/APCO

By:   
\_\_\_\_\_  
Diego Rebosio  
Chief Executive Officer

Date: 7/14/2025

Date: 7/7/2025

Approved as to form:

By: <sup>DocuSigned by:</sup>  
  
\_\_\_\_\_  
6DC7110552B5451  
Alexander G. Crockett  
General Counsel

**AMENDMENT NO. 3 TO**  
**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**CONTRACT NO. 2024.229**

This amendment to the above-entitled contract (“Contract Amendment”) is dated, for reference purposes only, December 2, 2025.

**RECITALS:**

1. The Bay Area Air Quality Management District (“DISTRICT”) and **Oshyn, Inc.** (“CONTRACTOR”) (hereinafter referred to as the “PARTIES”) entered into the above-entitled contract to design, develop, and manage software systems for DISTRICT and maintaining and enhancing DISTRICT web content platforms (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 entered into Amendment No. 1 to the Contract, dated March 25, 2025, for reference purposes only, to amend the total cost of the Contract.
3. The PARTIES entered into Amendment No. 2 to the Contract, dated June 13, 2025, for reference purposes only, to amend the total cost of the Contract.
4. The PARTIES seek to amend the term and total cost of the Contract because DISTRICT seeks additional services from CONTRACTOR, and CONTRACTOR desires to provide those services.
5. In accordance with Section 30 of the Contract, DISTRICT and CONTRACTOR amend the above-entitled Contract as follows:


**TERMS AND CONDITIONS OF CONTRACT AMENDMENT:**

1. By this Contract Amendment, DISTRICT and CONTRACTOR amend Section 5, “Term.” The term of the Contract shall be extended so that the termination date of the Contract is now December 31, 2027.
2. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph C of Section 9, “Agreement to Provide Services,” of the Contract to replace “\$954,568” with “\$1,154,568.”
3. DISTRICT and CONTRACTOR agree that all other terms and conditions of the Contract shall remain in full force and effect.

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

BAY AREA AIR QUALITY  
MANAGEMENT DISTRICT

OSHYN, INC.


Signed by:  
  
By: \_\_\_\_\_  
98506AF9981D4CC...  
Dr. Philip M. Fine  
Executive Officer/APCO

  
By: \_\_\_\_\_  
Diego Rebosio  
Chief Executive Officer

Date: 12/23/2025

Date: 12/2/2025

Approved as to form:

DocuSigned by:  
  
By: \_\_\_\_\_  
6DC7110552B5451...  
Alexander G. Crockett  
General Counsel

**AMENDMENT NO. 4 TO**  
**BAY AREA AIR QUALITY MANAGEMENT DISTRICT**  
**CONTRACT NO. 2024.229**

This amendment to the above-entitled contract ("Contract Amendment") is dated, for reference purposes only, May 11, 2026.

**RECITALS:**

1. The Bay Area Air Quality Management District ("DISTRICT") and **Oshyn, Inc.** ("CONTRACTOR") (hereinafter referred to as the "PARTIES") entered into the above-entitled contract for software systems design, develop, manage services, and web content platform enhancement services (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 entered into Amendment No. 1 to the Contract, dated March 25, 2025, for reference purposes only, to amend the total cost of the Contract.
3. The PARTIES entered into Amendment No. 2 to the Contract, dated June 13, 2025, for reference purposes only, to amend the total cost of the Contract.
4. The PARTIES entered into Amendment No. 3 to the Contract, dated December 2, 2025, for reference purposes only, to amend the term and the total cost of the Contract.
5. The PARTIES seek to amend the total cost of the Contract because DISTRICT seeks additional services from CONTRACTOR, and CONTRACTOR desires to provide those services.
6. In accordance with Section 30 of the Contract, DISTRICT and CONTRACTOR amend the above-entitled Contract as follows:

**TERMS AND CONDITIONS OF CONTRACT AMENDMENT:**

1. By this Contract Amendment, DISTRICT and CONTRACTOR amend Paragraph C of Section 9, "Agreement to Provide Services," of the Contract to replace "\$1,154,568" with "\$1,754,568."
2. 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

OSHYN, INC.

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

By: \_\_\_\_\_  
Diego Rebosio  
Chief Executive Officer

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

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

Approved as to form:

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

DRAFT

**BAY AREA AIR DISTRICT**  
Memorandum

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

From: Philip M. Fine  
Executive Officer/APCO

Date: July 1, 2026

Re: Authorization of Hiring Recommendation at Step E of Salary Range 148M for  
the Limited Term Contract Employee Manager II (Backlog Manager) Position  
in the Engineering Division

RECOMMENDED ACTION

Authorize a hiring recommendation at Step E of salary range 148M for the Limited Term Contract Employee (LTCE) Manager II (Backlog Manager) position in the Engineering Division to lead the Backlog Team.

BACKGROUND

The recruitment and selection process for the LTCE Manager II (Backlog Manager) position has been completed.

Per Section 10.4 of the Air District's Administrative Code, new employees may be hired at Step D or Step E with approval of the Finance and Administration Committee. Under Section 3.1 of the Administrative Code, the Board of Directors may consider a matter directly. Given the urgent need to staff the Permitting Backlog Reduction Team in a timely manner, staff recommends that the Board of Directors consider and approve this item directly.

DISCUSSION

The LTCE Manager II (Backlog Manager) was posted as an open recruitment in February 2026. After a process that included a review of minimum qualifications and hiring interviews, no qualified candidates were selected for the position. The position was reposted as an open recruitment in May 2026. As a result of the latest recruitment, and after a process that included a review of minimum qualifications and a hiring interview, a candidate was selected.

The candidate who is selected for the position has demonstrated extensive experience and expertise in permitting and progressive leadership in overseeing staff in the

issuance of air permits in California. The candidate manages a team of permit engineers responsible for the issuance of permits for complex facilities, including many different stationary sources of air pollution from straightforward backup engines to complex refineries including New Source Review permits and Title V federal operating permits. The candidate also has direct experience in reducing an agency's permitting backlog. The candidate is knowledgeable about local, state, and federal regulations with experience in project management, program strategy, policy development, and stakeholder engagement with government, industry, and community partners.

No qualified candidates were identified in the initial recruitment. As a result of the second recruitment, the Air District was able to select a highly qualified candidate to lead the Permitting Backlog Team. To offer a salary more commensurate with the candidate's experience and current compensation level, Air District staff is recommending hiring the candidate at Step E of the salary range 148M.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The annual salary for the Manager II at Step E is \$209,965.98 and is included in the Engineering Division's personnel budget for the Fiscal Year Ending 2027.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Pamela Leong, Judy Yu, and Jalisa Lavalay  
Reviewed by: Hyacinth Hinojosa and Kelly Crawford

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: July 1, 2026

Re: Extension of Community Advisory Council Members' Terms Ending in Fall  
2026

RECOMMENDED ACTION

Extend the end of the terms of Community Advisory Council member Patrick Messac, Council member Sejal Babaria, and Council member Dominick Ramirez from September 4, 2026, to December 3, 2027, and extend the end of the term of Council member Cynthia Prieto-Diaz from November 6, 2026, to December 3, 2027.

The Community Advisory Council recommended this item at its meeting on May 21, 2026.

BACKGROUND

At various times, the Community Advisory Council has had vacancies and completed recruitment and appointments to fulfill these vacancies. On September 4, 2024, Patrick Messac, Sejal Babaria, and Dominick Ramirez were appointed by the Board of Directors to serve 2-year terms on the Community Advisory Council to fill three vacant seats. Patrick Messac and Sejal Babaria were each appointed to fill vacancies in Alameda County seats, while Dominick Ramirez was appointed to fill a vacancy in a Youth seat on the Council. These terms will conclude on September 4, 2026. On November 6, 2024, Cynthia Prieto-Diaz was appointed by the Board of Directors to serve a 2-year term to fill a vacant Alameda County seat; this term will conclude on November 6, 2026.

On December 3, 2025, the Board of Directors appointed a slate of 13 Community Advisory Council members, 6 new members and 7 continuing members, to serve 2- or 4- year terms on the Council. These 2- or 4- year terms will conclude on December 3, 2027, or December 3, 2029, respectively.

DISCUSSION

Aligning the terms of these four Community Advisory Council members with Council members serving 2-year terms would create greater administrative consistency across the Council and streamline future recruitment cycles.

The Community Advisory Council is currently working on revisions to the Charter to recommend to the Board of Directors. One of the amendments may be to move to fixed 2-year terms for council member seats. This would ensure that when a new Community Advisory Council member is selected to fill a vacant seat midterm, the newly approved member would serve only the remainder of that existing term. The member will then be eligible to apply again to serve a new 2-year term on the same timeline as the rest of the Community Advisory Council with an overall cap of 6 years total.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Amy Smith  
Reviewed by: Anyania Muse

ATTACHMENT(S):

None

BOARD MEETING DATE: July 1, 2026

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee (Committee) held a meeting on Wednesday, June 10, 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

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Stationary Source Committee (Committee) Chairperson, Ken Carlson, called the meeting to order at 10:01 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 Directors Tyrone Jue and Steve Young.

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): Vice Chairperson John Gioia; and Director Gabe Quinto.

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, 1<sup>st</sup> Floor Conference Room, San Jose, CA 95110): Director Otto Lee.

Absent: Directors David Haubert and Lynda 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 APRIL 8, 2026**

##### Public Comments

No requests received.

##### Committee Comments

None.

##### Committee Action

Director Lee made a motion, seconded by Director Medina, to **approve** the Draft Minutes of the Stationary Source Committee meeting of April 8, 2026; and the motion **carried** by the following vote of the Committee:

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

### INFORMATIONAL ITEMS

#### 4. **WAREHOUSE INDIRECT SOURCE RULE (ISR): OVERVIEW, CONCEPT PAPER, AND NEXT STEPS**

Christopher Easter, Senior Air Quality Specialist gave the staff presentation *Warehouse Indirect Source Rule: Overview, Concept Paper, and Next Steps*, including: outline; background on Goods Movement; recap of Stationary Source Committee presentations; regulatory context: federal and state and other air districts' ISRs; South Coast Air Quality Management District (SCAQMD) Warehouse Actions and Investments to Reduce Emissions (WAIRE); warehouses in the Bay Area; Warehouse ISR Concept Paper; concepts - applicability, implementation, and compliance options; concepts: Particulate Matter (PM) reductions, reporting, and emissions benefits; stakeholder engagement; and public comments.

NOTED PRESENT: Director Jue was noted present at 10:06 a.m.

## Public Comments

Public comments were given by Tina Flores; Charmaine Robinson, Oakland resident; Tanisha Evans; Kaitlin Alcontin, Communities for a Better Environment (CBE); Skyler Wonnacott, California Business Properties Association; Jennifer Cohen, Pacific Merchant Shipping Association; Matt Regan, Bay Area Council; Sarah Chen Small, CBE; Harrison Beck, Center for Biological Diversity; Jacob Klein, Industrious Labs; Ryan Backus, Earthjustice; Collen Fitzgerald, Earthjustice; Tony Sirna, Berkeley resident; Dr. Bret Andrews, San Francisco Bay Area Physicians for Social Responsibility; Katrina Tomas, Earthjustice; Fernando Gaytan, Earthjustice; Nick Chiappe, California Trucking Association; Chris Shimoda, Supply Chain Federation; Elizabeth Esquivel, California Manufacturers & Technology Association; Mars Keith, Sierra Club; Jan Warren, Interfaith Climate Action Network of Contra Costa County; Marina Munoz, Oakland resident; Peter Okurowski, California Council for Environmental and Economic Balance (CCEEB); Maurissa Brown, Greenlining Institute; Rebecca Franke; Dan Stegink; Joy Johnson; Mia Estrada, San Leandro resident; Chole-Simone Ward, Oakland resident; Jerald, Hayward resident; Diego Gonzalez, Port of Oakland; Alanda Johnson; anonymous; David Schlosberg, Coalition for Healthy Air and Safe Roads; Yvonne Eashman, Environmental Justice League; and Tim Sbranti, Contra Costa Building and Construction Trades Council.

## Committee Comments

The Committee and staff discussed whether staff is seeking the Committee's input on a potential warehouse ISR during this meeting, and the anticipated timeline for recommending a preferred path forward to the Board (in the event that the Board wishes to move forward); clarification regarding any previous committee recommendations, actions taken to date, and the extent of Board direction provided on the topic; Air District's staff's recommendation for a warehouse ISR; potential anticipated stakeholders who would be affected by a potential warehouse ISR, their anticipated level of engagement at future workshops; whether Air District staff recommends the Board consider the SCAQMD's ISR as a model; the Air District's coordination with cities and counties regarding jurisdictional considerations related to land use authority; potential economic impacts associated with a proposed ISR; the status of the Air District's proposed socioeconomic analysis policy; potential impacts on the Air District's resources (including compliance, enforcement, and fee administration) that may result from an implemented ISR; the distinction of responsibilities between facility owners and operators; whether the implementation of an ISR may reduce the number or length of vehicle trips; concern about spending the time and resources to conduct a rulemaking that may not be cost-effective or yield many benefits; the current enforcement status of the SCAQMD's adopted ISR; a fulfillment center project in North Richmond, involving FedEx, targeting an all-electric, zero-emission delivery fleet by 2040, and what the Air District can learn from this endeavor; whether the Air District's potential ISR would affect new or existing facilities; and the importance of prioritizing the implementation of an adopted ISR specifically in Assembly Bill (AB) 617 communities, to maintain trust with AB 617 Community Steering Committees; the request for a summary of how an ISR strategy was identified in the AB 617 Community Emissions Reduction Plans (CERP) in future Board updates, as some Board members were not involved in the development of the CERPs; concerns regarding regulatory impacts on business retention in California; the potential effectiveness of an

ISR in achieving air quality improvements; California’s current attainment status under the National Ambient Air Quality Standards; and the request that this topic is agendized at a future Board meeting agenda for consideration and potential action.

NOTED PRESENT: Director Young was noted at 10:32 a.m.

Committee Action

No action taken.

**5. MID-YEAR REVIEW OF THE 2026-2027 REGULATORY AGENDA**

David Joe, Regulatory Development Manager, gave the staff presentation *Mid-Year Review of the 2026-2027 Regulatory Agenda*, including: abbreviations; overview; Strategic Plan goals and strategies; how rules fit in; prioritization criteria; rule development impetus sources; current and planned rule development; Rule 9-6 hearing; considered rule development; and next steps.

Public Comments

Public comments were given by Jacob Klein, Industrious Labs; Michael Corbett, Bradford White Corporation; Robert Whitehair, San Mateo resident; Katrina Tomas, Earthjustice; and Bruce Hodge.

Committee Comments

The Committee and staff discussed the request that when this item is presented at future Committee and Board meetings, the “Current & Planned Rule Development” chart includes columns that indicate the duration of Board consideration and subsequent review by the Committee and the Board; clarification on the sequencing of data collection and agenda placement for topics; and the likelihood of rulemakings that will occur for the topics listed in the “Considered Rule Development” chart.

Committee Action

No action taken.

**OTHER BUSINESS**

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

No requests received.

**7. COMMITTEE MEMBER COMMENTS**

None.

## 8. TIME AND PLACE OF NEXT MEETING

Wednesday, July 8, 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.

### **Adjournment**

The meeting was adjourned at 1:06 p.m.

### **Attachments**

#3 – Approval of the Draft Minutes of the Stationary Source Committee Meeting of April 8, 2026

#4 – Warehouse Indirect Source Rule: Overview, Concept Paper, And Next Steps

#5 – Mid-Year Review of the 2026-2027 Regulatory Agenda

BOARD MEETING DATE: July 1, 2026

REPORT: Advisory Council

SYNOPSIS: The Advisory Council (Council) held a meeting on Monday, June 15, 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.

Dr. Phil T. Martien, Chair  
Advisory Council

PM:mh/sb

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Chair Martien called the meeting to order at 9:00 a.m.

**Roll Call:**

Present: Chairperson Dr. Phil T. Martien; Vice Chairperson Professor Ann Marie Grover Carlton; and Members Dr. Daniel Baldassare, Melanie Colburn, Dr. Stephanie Holm, Dr. Garima Raheja, and Dr. Michael Schmeltz.

Absent: Board Liaison Lynda Hopkins.

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

**CONSENT CALENDAR**

**2. APPROVAL OF THE DRAFT MINUTES OF THE ADVISORY COUNCIL MEETING OF MARCH 16, 2026**

Public Comments

No requests received.

Council Comments

None.

## Council Action

Vice Chair Carlton made a motion, seconded by Dr. Schmeltz, to **approve** the Draft Minutes of the Advisory Council Meeting of March 16, 2026; and the motion **carried** by the following vote of the Council:

AYES: Baldassare, Carlton, Colburn, Holm, Martien, Schmeltz.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Hopkins and Raheja.

## INFORMATIONAL ITEMS

### 3. **CUMULATIVE IMPACTS ASSESSMENT AND REGULATORY DESIGN CONCEPTS**

#### a) **CalEnviroScreen: Methodology, Design Principles & Lessons Learned**

Dr. Ruwan Thilakaratne from the Office of Environmental Health Hazard Assessment (OEHHA), gave the presentation *CalEnviroScreen: Methodology, Design Principles & Lessons Learned*, including: what we'll cover today; background and purpose; draft CalEnviroScreen 5.0 indicators; selecting the 23 indicators; normalization and aggregation; key trade-offs in cumulative impacts (CI) tool design; community engagement; geographic scale and data quality; lessons for tool builders; and questions and resources.

NOTED PRESENT: Dr. Raheja was noted present at 9:11 a.m.

## Public Comments

Public comments were given by Miriam Aspajo, San Francisco resident; Roberto Carlos Torres, San Francisco Environment Department; Stone Selseth, San Francisco resident; Merha Mehzun, Brightline Defense; Malik Washington, Marie Harrison Community Foundation; female speaker, Tenderloin Housing Clinic; Peter R, San Francisco resident; Chalam Tubati, San Francisco resident; Eddie Ahn, Brightline Defense; and Arieann Harrison, Marie Harrison Community Foundation.

## Council Discussion

Council members asked clarifying questions and provided comments after this presentation. Dr. Stephanie Holm commented that one of the indicators being edited in the draft version 5.0 of CalEnviroScreen is the children's lead indicator, and version 4 included a measure of lead burden associated with household paint. Dr. Thilakaratne responded that he had no further details about this at the moment, but confirmed that OEHHA was able to use the data from California's blood lead screening program as input to develop this indicator layer. Dr. Daniel Baldassare asked how well the census tract levels track the disadvantaged communities within the Bay Area, or if the tracts are too large versus a smaller unit. Dr. Alvaro Alvarado from OEHHA responded that it's one of the trade-offs around CalEnviroScreen—in places like the Bay Area, gentrification can create differences within the same tract, where

some parts are improving while others remain disadvantaged, and this can be masked in tract-level analysis; using smaller units like census block groups could better capture these differences, but pollution data become less reliable at smaller scales.

Chair Martien appreciated the public comments and concluded the Council's discussion on this informational item, clarifying that in the deliberation about how to address cumulative impacts through the permitting process, the Council received the public comments about how CalEnviroScreen might be applied, and will continue this discussion in the future.

**b) The Cumulative Impact of Social Stressors and Particulate Matter (PM) on Child Cognitive Ability: A Navigation Guide Systematic Review**

Dr. Ruwan Thilakaratne gave the presentation *Cumulative Impact of Social Stressors and Particulate Matter on Child Cognitive Ability: A Navigation Guide Systematic Review*, including: disclaimer; background on CI; CI assessment (non-cancer); susceptibility is incompletely characterized; social non-chemical stressors; research question; methods; preliminary results; interpretation and next steps; acknowledgements; and references.

Public Comments

Public comments were given by Chalam Tubati, San Francisco resident.

Council Discussion

Council members asked clarifying questions and provided comments after this presentation. Dr. Stephanie Holm asked about the timeline for OEHHA to publish the presented work with finalized results; Dr. Thilakaratne responded that OEHHA expected to prepare at least a manuscript to be submitted to a journal by the end of this summer.

To address the public comment about CalEnviroScreen draft version 5.0 after this presentation, Chair Martien and Dr. Holm responded that the Council is developing recommendations on cumulative impacts for Air District's permitting beyond current practices; the purpose of the agenda item is to hear OEHHA's updates on CalEnviroScreen to inform potential adaptation in recommendations and is not a formal review of CalEnviroScreen; public comments and concerns about CalEnviroScreen were acknowledged and will be considered in drafting recommendations to the Air District.

**c) Air District Regulatory Design Theory**

Kelly Crawford, Air District Deputy Executive Officer of Engineering & Compliance, gave the staff presentation *Regulatory Design Theory*, including: purpose; what we know; air regulatory design foundations; connection to cumulative impacts; core principles: regulatory design & justice; reframing the core question; and decision-making as a design choice.

Public Comments

Public comments were given by Chalam Tubati, San Francisco resident.

## Council Discussion

Council members asked clarifying questions and provided comments after this presentation. Dr. Schmeltz appreciated how the topic was framed by the staff, particularly around observable harm and exposure experiences, and expressed concerns about unobserved or uncaptured experiences. Dr. Schmeltz emphasized that relying solely on publicly available data may miss important aspects of what individuals are experiencing; examples include what important variables or experiences are currently not being captured, what would be the ideal data or indicators to better understand these gaps, and how the Air District might identify and collect this missing information. Staff noted that there was no single perfect metric, and the framework presented encourages rethinking how existing data are interpreted. Staff also referenced the concept of invisible harm that requires deliberate methods to uncover, such as statistically significant and high-frequency inspections, as well as randomized inspection programs designed to detect hidden issues. Staff's response highlighted the importance of shifting from data quantity to data quality and outcomes.

Chair Martien commented on the need for clear connections between the framework and implementation in permitting processes to support the Council's work, including identifying specific considerations, ideas, or suggestions the Council should keep in mind when developing permitting-related recommendations. Staff referenced the four key harm characterizations in the presented framework (concentration of harm, concentration of experienced exposure, concentration of permitted exposure, and demonstrated lack of diligence and compliance) and highlighted the primary priority to better leverage existing data (e.g., compliance records, public health data, risk information) for illustrating different types of harm, identifying specific harms concentrated in particular areas, and developing greatest immediate benefits in high-impact areas.

Dr. Holm asked for clarification on how or if the discussed process to identify concentrations of harm currently connects to the Air District's permitting system. Staff responded that the discussion is currently at a high-level conceptual stage without detailed data examples. Staff intended to introduce and share the evolving framework, and the proposed approach may involve identifying areas where harm is clustered or concentrated and developing targeted permitting strategies to address those specific harms, with a goal to better understand how permitting decisions influence community outcomes.

## Council Action

No action taken.

### **4. RECOMMENDATIONS TO ADDRESS CUMULATIVE IMPACTS**

Chair Martien led the Council in discussion to refine its recommendations regarding cumulative impacts. The Council's recommendations focus on three areas: cumulative impacts in permitting, new and modified facilities, and community priorities. The Council is developing draft recommendations with the intention of providing the recommendations to the Board of Directors for consideration.

Chair Martien gave the presentation *Draft Recommendations to Address Cumulative Impacts*, including: draft document online; focus area for recommendations;

recommendation goals; recommendations (place-based versus region-wide, assessment versus action, analytical versus precautionary); recommendations big picture; top-level recommendations; adopt place-based approaches; expand the scope of impact assessments; add protections, move to action; adopt precautionary approaches; and explore new models to reduce impacts.

### Public Comments

Public comments were given by Roberto Carlos Torres, San Francisco Environment Department; and Chalam Tubati, San Francisco resident.

### Council Discussion

Council members continued discussion on the draft recommendations to address cumulative impacts with several major themes, including the need for clear, consistent, and equitable methodologies, balancing data, community input, and practical implementation, and developing actionable and adaptable recommendations for permitting and policy decisions. Council members expressed specific concerns, raised questions, and engaged in group discussions on the following topics related to the recommendations.

- Needing standardized methodologies and baseline data aggregation to ensure alignment across jurisdictions or communities, with the goal to integrate multiple data sources in a way that enhances insights without adding unnecessary complexity.
- Noting the challenges in replacing place-based methods and tools toward a broader cumulative impact framework applied more universally, and the need for clear alternatives or transition strategies.
- Considering enhanced approaches that include the use of place-based tools (e.g., CalEnviroScreen) as a baseline with additional layered analyses or triggers, community self-identification with safeguards against misuse by more resourced communities, community-based participatory research to better integrate community input, and incorporation of additional indicators such as displacement, income changes, historical redlining, and other socioeconomic factors.
- Incorporating area-wide compliance history (not just facility-level) into permitting decisions to reflect broader community conditions and trust; and developing tiered compliance frameworks that could influence permitting outcomes, including stricter actions for repeated noncompliance.
- Recognizing the resource intensity and data requirements of implementing cumulative impact assessments and whether additional staffing or funding would be required.
- Stressing the importance of evaluating not only environmental harms but also potential negative impacts of regulations, such as limiting development or economic opportunities in disadvantaged communities; ensuring recommended approaches do not further disadvantage vulnerable communities.

Regarding the refinement of the recommendations, the Council had a general agreement to remove Appendix B given that it is outdated and not essential to the final document. Council members also discussed the need for adding an improvement component to track

impacts and clarifying language around community benefit agreements with a focus on tracking successful examples. Staff clarified that community benefit agreements are typically arrangements between developers and communities, with mixed effectiveness. Staff expressed a preference to avoid relying on or emphasizing community benefit agreements and instead focus on more established regulatory approaches for delivering community benefits and mitigating impacts. Dr. Holm commented that an improvement in language of the recommendations is for the Air District to track the existing ways to interact with communities and regulatory settings, and to continue improving in that area based on other examples, rather than specifically using the word “community benefit agreement.” Staff confirmed that this revised framing would be more appropriate.

Chair Martien noted that the current recommendations are very varied and may reflect multiple potential directions, including both a shift toward precautionary approaches and efforts to expand risk-based assessments, and it is important to balance current regulatory realities that are largely risk-based with the desire to evolve toward new approaches. Dr. Holm commented that organizing or grouping recommendations more clearly is helpful, but acknowledged the challenges of ensuing recommendations remain focused without omitting key components.

Staff expressed general support for the Council’s discussion, acknowledging the move toward more effective and outcome-focused approaches, while highlighting areas needing further clarification and refinement to ensure practical implementation. Staff requested further clarification on how the Council intends to incorporate compliance history into permitting decisions, including potential approaches to adjust permit conditions or deny permits for facilities with poor compliance histories. Staff raised questions about how background exposure is incorporated into risk thresholds, noting the importance of avoiding double counting when combining background and incremental risk and significant additional analysis and data work needed for determining background exposures. Staff also noted that several existing and upcoming initiatives align with the Council’s discussions, such as the expanded air toxics monitoring and studies, improvements in emission inventories and modeling, and increased use of community-based monitoring tools (e.g., low-cost sensors). Staff also emphasized the growing community involvement in identifying and prioritizing environmental issues, and suggested the Council to plan for proposing recommendations to the Air District’s Board of Directors in the first quarter of 2027.

Chair Martien and Dr. Holm specifically commented on the intent behind including compliance history in the recommendations, and generally agreed to integrate compliance history into a broader recommendation (e.g., combining Sections 6A and 6C) to better align it with provisions related to prohibiting certain permit types and conditioning approvals based on risk or emissions levels. Staff emphasized the need for clarity of intent in how compliance history would be incorporated into permitting, noting that while it can be relatively straightforward to use past behavior to strengthen permit conditions or enforcement tools, using it as a basis to deny permits introduces significant complexity. Challenges include defining what constitutes poor compliance, ensuring fair comparisons across facilities of different sizes and regulatory burdens, distinguishing between minor and serious violations, and accounting for delays in compliance data due to adjudication timelines.

Council members acknowledged the challenges and suggested developing a structured approach or metric that considers harm in a facility's compliance history as a starting point. Staff agreed on the importance of attempting to create such a framework, noting the importance of understanding and explaining to the community of Air District's measurement of success. Council members further commented on the possibility of creating a tiered system, where lower-level violations would trigger enhanced enforcement or better record keeping, while more serious violations could potentially lead to permit denial, emphasizing the importance of establishing a clear, transparent process to guide decision-making and build community trust.

#### Council Action

No action taken.

#### **OTHER BUSINESS**

##### **5. REPORT OF THE EXECUTIVE OFFICER/AIR POLLUTION CONTROL OFFICER (APCO)**

Dr. Andrea Polidori, Deputy Executive Officer of Science, waived this item.

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

No requests received.

##### **7. COUNCIL MEMBER COMMENTS**

None.

##### **8. TIME AND PLACE OF NEXT MEETING**

At the end of the meeting, the next meeting of the Advisory Council was to be held at the Call of the Chair.

#### **ADJOURNMENT**

The meeting was adjourned at 11:44 a.m.

#### **Attachments**

- #2 – Approval of the Draft Minutes of the Advisory Council Meetings of March 16, 2026
- #3 – Cumulative Impacts Assessment and Regulatory Design Concepts
- #4 – Recommendations to Address Cumulative Impacts

BOARD MEETING DATE: July 1, 2026

REPORT: Policy, Grants, and Technology Committee

SYNOPSIS: The Policy, Grants, and Technology Committee (Committee) held a meeting on Wednesday, June 17, 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

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Policy, Grants, and Technology Committee (Committee) Chairperson, Vicki Veenker, called the meeting to order at 10:03 a.m.

**Roll Call:**

Present, In-Person (Bay Area Metro Center, 375 Beale Street, 1<sup>st</sup> Floor Board Room, San Francisco, CA, 94105): Chairperson Vicki Veenker; Vice Chairperson Juan González III; and Director Ken Carlson.

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: (San Mateo County Board of Supervisors' Office, 5th Floor, San Mateo, CA 94063): Director Noelia Corzo.

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: (City of San Bruno, 567 El Camino Real, Room 138, San Bruno, CA 94066): Director Rico E. Medina.

Absent: Directors Brian Colbert, Ray Mueller, 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

### 3. APPROVAL OF THE DRAFT MINUTES OF THE POLICY, GRANTS, AND TECHNOLOGY COMMITTEE MEETING OF MAY 20, 2026

#### Public Comments

No requests received.

#### Committee Comments

None.

#### Committee Action

Director González made a motion, seconded by Director Carlson, to **approve** the Draft Minutes of the Policy, Grants, and Technology Committee Meeting of May 20 2026; and the motion **carried** by the following vote of the Committee:

AYES: Carlson, Gallagher, González, Medina, Tam, Veenker.  
NOES: None.  
ABSTAIN: None.  
ABSENT: Colbert, Corzo, Mueller, Salinas.

## INFORMATIONAL ITEM

### 4. STATE LEGISLATIVE UPDATES

Alan Abbs, Legislative Officer, gave the staff presentation *State Legislative Updates*, including: abbreviations; 2026 Legislative Session; 2026 Legislative Session Board-approved-position bills – (co-sponsored bill) Senate Bill (SB) 222 (Wiener), (support bills) Assembly Bill (AB) 907 (Solache), AB 1777 (Garcia), AB 2313 (Berman), AB 2349 (Solache), SB 299 (Cabaldon), SB 899 (Grove), SB 954 (Blakespear), SB 1159 (Cabaldon), (oppose bills) AB 1791 (Sanchez), AB 2057 (DeMaio), AB 2102 (DeMaio), AB 2752 (Ávila Farías), SB 1039 (Grove), SB 1392 (Cortese and Grove), (oppose unless amend bills) AB 2635 (C. Rodriguez), SB 1075 (Reyes); State Budget update Fiscal Year (FY) 2026-27 – 2026 State Budget dates and deadlines; and State Budget update.

#### Public Comments

No requests received.

#### Committee Comments

The Committee and staff discussed the following:

- AB 2313 (Berman): the status of this bill (committee referrals), and the proposed size of the monetary incentives that would allow residential customers to receive

a monetary incentive to electrify their homes and cease gas service when their utility plans to replace the natural gas distribution line.

- SB 954 (Blakespear): the request for the genesis of this bill, which would update the California Environmental Quality Act exemptions for child care facilities.
- SB 1075 (Reyes): the status of this bill (committee referrals) and viewpoints that legislators have expressed regarding community air toxic contaminant emission reduction programs
- SB 1159 (Cabaldon): the belief that the topic of defining the parameters of artificial intelligence regarding public transparency laws will interest all elected officials.
- 2026-27 Greenhouse Gas Reduction Fund expenditure plan: future forecast, and which legislators have been the most outspoken on this issue.

NOTED PRESENT: Director Corzo was noted present at 10:39 a.m.

### Committee Action

No action taken.

### **OTHER BUSINESS**

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

No requests received.

#### **6. COMMITTEE MEMBER COMMENTS**

None.

#### **7. TIME AND PLACE OF NEXT MEETING**

Wednesday, September 16, 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 10:43 a.m.

### **Attachments**

- #3 – Approval of the Draft Minutes of the Policy, Grants, and Technology Committee Meeting of May 20, 2026
- #4 – State Legislative Updates

BOARD MEETING DATE: July 1, 2026

REPORT: Finance and Administration Committee

SYNOPSIS: The Finance and Administration Committee (Committee) held a meeting on Wednesday, June 17, 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.

Juan González, Chair  
Finance and Administration Committee

JG:mh

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Finance and Administration (Committee) Chairperson, Juan González, called the meeting to order at 1:04 p.m.

**Roll Call:**

Present, In-Person (Bay Area Metro Center, 375 Beale Street, 1<sup>st</sup> Floor Board Room, San Francisco, CA, 94105): Chairperson Juan González.

Present, In-Person Satellite Location: (Santa Rosa Junior College Campus, Doyle Library, Room 148, 1501 Mendocino Ave., Santa Rosa, CA, 95401): Vice Chairperson Lynda Hopkins.

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

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

Absent: Directors Brian Colbert, 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 – 7)**

3. Approval of the Draft Minutes of the Finance And Administration Committee Meeting of April 15, 2026

*The Committee considered approving the Draft Minutes of the Finance and Administration Committee Meeting of April 15, 2026*

4. Hearing Board Quarterly Report: January through April 2026

*The Committee received the Hearing Board Quarterly Report for the period of January through April 2026.*

5. Fiscal Year 2025-2026 Third 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 third quarter of Fiscal Year 2025-2026, which ended March 31, 2026.*

6. Fiscal Year 2025-2026 Third Quarter Financial Report, from July 1, 2025 to March 31, 2026

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

7. Authorization to Amend Contract with Oshyn, Inc. for Enterprise Technology Solutions Services

*The Committee considered recommending that the Board of Directors authorize the Executive Officer/APCO to amend the contract with Oshyn, Inc. to increase the total not-to-exceed dollar amount of the contract by \$600,000, from \$1,154,568 to \$1,754,568, to support online services maintenance, operations, software documentation and knowledge transfer services.*

Public Comments (Items 3 – 7)

No requests received.

Committee Comments (Items 3 – 7)

None.

Committee Action (Items 3 – 7)

Director Haubert made a motion, seconded by Director Corzo, to **approve** Consent Calendar Items 3 – 7, inclusive; and the motion carried by the following vote of the Committee:

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

## DISCUSSION ITEMS

### 8. **REMOTE TELECONFERENCING MEETING POLICY FOR BOARD AND COMMITTEE MEETINGS**

At its June 3, 2026 meeting, the Board approved amendments to its Remote Teleconferencing Meeting Policy. There was limited time available at that meeting to discuss the amendments and Board members expressed interest in having the Finance and Administration Committee consider the amendments in greater depth.

Alexander Crockett, General Counsel, gave the staff presentation *Remote Teleconferencing Meeting Policy for Board and Committee Meetings*, including: amendments to Remote Teleconferencing Meeting Policy.

#### Public Comments

No requests received.

#### Committee Comments

The Committee and staff discussed whether the amendments to the Air District's Remote Teleconferencing Meeting Policy are state requirements or proposed by the Air District, and whether the Air District might impose more stringent regulations on itself than the State of California; concerns regarding amendments that require remote teleconferencing locations to be within California and in public buildings that are freely accessible to the public; concerns regarding the process for cancelling a request to host a remote teleconferencing location; the request that this item be considered by the full Board again; the Air District's current process for setting up new remote teleconferencing locations; whether the Air District provides each Board member with a handbook bearing the Air District's Remote Teleconferencing Meeting Policy; whether the Air District has the legal authority to mandate that non-"just cause" participants in remote teleconferencing rooms have their cameras turned on for the duration of meetings; whether the "just cause" exemption may be used for government travel outside of California; whether the Air District has been meeting the requirement to translate meeting agendas and participation instructions into applicable non-English languages; how to strengthen Board member accountability for adhering to the established policy so that compliance does not fall disproportionately on Executive Office staff, and the suggestion that the Board Chair conducts any necessary adjudicating instead of staff; the suggestions of creating incident reports, a warning and withdrawal-of-privileges policy to reduce remote teleconferencing location disruptions, and a written policy regarding late arrivals, early departures, absences, and remote teleconferencing location disruptions that all Board members must sign.

#### Committee Action

No action taken.

**9. AIR DISTRICT FACILITIES PORTFOLIO ASSESSMENT AND REAL ESTATE STRATEGY**

Karen Schkolnick, Director of the Administrative Resources Division, gave the staff presentation *Facilities Portfolio Assessment & Real Estate Strategy*, including: Facilities Assessment & Real Estate Strategy; consistent framework across the portfolio; portfolio approach and Strategic Plan alignment; assessment process; portfolio overview; Headquarters San Francisco and East Bay; timeline; outcomes and benefits; early wins; and conclusions.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed how often the Committee and Board will receive updates on the Air District's real estate portfolio; and whether the Air District will need to draw on its reserves to fund long-term organizational priorities, operational needs, and the forthcoming assessment that will inform development of a comprehensive real estate strategy.

Committee Action

No action taken.

**OTHER BUSINESS**

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

No requests received.

**11. COMMITTEE MEMBER COMMENTS**

None.

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

*Wednesday, September 16, 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 2:02 p.m.

**Attachments**

#3 – Approval of the Draft Minutes of the Finance and Administration Committee Meeting of April 15, 2026

#4 – Hearing Board Quarterly Report: January through April 2026

- #5 – Fiscal Year 2025-2026 Third Quarter Reporting of Payments for Routine and Recurring Goods/Services Expenses and Contracts Executed under Delegated Authority
- #6 – Fiscal Year 2025-2026 Third Quarter Financial Report, from July 1, 2025 to March 31, 2026
- #7 – Authorization to Amend Contract with Oshyn, Inc. for Enterprise Technology Solutions Services
- #8 – Remote Teleconferencing Meeting Policy for Board and Committee Meetings
- #9 – Air District Facilities Portfolio Assessment and Real Estate 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: July 1, 2026

Re: Policy on Electronic Submission of Public Comments on Matters Relating to  
Rule Development or Planning

**RECOMMENDED ACTION**

Adopt the attached proposed policy requiring electronic comments to be submitted via an online portal only. This policy would apply to comments regarding new regulations, changes to existing regulations, and all regional and local clean air plans and related required planning documents.

**BACKGROUND**

Air District staff solicits stakeholder comment/input at each public-facing step in the rule development process. These steps include white papers; concept papers; draft regulatory language and the accompanying preliminary staff report; and the staff's formal regulatory proposal, staff report, California Environmental Quality Act (CEQA) environmental analysis, socioeconomic analysis, and any other additional support material. Stakeholder comment on regulatory items can be provided in one of several ways: electronic mail (email) sent to the appropriate email address designated for comments, hard copy sent to the Air District via the US Postal Service or other couriers, or orally during a public meeting like a workshop, CEQA Scoping meeting, Board or committee meeting, or an adoption hearing.

The Air District also solicits stakeholder comment/input on draft air quality plans and related required planning documents. As an example, the Air District is currently developing a Community Emissions Reduction Plan under the Assembly Bill (AB) 617 program for Bayview Hunters Point/Southeast San Francisco and is initiating development of a regional Clean Air Plan to fulfill commitments under the Air District's strategic plan and address state and federal planning requirements. Comments on these and other air quality plans are currently submitted through similar processes as for regulatory actions.

Recently, the increase in sophistication of Artificial Intelligence (AI) technologies has enabled advocates to flood regulatory agencies with AI-generated comments that have

often been determined to not originate from the indicated sender. These artificial and fraudulent electronic comments are sent via emails to the regulating agencies. Recently, the Los Angeles Times reported<sup>1</sup> that the South Coast Air Quality Management District Board of Directors received over 20,000 emails in opposition to the staff's proposal during the agency's efforts to develop a proposed regulation to limit oxide of nitrogen (NOx) emissions from gas appliances. It was determined that many of the tens of thousands of email messages were generated by an artificial intelligence platform used by advocacy company called CivicClick<sup>2</sup>, and not to have been submitted by the indicated sender.

Further, there is some indication that emailed comments recently received by Board Members on the Air District appliance rule amendment process were not sent by members of the public<sup>3</sup>.

On some occasions, emailed comments from the public have been filtered into spam folders and went unnoticed by staff until commenters followed up to ask why their submissions did not appear in the regulatory record.

Another concern about receiving comments by email is that it makes it difficult to separate the content of the comments from Personally Identifiable Information (PII) including email addresses. A great deal of manual processing is required to publish those comments while protecting sensitive information. Staff is anticipating hundreds of electronic comments in upcoming regulatory actions. It may not be possible to assess all of these comments using the current manual process.

<sup>1</sup> [Southern California air board rejected pollution rules after flood of comments from AI-powered platform, Los Angeles Times](#), Published, February 17, 2026; Updated, February 26, 2026.

<sup>2</sup> CivicClick: <https://civiclick.com/>

<sup>3</sup> ['This was forged': Residents deny sending emails pushing Bay Area air policy change](#), San Francisco Chronicle, March 12, 2026.

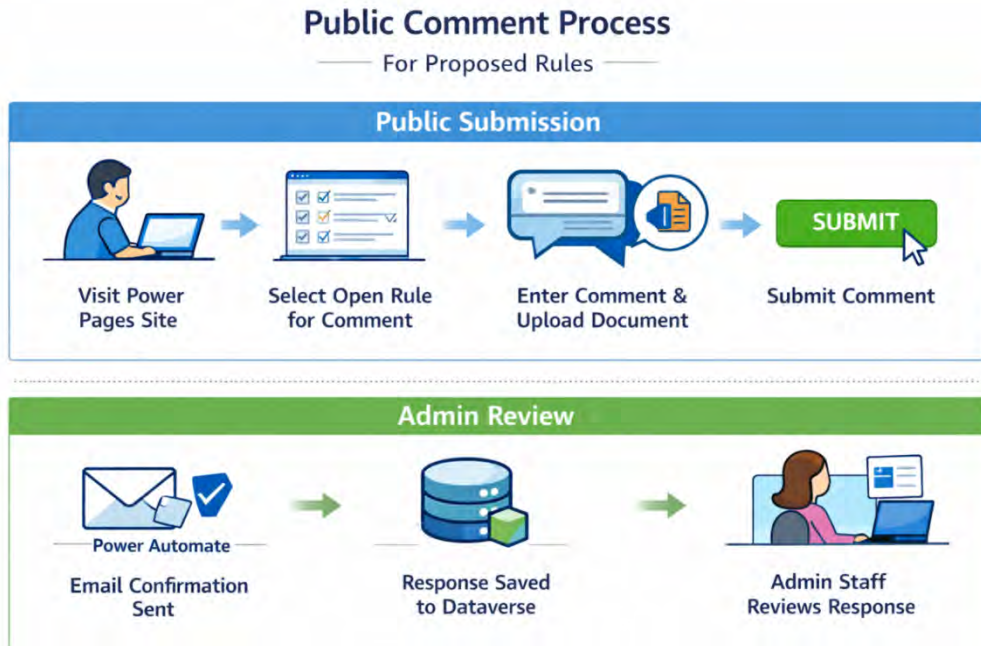
## DISCUSSION

In response to the potential for mass emails (including AI-generated ones) to mischaracterize stakeholders' sentiments about Bay Area Air District regulatory and planning proposals and overwhelm staff capacity to properly process the comments, staff is proposing that the public may only submit electronic comments through an online portal. This portal would only allow the input of specific information from the commenter. This information would include the commenters' name; affiliation; contact information: phone and email address, the text of the comments; the portal would also allow inclusion of attachments, such as Microsoft Word file or Portable Document Format (PDF). Some of the submitted information would be protected as PII and therefore need to be encrypted and have strict access limits.

For any comments submitted through unapproved channels, either to Air District staff or the Board of Directors via an email submitted to the Clerk of the Boards, the originator would receive a response that includes instructions on how to access and use the

portal. Electronic comments submitted through channels other than the portal would not be retained, assessed, or considered.

The graphic below illustrates the proposed general process for submitting public comments on rule development and planning items through an electronic portal:



Staff activated this portal in June 2026 to accept regulatory comments. It has been operating in parallel with email submissions.

The proposed policy would have no impact on comments sent via the postal service or other couriers, or oral comments made during public meetings and hearings.

This approach would:

- Provide greater confidence that comments are submitted by actual stakeholders rather than generated by an AI platform;
- Enable the Air District to manage large volumes of comments in the relatively short regulatory timeframes;
- Protect the PII of those commenting;
- Ensure all comments submitted through appropriate channels are received and reviewed by Air District staff; and
- Send commenters an automatic confirmation of receipt of comments.

The Air District Information Technology (IT) department has completed development of this portal and it is ready to be launched for the beginning of the 2026-27 fiscal year.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Victor Douglas

Reviewed by: Gregory Nudd

ATTACHMENT(S):

1. Policy on Electronic Submission of Public Comments on Regulations and Plans - Final
2. Policy on Electronic Submission of Public Comments Presentation

# Bay Area Air District

## Policy on Electronic Submission of Public Comments on Regulations and Plans

This policy governs public comments submitted electronically to the Bay Area Air District regarding rulemaking and air quality plans. It does not address public comments submitted on paper or orally.

### 1) Policy Background

Recent developments have raised concerns regarding the process for members of the public to submit electronic comments to the Air District on proposed rules and air quality plans. These concerns include the use of artificial intelligence to generate fraudulent comment emails that are not from real members of the public, heightened concerns about the need to protect personally identifiable information (PII) that is automatically included in emailed comments, and the potential for emailed comments to get filtered by spam filters and not reach the intended Air District staff recipient.

This Policy addresses these concerns by providing a consistent and secure process for stakeholders to submit public comments electronically that will 1) ensure that comments are received and reviewed by Air District staff; 2) protect commenters' PII; 3) provide commenters an automatic confirmation of receipt of comments; and 4) provide greater confidence that comments received are from real members of the public.

### 2) Policy on Electronic Submittal of Public Comments

Air District staff will make available a public comment portal on the Air District's website ([www.baaqmd.gov](http://www.baaqmd.gov)) for the purpose of electronic submission of public comments. Any member of the public wishing to submit a comment electronically regarding a regulation or plan that is being developed by Air District staff and/or has been proposed for consideration by the Board of Directors must submit the comment through the public comment portal (or other similar portal established for the submission of public comments). The Air District will not consider or respond to electronic comments submitted by email or any other means outside of the public comment portal process.

Members of the public may also submit comments by non-electronic methods, including by mailing or delivering a written comment letter to

Air District staff during the specified comment period and by providing oral or written comments at a Board of Directors meeting.

For purposes of this Policy, a "regulation" includes any proposed new Air District rule or regulation, and any proposed amendment to any such rule or regulation. A "plan" includes any proposed air quality plan or related required planning document, including Clean Air Plans, AB 617 Community Emissions Reduction Plans, and other similar planning documents.

### 3) Policy Implementation

Air District staff will develop and maintain the public comment portal to:

- Provide commenters with an immediate confirmation of receipt of their comment;
- Maintain comments in a database that separates out the commenter's PII from the substance of their comment and maintains the PII in a secure location; and
- Make the non-PII portion of all comments publicly available on a searchable website.

The Air District will no longer maintain its rule development general email box. That email box will be configured to send an auto-response to any email received providing instructions on how to use the portal and stating that this email box is not accepting comments. Air District staff will not review or retain any emails sent to the email box.

Email boxes for the Clerk of the Boards, rule development staff, general comments ([comments@baaqmd.gov](mailto:comments@baaqmd.gov)) and other similar boxes will be configured to send an auto-response to any email received stating that the Air District does not accept comments on regulations and plans by email and providing instructions on how to submit comments through the portal. Planning staff will be directed to send a substantively similar response to any emails they receive with comments on any regulation or plan subject to this Policy. Any emailed comments on regulations or plans subject to this Policy will not be considered or retained by Air District staff, and they will not be forwarded to the Board of Directors.

### Revision History

Date	Description
<i>[Date of Adoption]</i>	Initial Adoption



# Policy on Electronic Submission of Public Comments

Board of Directors Meeting

July 1, 2026

**Victor Douglas**  
**Director**  
**Regulatory Development**

# Abbreviations

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**AI:** Artificial Intelligence

**NOx:** Nitrogen Oxides

**PII:** Personally Identifiable Information

**SCAQMD:** South Coast Air Quality Management District

# Activities Where Public Comment is Sought

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- Rulemaking
  - Informal – Concept papers, etc.
  - Formal – Final Rulemaking Proposal prior to adoption hearing
- Air Quality Plans
  - Clean Air Plans
  - Community Emission Reduction Plans
- Permitting
- Budget

# Current Pathways for Comment Receipt

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- Electronic (emails)
- Hardcopy (letters)
- Oral (at a meeting or hearing)

# Considerations for Electronic Comments

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- AI-generated email comments
  - CivicClick
  - SCAQMD Zero-NOx Gas Appliance Rulemaking
- Ensuring receipt of emails through Air District security measures
- Requirements for protection of PII
- Manual processing
  - Impacts to staff resources and response time

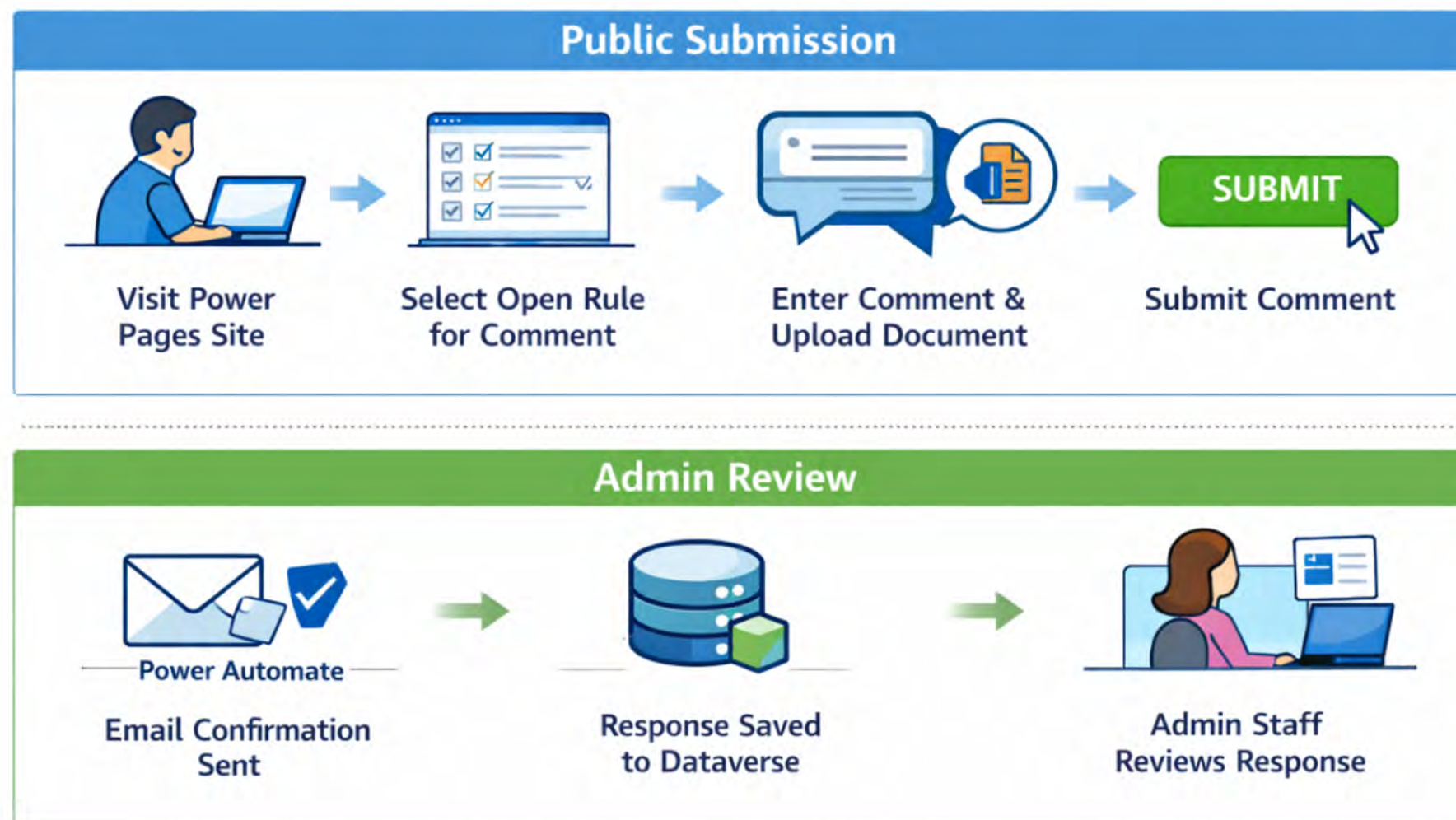
# Proposed Policy for Electronic Comments

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## Online Portal for Regulatory and Planning Matters

- Electronic comments must be submitted through the portal
  - Emailed comments will receive instructions for submittal through portal and will then be deleted
- Information accepted:
  - Name, affiliation, contact information, phone, and email address
  - Text of Comment
  - Attachments (if any)
  - PII protected through encryption in transit and at rest

# Proposed Policy for Electronic Comments (cont.)



# Recommended Action

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Adopt a policy requiring electronic comments to be submitted via an online portal only. Comments submitted via email would not be considered or retained. This policy would apply to comments regarding new regulations, changes to existing regulations, and regional and local clean air plans and related required planning documents.

# Questions & Discussion

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**For more information:**

Victor Douglas | Director, Regulatory Development | [vdouglas@baaqmd.gov](mailto:vdouglas@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: July 1, 2026

Re: Remote Teleconferencing Meeting Policy for Board and Committee Meetings

RECOMMENDED ACTION

Amend the Remote Teleconferencing Meeting Policy to (i) remove the requirement that remote meeting locations must be in public buildings within California, and (ii) add a provision for reporting issues with adherence to the policy to the Chair.

BACKGROUND

Senate Bill 707 amended the Ralph M. Brown Open Meetings Act to impose additional requirements on California public agencies to expand accessibility and participation in public meetings. Air District staff prepared draft amendments to the Air District's remote teleconferencing meetings policy to implement these requirements and make other changes related to expanded public accessibility and participation. The Board of Directors adopted these proposed amendments at its June 3, 2026, meeting, but the press of other business limited the amount of time available to discuss them in detail. Board members expressed interest in the Finance and Administration Committee considering the amendments in greater depth at its next meeting.

DISCUSSION

At the June 17, 2026, Finance and Administration Committee meeting, the Committee discussed the recent amendments to the Remote Teleconferencing Meeting Policy in greater depth. In particular, the Committee discussed the new requirement that private locations, such as hotels, convention centers, and private homes, can no longer be used to host remote locations. The Committee also discussed the new requirement that remote meeting locations cannot be located outside California. There was a consensus among Committee members that these changes were more burdensome than beneficial and should be removed. Committee members recognized the difficulties and risks involved in holding meetings at such locations, as well as the difficulties that the Air District has experienced with compliance with other aspects of the Policy in general. There was a consensus among Committee members that a mechanism should be added to the Policy to require staff to report any compliance issues to the Chair, in an

effort to address such challenges and ensure compliance going forward. Staff committed to drafting further amendments to the policy to address these points and to present the proposed amendments to the Board of Directors for further consideration.

Staff have developed proposed amendments to reflect the further changes discussed by the Finance and Administration Committee. These proposed amendments are attached. The current version of the Remote Teleconferencing Meeting Policy (as adopted July 3, 2026) is also attached for your convenience.

#### BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Reviewed by: Alexander Crockett

#### ATTACHMENT(S):

1. Current Remote Teleconferencing Meeting Policy (as amended June 3 2026)
2. Remote Teleconferencing Meeting Policy - Proposed Amendments - July 1 2026  
Board Meeting - REDLINE
3. Remote Teleconferencing Meeting Policy - Proposed Amendments - July 1 2026  
Board Meeting - CLEAN
4. Remote Teleconferencing Meeting Policy Presentation

## Bay Area Air District

### Remote Teleconferencing Meeting Policy

This Remote Teleconferencing Meeting Policy is established by the Board of Directors of the Bay Area Air District to provide meeting flexibility for members and the public while also reducing transportation related emissions and greenhouse gases.

This Policy affirms the rules by which Air District Remote Teleconferencing locations can be used by the Board of Directors and Board committees to ensure they fulfill Ralph M. Brown Act requirements and conform to requirements adopted by the Board of Directors.

Any member of the Board of Directors who wishes to host a remote teleconferencing location for a Board or committee meeting must comply with the following requirements:

1. Board members and their staff are required to receive mandatory training with the Air District Executive Office prior to hosting a remote teleconferencing meeting.
2. Board members are required to designate at least one staff member as an on-site point of contact for each meeting with the ability to connect on Wi-Fi, access the Zoom platform, re-establish a connection via speakerphone if Wi-Fi goes out, and provide technical assistance to attendees.
3. At least 72 hours prior to the start of the meeting (or other relevant Brown Act deadline in the case of a special meeting or emergency meeting), Board members or their staff are required to:
  - a. Post the meeting agenda (including the English version and all translated versions provided by Air District staff) in a publicly accessible location that is open to the public 24 hours a day in accordance with Brown Act requirements;
  - b. Make available a physical location that is freely accessible to the public in reasonable proximity to the physical location in which the agenda and translations are posted under subparagraph 3.a. above, and allow members of the public to post additional translations of the agenda in that location;
  - c. Email confirmation of posting by the Brown Act deadline to the Manager of the Executive Office; and
  - d. Maintain the posting of the agendas continually until the conclusion of the meeting.

4. If the posting of the agenda at a remote teleconferencing location does not meet the 72-hour notice requirement, Board members may not participate in the meeting from that location, but the location must still be open to the public in accordance with all other provisions of this Policy.
5. Each remote meeting location must be open to the public throughout the entirety of the meeting (including during closed session, if any) and must comply with all ADA accessibility requirements. It is strongly recommended that remote teleconferencing locations be opened to the public 30 minutes before the scheduled start of the meeting but, at a minimum, the location must be opened no less than 10 minutes before the scheduled start of the meeting.
6. If a Board member agrees to serve as a remote teleconferencing location host, and must leave the meeting prior to adjournment, the location must remain open and available to the public for the remainder of the meeting. A location that cannot remain open for the duration of the meeting cannot be used as a remote location.
7. Board members must submit requests to host a remote teleconferencing location by email to the Manager of the Executive Office, with a copy to the Executive Officer/APCO, a minimum of 16 days prior to the meeting.
8. To cancel a request to host a remote teleconferencing location, Board members must notify the Manager of the Executive Office by email, with a copy to the Executive Officer/APCO, a minimum of 8 days prior to the meeting to ensure that the location is removed from the agenda before it is circulated and made available to the public. If the cancellation is not timely and the published agenda includes the location, the location must be open to the public in accordance with all other provisions of this Policy, even if the Board member who originally requested the location will not be present at that location.
9. Remote teleconferencing locations must be within California, and must be in a public building that is freely accessible to the public. Locations that are not in public buildings and/or that are not freely accessible to the public, such as hotels and convention centers, may not be used as remote conferencing locations.
10. The only location that can be used for regular Board or committee meetings in San Francisco is the Air District's Beale Street location.
11. Security shall be provided at remote teleconferencing locations in a manner consistent with existing security policies at those locations. In the event that special circumstances may arise requiring additional security, Board members requesting to host remote teleconferencing locations and/or staff at those

locations will confer with the Chair and Vice Chair and Air District staff about any special arrangements that may be required to facilitate an effective meeting.

12. Board members must sign a written agreement committing to complying with all requirements established by the Board of Directors in this Remote Teleconferencing Meeting Policy.

This policy applies only to remote teleconferencing from noticed locations under Brown Act section 54953(b). It does not apply to any members participating in a meeting remotely under the "just cause" exception or other similar provisions authorizing participation from non-noticed locations under Brown Act sections 54953.8 *et seq.*

This policy may be reviewed by the Finance and Administration Committee periodically including the addition of procedures to address violations of the policy. The Committee may make recommendations to the Board of Directors to update or revise this policy as necessary to ensure the work of the Air District continues and statutory deadlines are met.

**Bay Area Air District**  
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11. Board members must sign a written agreement committing to complying with all requirements established by the Board of Directors in this Remote Teleconferencing Meeting Policy.

The APCO will provide quarterly reports to the Chair detailing Board members' adherence to the requirements of this Policy. If any member fails to comply with any individual requirement stated in Paragraphs 1-11 above more than one time, the Chair may agendize a discussion at a public meeting of whether the Board should revoke that member's remote location meeting hosting privileges under this Policy. If the Board votes to revoke a member's remote location meeting hosting privileges, that member may not host any Board or Committee meeting until such time as the Board reinstates the member's hosting privileges.

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# Remote Teleconferencing Meeting Policy for Board and Committee Meetings

Board of Directors Meeting

July 1, 2026

Alexander Crockett, General Counsel

# Recommended Action

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Amend the Remote Teleconferencing Meeting Policy to:

- (i) Remove the requirements that remote meeting locations must be in public buildings within California; and
- (ii) Add a provision for the Board to consider revoking remote meeting hosting provisions for members who fail to adhere to Policy requirements;

with an effective date of August 1, 2026.

# Recent Policy Amendments

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## **June 2026 amendments to Remote Teleconferencing Meeting Policy:**

- Requirement to post all translated agendas
- Additional lead time for staff to accommodate remote locations
- Streamlining process to reduce burdens on Board members & their staff
- Remote locations must be in publicly accessible areas in public buildings
- Remote meetings must be within California

# Finance & Admin. Committee Discussion

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## **Consensus from June 17, 2026 Committee Discussion:**

- Requirement for public buildings within California too restrictive
- Ensuring compliance with all Policy requirements is vitally important
- Need for a mechanism to identify non-compliance to Board Chair

# Proposed Further Amendments

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- Remove requirements for locations to be in public buildings within California
- Add requirement for APCO to provide Chair with quarterly compliance report
  - If member has more than one violation of any individual Policy requirement
  - Chair may agendize Board discussion of revocation of hosting privileges
- Effective August 1, 2026

# Recommended Action

---

Amend the Remote Teleconferencing Meeting Policy to:

- (i) Remove the requirements that remote meeting locations must be in public buildings within California; and
- (ii) Add a provision for the Board to consider revoking remote meeting hosting provisions for members who fail to adhere to Policy requirements;

with an effective date of August 1, 2026.

# Questions & Discussion

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**For more information:**

Alexander Crockett | General Counsel | [acrockett@baaqmd.gov](mailto:acrockett@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: July 1, 2026

Re: Bay Area Regional Evaluation of Air Toxics and Health Effects Program

RECOMMENDED ACTION

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

BACKGROUND

In February 2026, Air District staff presented information about the Bay Area Regional Evaluation of Air Toxics and Health Effects, or BREATHE, program to the Community Equity, Health, and Justice Committee.

The Air District has conducted several air-toxics-related efforts over time, including Assembly Bill (AB) 617 community monitoring, refinery-focused monitoring, and emissions inventory and modeling work. While these initiatives have provided valuable insights, they are generally targeted in scope and do not provide a comprehensive, basin-wide assessment of air toxics exposure and health risk. The South Coast Air Quality Management District's Multiple Air Toxics Exposure Studies (MATES) have demonstrated the value of comprehensive, integrated regional air toxics assessments.

Building on these lessons and recognizing the need for a similar basin-wide framework in the Bay Area, Air District staff are proposing a new study called Bay Area Regional Evaluation of Air Toxics and Health Effects or BREATHE.

DISCUSSION

The proposed BREATHE study is intended to provide a coordinated framework for evaluating air toxics exposure and associated health risks across the Bay Area. The study would integrate continuous air toxics monitoring, emissions inventory development, air quality modeling, and a health risk assessment, serving as an anchor for past, present, and future Air District air toxics efforts.

BREATHE would begin with continuous instrumentation at multiple existing Air District monitoring network sites to establish a strong regional baseline while leveraging existing infrastructure. The study is designed as a scalable platform that can be expanded over time as resources allow, including potential redeployment of instruments to additional priority communities or source-adjacent locations. By combining modern measurements with advanced modeling, BREATHE will support more refined estimates of cancer risk, chronic non-cancer risk, and cumulative impacts, helping inform future policy development and environmental justice priorities.

#### BUDGET CONSIDERATION/FINANCIAL IMPACT

The proposed BREATHE study would require a significant upfront investment in continuous air toxics monitoring instrumentation, along with associated operations and maintenance costs. Funding for this project has been set aside in Designated Reserve Funds as part of the Fiscal Year 2026-27 Budget. Air District staff will return to the Board in September to request approval to purchase equipment and procure other resources necessary to implement this program.

Respectfully submitted,

Philip M. Fine  
Executive Officer/APCO

Prepared by: Andrea Polidori  
Reviewed by: Philip M. Fine

#### ATTACHMENT(S):

1. Bay Area Regional Evaluation of Air Toxics and Health Effects (BREATHE) Study Update Presentation



# Bay Area Regional Evaluation of Air Toxics and Health Effects (BREATHE) Study Update

## Board of Directors Meeting

July 1, 2026

**Andrea Polidori, PhD**  
**Deputy Executive Officer of Science**

# Recommended Action

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

# Outline

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- Criteria and Air Toxic Pollutants
  - Definitions and Measurements
- South Coast Air Quality Management District (AQMD) Multiple Air Toxics Exposure Study (MATES)
  - Overview and Main Results
- Proposed Bay Area Regional Evaluation of Air Toxics and Health Effects (BREATHE) Study
  - Scope and Objectives
  - Study Components
  - Timeline
  - Strengths and Benefits

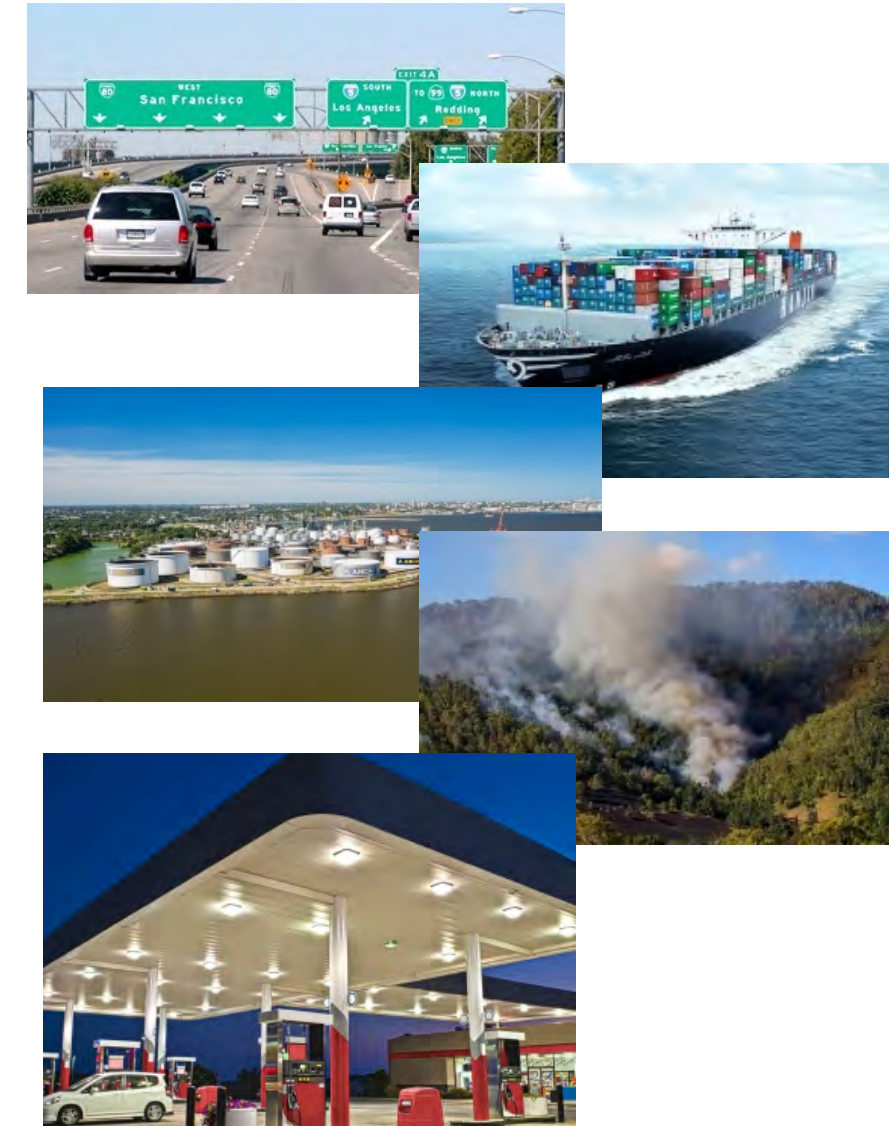
# Criteria Pollutants

- Six criteria pollutants designated by the US EPA:
  - Carbon Monoxide (CO)
  - Ozone (O<sub>3</sub>)
  - Particulate Matter (PM<sub>2.5</sub> and PM<sub>10</sub>)
  - Nitrogen Dioxide (NO<sub>2</sub>)
  - Sulfur Dioxide (SO<sub>2</sub>)
  - Lead (Pb)
- They have National Ambient Air Quality Standards (NAAQS) to protect human health and welfare
- State, local, and tribal governments monitor these pollutants to determine if NAAQS are met
- In nonattainment areas, local and state agencies are required to take action to meet standards



# Air Toxics Pollutants

- The US EPA lists 188 Hazardous Air Pollutants (**HAPs**), including diesel PM, benzene, and other Volatile Organic Compounds (VOCs), and metals
- California identified over 200 Toxic Air Contaminants (**TACs**)
- HAPs and TACs can cause cancer or other serious health effects
- No NAAQS, but health-based thresholds are often available
- Multiple biogenic/anthropogenic and indoor/outdoor sources
- Exposure to HAPs/TACs is generally localized and not evenly distributed; higher impacts along transportation corridors, industrial areas, and Environmental Justice (EJ) communities



Photos courtesy of bing via Creative Commons license

# Ambient Air Monitoring

## Criteria

- Measured at multiple network locations
- Use of well-established, but relatively old technology



## Air Toxics

- Typically, measured as part of national programs (e.g., National Air Toxics Trends Stations (NATTS), at/near specific sources, and in communities)
- Use of recently available state-of-the-art and research-grade technology



# Air Toxics Efforts in the Bay Area

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- Existing programs include:
  - Assembly Bill (AB) 617 community monitoring (e.g., mobile monitoring surveys) and exposure modeling
  - Refinery-focused monitoring (e.g., Rule 12-15)
  - Facility- and neighborhood-scale investigations
  - Compliance investigations
  - Incident response and special projects
  - BREATHE will be highlighted in future Annual Reports
- Current challenges and key limitations:
  - Air toxic gradients are typically localized with episodic peaks
  - Persistent disparities in overburdened communities
  - Sporadic air toxic measurements (limited spatial and temporal coverage)

*There is a need for an integrated basin-wide exposure and risk framework for air toxics*

# South Coast AQMD's MATES Program

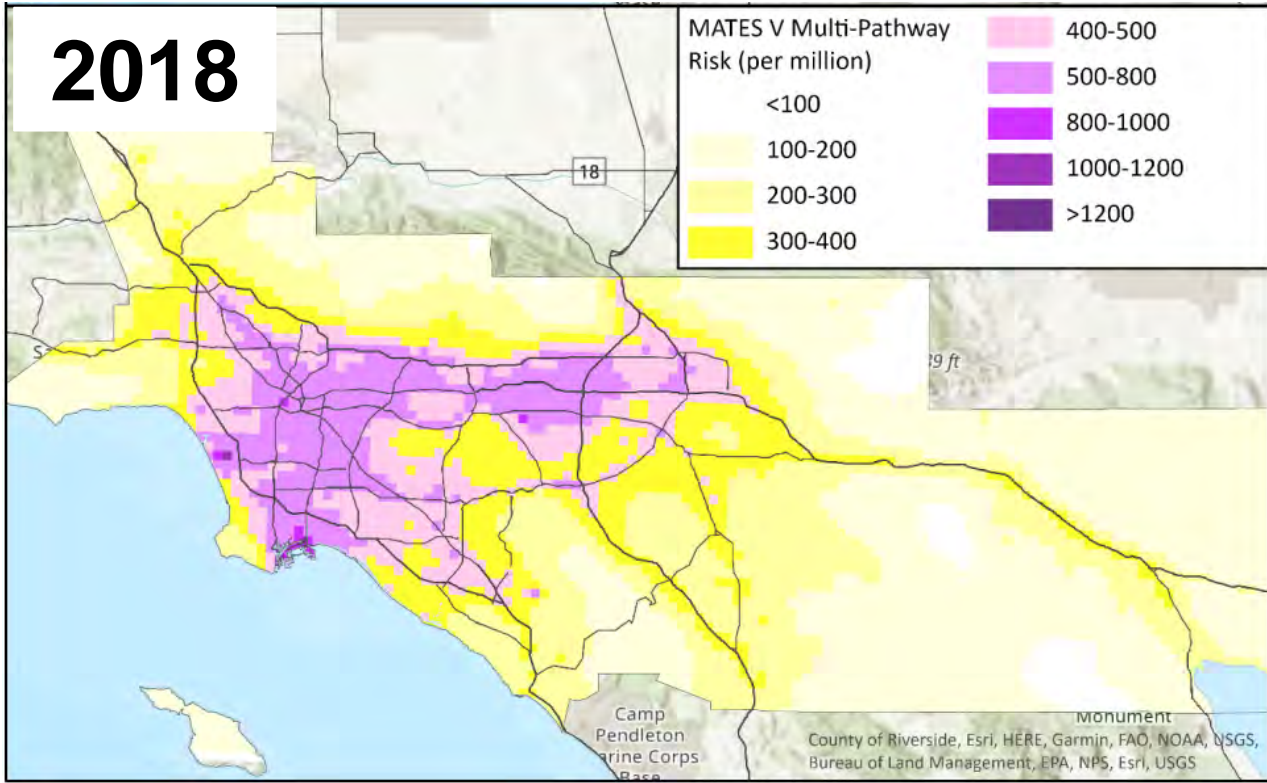
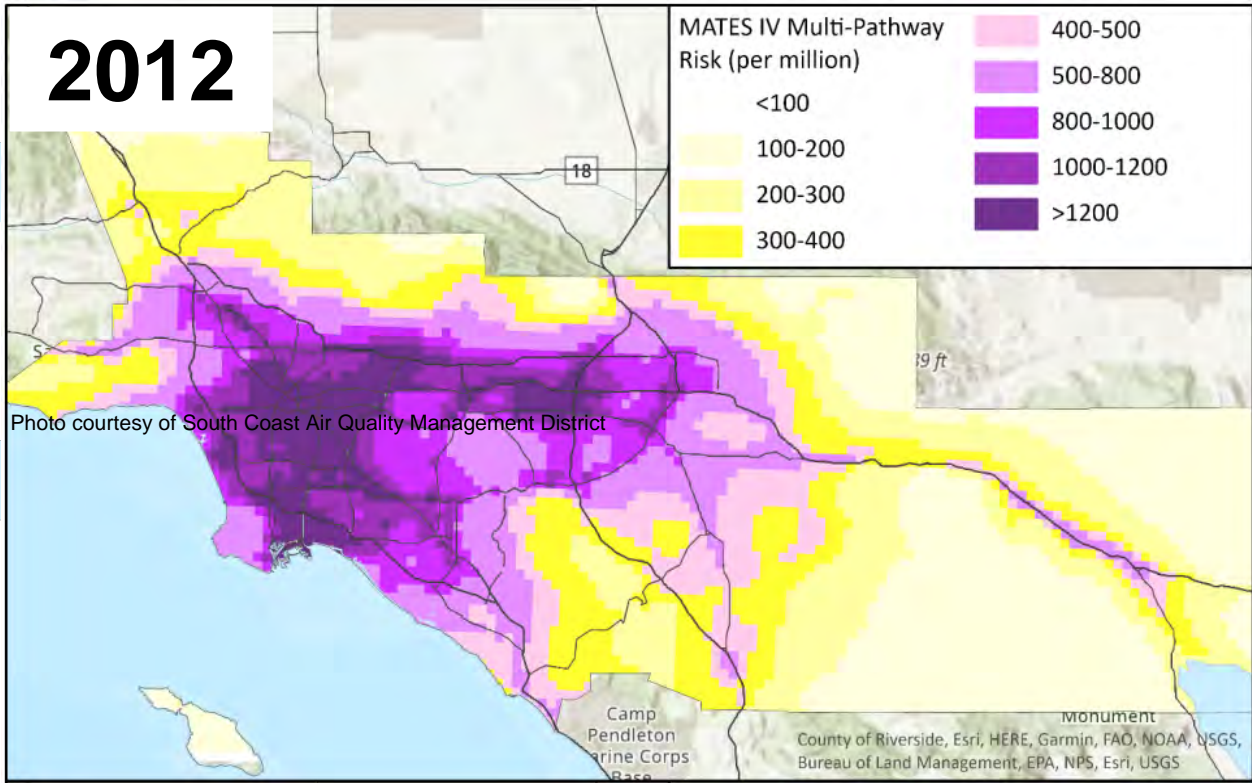
- **MATES:** Multiple Air Toxics Exposure Study
- Broad EJ initiative
- National benchmark for regional air toxics exposure studies
- Demonstrated ability to:
  - Quantify cancer and chronic risk drivers
  - Track progress over time
  - Identify major sources and hotspots
- Started in 1986; conducted every 5-10 years (MATES VI is underway)
- Resource-intensive
  - Sample collection (every 6 to 12 days) and laboratory analysis
  - Limited continuous or real-time data



Photos courtesy of South Coast Air Quality Management District (AQMD) website

# MATES V: Summary of Results

## (2021 Report)



**Total air toxics cancer risk decreased by ~50% from 2012 to 2018, but risks are still high**

*All results refer to conditions experienced in the South Coast Air Basin / Photo courtesy of South Coast Air Quality Management District*

# MATES V: Summary of Results

## (2021 Report)



Photo courtesy of bing via Creative Commons license

**Diesel PM** is the largest contributor to cancer risk. Benzene, 1,3 butadiene, carbonyls, and arsenic are also major contributors



This Photo by Unknown Author is licensed under [CC BY-SA-NC](#)

Highest air toxics cancer risk in/around the ports, but also along goods movement corridors, and major freeways



Photo by Rick Loomis of the Los Angeles Times

Air toxics levels in EJ communities were higher compared to Basin averages

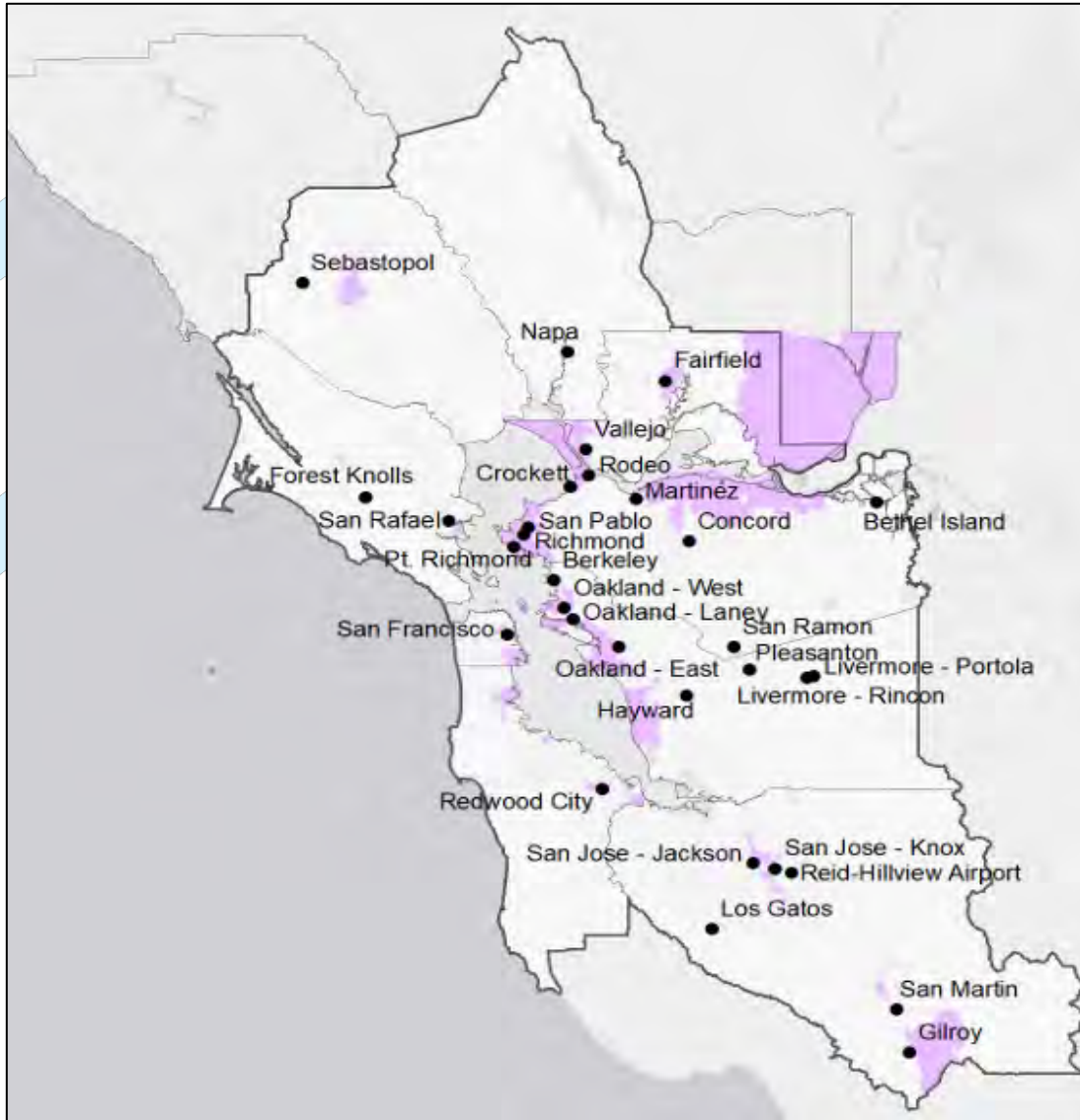
*All results refer to conditions experienced in the South Coast Air Basin*

# BREATHE Study



- Form a Technical/Community Advisory Group (TAG) to guide study design and provide technical oversight
- Use advanced technology
  - Continuous air monitoring (year-round) at existing air monitoring locations

# BREATHE Study – Site Selection



- Start at **five (5)** air monitoring locations representative of a basin-wide population exposure
- Prioritize areas with known or suspected elevated air toxics risk
- Leveraging existing or planned Air District air monitoring infrastructure
- Potential site locations: Redwood City, Bayview Hunters Point (BVHP), San Jose-Jackson, West Oakland, East Oakland, Vallejo, and others

# BREATHE Study – Continuous Monitoring



*Images represent instruments typically used for air toxics monitoring and do not necessarily depict the exact equipment proposed for this study*

Photos courtesy of air quality monitoring vendors' websites

- High time resolution (1-min to 1-hour)
- Low detection limit for all relevant air toxic pollutants
- Ability to measure **diesel PM, Benzene, other VOCs, Carbonyls, Metals, and other risk drivers** continuously and in real/near-real time
- Higher capital costs, but no sample collection and lab analysis costs
- Ability to capture episodic peaks missed by traditional sampling/analysis methods
- Combined with meteorological data, it can be used for source attribution and a more refined characterization of air toxics exposure

# BREATHE Study – Emission Inventory, Modeling, and Health Effects



**Emissions**

*(Emission Inventory)*



**Ambient Concentrations**

*(Modeling, Validated by Monitoring)*



**Exposure**

*(Cancer Risk & Chronic Non-Cancer Health Impact)*



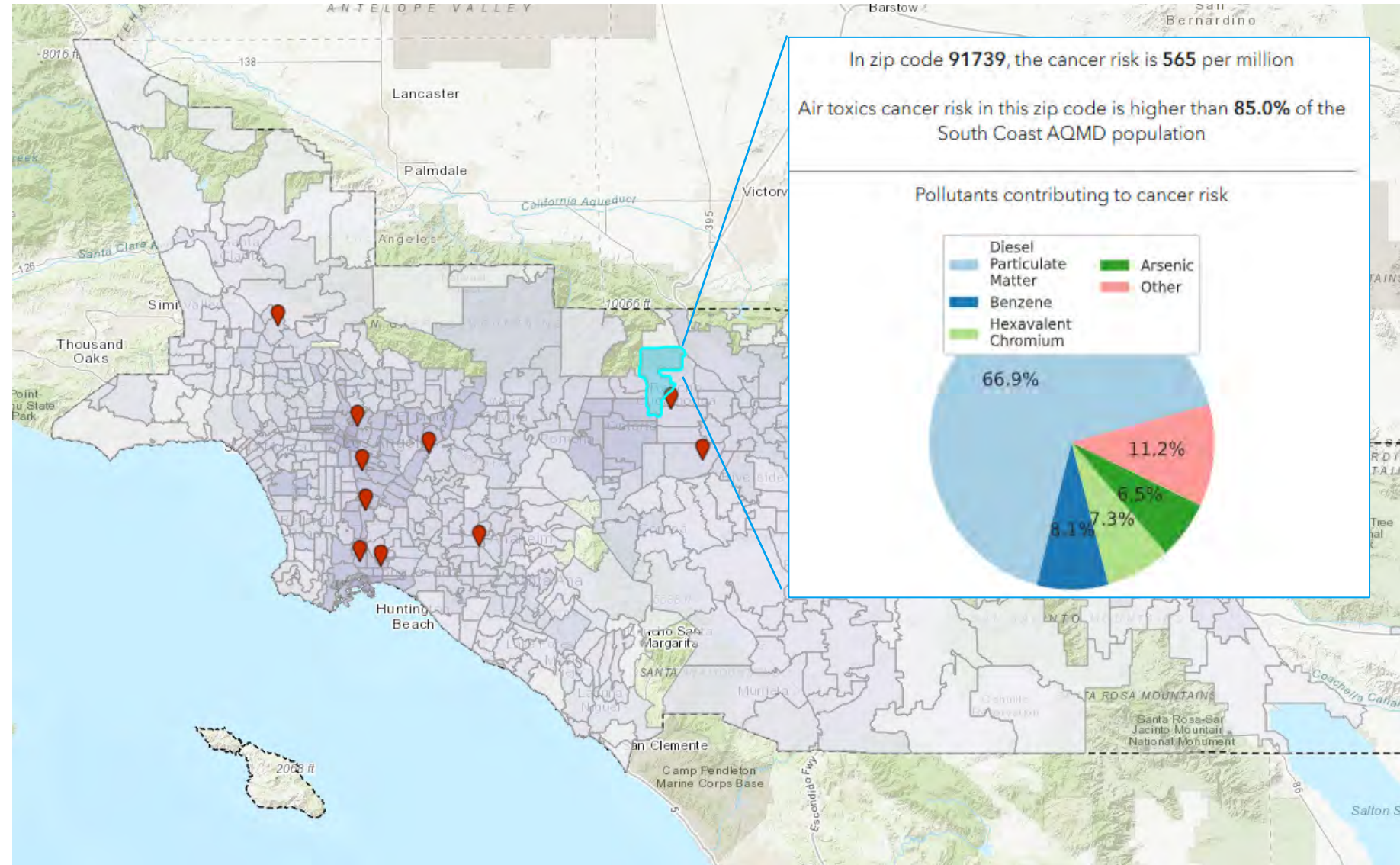
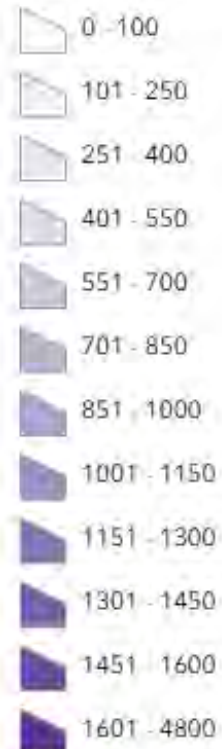
**Health Effects**

- Updated air toxics emissions inventory to support modeling and risk assessment
- Regional (basin-wide) modeling of all key air toxic pollutants (based on continuous data)
- Exposure and health risk assessment to characterize cancer risk and chronic hazard indices
- Assess new methodologies for estimating cumulative impact

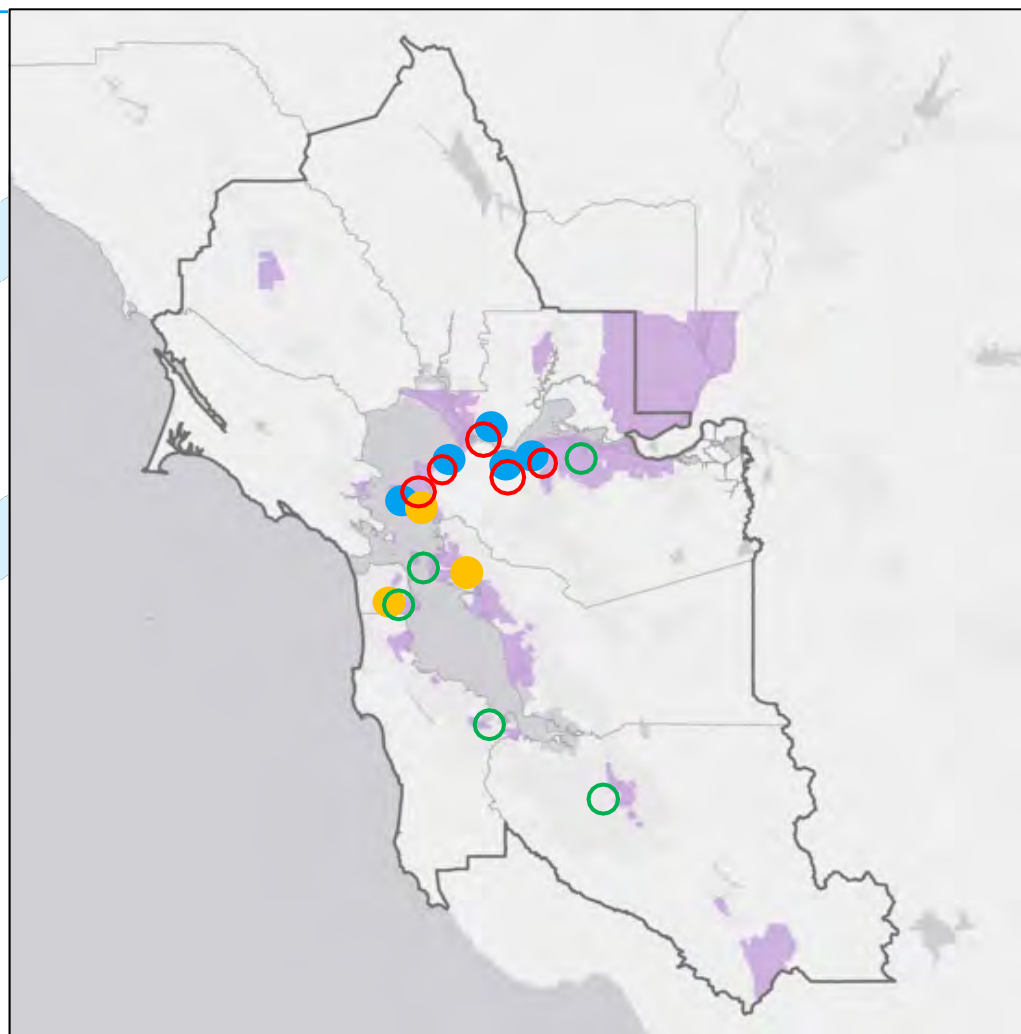
# Data Visualization – Cancer Risk (MATES Example)

## Residential Air Toxics Cancer Risk Calculated from Model Data

Cancer Risk [per million]



# Continuous Air Toxic Measurements – Present and Future



*Note: air toxic samples are also being collected and analyzed in the lab by Air District staff at ~20 locations*

- Fenceline Refinery Monitoring (Rule 12-15)
  - Benzene, other VOCs, and Hydrogen Sulfide (H<sub>2</sub>S)
  - 5 facilities (2016-present)
  - Measurements conducted by refineries with Air District oversight
- Mobile Monitoring
  - Diesel PM, benzene and other VOCs
  - AB 617 and other Bay Area communities (2022-present)
  - Measurements conducted by Air District staff
- Community Monitoring Near Refineries
  - Diesel PM, Benzene, other VOCs, and Carbonyls
  - 3 sites by the end of 2026 (San Pablo and Benicia already up and running); 2 additional sites by mid/late 2027
  - Measurements conducted by Air District staff
- BREATHE Sites
  - Diesel PM, Benzene, other VOCs, Carbonyls, and Metals
  - 5 sites by mid/late 2027
  - Measurements conducted by Air District staff

# BREATHE Study – Timeline

<p><u>2026-2027 (Planning and Preparation)</u></p> <ul style="list-style-type: none"> <li>• \$4M in Designated Reserve Funds (Approved by the Board of Directors in June 2026)</li> <li>• Budget approval (September Board of Directors meeting)</li> <li>• Form and consult with the TAG</li> <li>• Procuring equipment / preparing sites / deploying instruments</li> </ul>	<p><u>2028-2029 (Data Analysis and Report Writing)</u></p> <ul style="list-style-type: none"> <li>• Measured and modeled data comparison</li> <li>• Cancer and chronic risk calculation</li> <li>• Source apportionment</li> <li>• Assessment of new cumulative impact methodologies</li> <li>• Draft and final report</li> <li>• Public outreach</li> </ul>
<p><u>2027-2028 (Measurements and Modeling)</u></p> <ul style="list-style-type: none"> <li>• Baseline year</li> <li>• Quality Assurance / Quality Control as data is collected</li> <li>• Quarterly updates on measured data</li> <li>• Emission inventory preparation</li> <li>• Air toxics modeling</li> </ul>	<p><b><i>BREATHE is a <u>scalable</u> project that can be expanded over time as resources allow. Instruments can be redeployed to other priority communities. This long-term investment will support ongoing risk and cumulative impact assessment efforts.</i></b></p>

# BREATHE Study – Strengths and Benefits

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- First comprehensive air toxics exposure study in the Bay Area (first ever to use continuous air toxic measurements year-round)
- Improved air monitoring capabilities for air toxics pollutants
- Continued modernization of the existing air monitoring network (additional BREATHE sites can be added over time)
- Will provide context for localized community monitoring (e.g., AB 617), near-source measurements (e.g., Rule 12-15), and past, present, and future air toxics studies

# BREATHE Study – Strengths and Benefits (cont.)

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- Short- mid- and long-term benefits
  - Will help identify unknown air toxics sources, and address public questions on air toxics impacts
  - Will provide defensible science for future policy and control strategies, including cumulative impact considerations)
  - Will support EJ and strategic planning priorities
    - Strategy 1.1 – Change Approach to Air Quality
    - Strategy 2.2 – Collect Community Data
    - Strategy 2.4 – Community Health Data
    - Strategy 2.7 – Understand Local Air Pollution
    - Strategy 2.11 – Cumulative Health Impacts
    - Strategy 4.4 – Improve Air Monitoring

# Recommended Action

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

# Questions & Discussion

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**For more information:**

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