

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD

GOVERNING BOARD

Chris Gallagher
Tom Hammond
Jeff Hemphill
Quincy McCourt
Brian Moore
Kevin Stafford

Staff

Erik Edholm
Air Pollution Control Officer
Angelina Chamblee
Administrative Staff Assistant

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD SPECIAL MEETING

Lassen County Fairgrounds – Jensen Hall
195 Russel Ave, Susanville, CA 96130

Agenda
Tuesday, May 12, 2020

3:00 p.m.

ADDRESSING THE BOARD

- * Any person desiring to address the Board shall first secure permission of the presiding officer.
 - * Matters under the jurisdiction of the Board, and not on the Agenda, may be addressed by the Public at the time provided in the Agenda under Public Comment.
 - * The Board of Directors will not take action on any subject that is not on the Agenda.
-

A. CALL TO ORDER

B. ROLL CALL OF BOARD OF DIRECTORS

C. AGENDA APPROVAL

D. APPROVAL OF MINUTES FOR THE MEETINGS OF: MARCH 10, 2020

E. BOARD MEMBER ISSUES/REPORTS

F. CORRESPONDENCE

G. PUBLIC COMMENT

(Any person may address the Board at this time to comment on any subject not on the agenda. However, the Board may not take action other than to direct staff to agendize the matter at a future meeting).

H. MATTERS FOR BOARD CONSIDERATION

- 1. Subject:** Election of Chair and Vice Chair for 2020
Recommendation: Conduct Election

- PG. 6 **2. Subject:** Report on District Activities
Recommendation: Information only/Receive Report
- PG. 7 **3. Subject:** District Financial Report
Recommendation: Information only/Receive Report
- PG. 10 **4. Subject:** Spalding Community Service District Open Burning Complaint
Recommendation: Information only/Receive Report
- PG. 11 **5. Subject:** Community Air Protection Program
Recommendation: Approve Resolution 19-12 approving District's participation in the Community Air Protection Program
- PG. 16 **6. Subject:** Emission Inventory District Grant
Recommendation: Approve Resolution 19-13 accepting grant agreement for the Emission Inventory District Grant
- PG. 19 **7. Subject:** Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program
Recommendation: Approve Resolution 19-14 approving District's participation in the FARMER Program.
- PG. 22 **8. Subject:** Carl Moyer Agricultural Equipment Replacement Program – Corder Farms
Recommendation: Approve Resolution 19-15 authorizing the APCO to execute grant agreement 18-21-CMP-06 in the amount of \$35,000.00 with Corder Farms

I. ADJOURN

NEXT SCHEDULED GOVERNING BOARD MEETING JUNE 9, 2020.

**APPROVED MINUTES
LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT
GOVERNING BOARD
3-10-2020**

The Board convened in regular session at 3:00 P.M. in the City Council Chambers, located at 66 N. Lassen Street, Susanville, CA., with; Chairman Joe Franco, Directors Chris Gallagher, Kevin Stafford and Jeff Hemphill present. Also present were: Dan Newton, Air Pollution Control Officer (APCO), Erik Edholm, Air Quality Engineer (AQE), and Angelina Chamblee, Administrative Staff Assistant. Vice Chairman Mendy Schuster and Director Tom Hammond absent.

C. AGENDA APPROVAL

Motion by Director Hemphill, second by Director Gallagher, to approve the March 10, 2020 agenda. Motion carried. Vice Chairman Mendy Schuster and Director Tom Hammond absent.

D. PUBLIC COMMENT REGARDING CLOSED SESSION ITEMS:

No public comment.

E. CLOSED SESSION:

F. RETURN TO OPEN SESSION:

No reportable action was taken, and there were no changes to the Agenda.

G. APPROVAL OF MINUTES:

APPROVAL OF MINUTES FOR THE MEETING OF; November 12, 2019:

Motion by Director Gallagher, second by Director Hemphill, to approve the November 12, 2019 Minutes. Motion carried. Vice Chairman Mendy Schuster and Director Tom Hammond absent.

H. BOARD MEMBER ISSUES/REPORTS

NO BOARD MEMBER ISSUES / REPORTS

I. CORRESPONDENCE

NO CORRESPONDENCE

J. PUBLIC COMMENT

NO PUBLIC COMMENT

K. MATTERS FOR BOARD CONSIDERATION

1. Election of Chair and Vice Chair for 2020

Motion to elect Mendy Schuster for Chair by Director Gallagher, second by Director Hemphill. Motion carried. Vice Chairman Mendy Schuster and Director Tom Hammond absent.

Motion to elect Jeff Hemphill for Vice Chair by Director Gallagher, second by Director Stafford. Motion carried. Vice Chairman Mendy Schuster and Director Tom Hammond absent.

2. Appointment of Erik Edholm as Air Pollution Control Officer

Motion to approve Resolution 19-07 Appointing Erik Edholm as APCO effective March 10, 2020 by Jeff Hemphill, second by Director Gallagher. Motion carried. Vice Chairman Mendy Schuster and Director Tom Hammond absent.

3. Report on District Activities

Carl Moyer / Farmer Related Activities:

Mr. Newton stated Mr. Edholm has been doing inspections to make sure the dismantling of the old tractors is being done.

Wood Stove Replacement Program Cycle II:

Mr. Newton explained there have been 38 vouchers issued, 9 non- low income and 29 enhanced (low income vouchers) with a total of 24 completed projects.

Prescribed Fire Training

Mr. Newton stated himself and Mr. Edholm went to the prescribed fire training. He found it interesting that they are creating a cache of EBAM monitors. Mr. Edholm said these monitors are ONLY supposed to be used for prescribed fires, and that they are available to use to monitor air quality during prescribed burns.

Chairman Franco asked if there was a concern in regards periods of inversion layer in the wintertime with the valley and you can see the smoke hanging over town. Mr. Edholm explained that we would need our own EBAM monitor to check the levels. Chairman Franco's concern was if there is a non-burn day in the winter it would affect the community greatly.

Mr. Newton briefed the Board about the Enforcement Case Development training Mr. Edholm went to in Sacramento. Mr. Newton explained if someone violates an air pollution law there is a settlement process; the fines are steep and to avoid paying the expensive fines the district will settle outside of court with facilities. Mr. Edholm stated there is no consensus from one air district to another, there is a set maximum but no set minimum fine amount. The training did state to have a consistent methodology to the fines. The APCO is the deciding officer on what the fine amount is.

4. District's Financial Report

Mr. Newton presented the Financial reporting from November to January 2020. He explained the reports detail the revenue and expenditures of the District. He also described the type of revenue sources the District receives and outlined expenditures the District incurs monthly. The net ending balance in January 2020 is \$195,000.00.

5. Audit Report for Year Ended June 30, 2019

Mr. Newton presented the report. LCAPCD has used the City of Susanville's auditing firm to get a better price on the audit. The opinion of the auditor states the financial statements present fairly in all material respects.

Motion to approve the Financial Statements and approve resolution 19-08 accepting Audit Report for fiscal year 2018/2019 by Director Gallagher,

seconded by Director Hemphill. Motion carried. Vice Chairman Mendy Schuster and Director Tom Hammond absent.

6. Application for Carl Moyer 22nd Cycle Funding

Mr. Edholm presented the details regarding the application to the Board.

Motion to approve Resolution 19-09 committing the District to participate in Carl Moyer Program, accepting Program Funds, and follow the requirements of the program by Director Gallagher, seconded by Director Hemphill. Motion carried. Vice Chairman Mendy Schuster and Director Tom Hammond absent.

7. Carl Moyer Agricultural Equipment Replacement Program – DJ Wood Family Trust

Mr. Edholm proposed Carl Moyer Grant for execution under 21st Cycle grant, of which the District currently has \$117,911.29 Cycle 21 funds available for award. The proposed grant is to DJ Wood Family Trust for a tractor replacement project that will replace a 1983 International Harvester Hydro 84 with a 2019 Kubota M62TLB series, for a total grant amount of \$35,000.

Chairman Franco asked Mr. Edholm where the remainder of the funding from cycle 21 goes if it is not used by the end of the program. Mr. Edholm stated there is 4 years to spend the money, LCAPCO has until June of 2023.

Motion to approve Resolution 19-10 authorizing the APCO to execute grant agreement 18-21-CMP-04 in the amount of \$35,000 to DJ Wood Family Trust by Director Gallagher, seconded by Director Hemphill. Motion carried. Vice Chairman Mendy Schuster and Director Tom Hammond absent.

8. Carl Moyer Agricultural Equipment Replacement Program –South Fork Farms

Mr. Edholm proposed Carl Moyer Grant for execution under 21st Cycle grant. The proposed grant is to South Fork Farms for a tractor replacement project that will replace a 1973 Case Agri King with a used 2017 Case Farmall 120 U, for a total grant amount of \$35,000.

Mr. Edholm explained that the program allows funding used equipment, but the equipment is required to have a 1-year powertrain warranty.

Motion to approve Resolution 19-11 authorizing the APCO to execute grant agreement 18-21-CMP-05 in the amount of \$35,000.00 with South Fork Farms by Director Gallagher, seconded by Director Hemphill. Motion carried. Vice Chairman Mendy Schuster and Director Tom Hammond absent.

L. ADJOURN 3:32 P.M.

Motion by Director Gallagher, second by Director Stafford, to adjourn the March 10, 2020 Lassen County Air Pollution Control District Governing Board Meeting. Motion carried. Vice Chairman Mendy Schuster and Director Tom Hammond absent.

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD

GOVERNING BOARD

Chris Gallagher
Tom Hammond
Jeff Hemphill
Quincy McCourt
Brian Moore
Kevin Stafford

Staff

Erik Edholm
Air Pollution Control Officer
Angelina Chamblee
Administrative Staff Assistant

Meeting of May 12, 2020

To: Governing Board

From: Erik Edholm, APCO

Subject: Report on District Activities

The District has been involved in the following since the last meeting:

- Carl Moyer/FARMER Related Activities
 - o Respond to various questions
 - o Review existing agreements
 - o FARMER Application Period
 - o Tractor inspections

- Woodsmoke Replacement Program Cycle II
 - o 37 Vouchers issued
 - o 6 Standard Vouchers (\$1500)
 - o 31 Enhanced Vouchers (\$3000)
 - o 30 Projects completed.

- Residential Green Waste Disposal Program Development
- Rural CAPCOA Conference
- Responded to Complaints
- Renew Existing Permits
- Permit Modifications

Some of these items will likely become the subject of future agenda items for Board discussion.

Staff can answer questions about any of these items as necessary.

Respectfully Submitted,

Erik Edholm
Air Pollution Control Officer

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD

GOVERNING BOARD

Chris Gallagher
 Tom Hammond
 Jeff Hemphill
 Quincy McCourt
 Brian Moore
 Kevin Stafford

Staff

Erik Edholm
Air Pollution Control Officer
 Angelina Chamblee
Administrative Staff Assistant

Meeting of May 12, 2020

To: Governing Board

From: Erik Edholm, APCO

Subject: Spalding Community Services District Open Burning

On Monday April 20, 2020, the Lassen County Air Pollution Control District received a complaint regarding the Spalding Community Service District was intending on disposing of green waste through open burning at their site at 502-907 Mahogany Way in Spalding. The green waste had been collected from the properties of Spalding residents in an effort to abate fire hazards in the community.

It was observed that the Spalding Community Service District had ignited two separate 12'x12'x10' green wasted piles consisting mostly of pine needles and branches. There was an additional 200 cubic yards or more of green waste on site that had not been disposed of. Spalding Community Service District was informed they were in violation of Lassen County APCD rules regarding open burning of green waste not originating on site.

Open burning is prohibited, with some exceptions, in the Lassen County through District Rule 4:7 Open Burning and Health and Safety Code 41800 Prohibited Burning. District Rule 4:7 states *No person, firm, corporation, association or public agency shall ignite, cause to be ignited, permit to be ignited, or suffer, allow, or maintain any open outdoor fire within the District, except as provided in this Regulation.* There are exceptions to Rule 4:7 for green waste disposal, however no exception allows the open burning of green waste material that did not originate on the property.

Spalding Community Service District was issued a Notice to Comply for their noncompliance with Lassen County APCD and Health and Safety Code rules. It is District policy to first issue a Notice to Comply before issuing a Notice of Violation. Notice to Comply does not include a monetary fine, while a Notice of Violation does. Repeat offenses after a Notice to Comply is issued will result in Notice of Violations. The fines assessed in a Notice of Violation will depend on different factors including but not limiting to cost avoided/postponed, severity of violation, duration of violation, frequency of past violations.

Spalding Community Service District will need to dispose of the green waste on site through alternative methods. The Lassen County Air Pollution Control District would like to work with Spalding Community Services District and other small communities to pursue alternative green waste disposal options.

Respectfully Submitted,

Erik Edholm
 Air Pollution Control Officer

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD

GOVERNING BOARD

Chris Gallagher
 Tom Hammond
 Jeff Hemphill
 Quincy McCourt
 Brian Moore
 Kevin Stafford

Staff

Erik Edholm
Air Pollution Control Officer
 Angelina Chamblee
Administrative Staff Assistant

Meeting of May 12, 2020

To: Governing Board

From: Erik Edholm, APCO

Subject: Community Air Protection Program Grant Funds

The State of California signed AB 617 into law in July 2017 directing the CARB to develop the Community Air Protection Program. AB 617 requires CARB to improve air pollution data collection and reporting, requires expedited pollution control retrofits at large stationary sources, increases penalties for air pollution violations, requires enhanced air pollution monitoring in certain communities, requires CARB to adopt a statewide emissions reduction strategy focusing on pollution-burdened communities, and requires CARB and local air districts to implement community emissions reduction programs

The District has been awarded a grant of \$12,758.00 from FY 2019/20 to implement the Community Air Protection Program consistent with the goals of AB 617. The district was previously awarded a grant of 16,994.00 in FY 2018/19. The District currently

The District has received approval from CARB to expend the implementation funds on a residential green waste disposal program to reduce PM emissions from residential burning with education and clean green waste disposal options. The District is proposing to work with local communities to provide funding for 30 Cubic Yard Roll-off Dumpsters for green waste disposal. The rough cost-effectiveness for the reduction in PM from open burning is between \$17,000/ton and \$29,000/ton depending on the location of the community. The District would also spend funding on educating the communities on clean waste disposal options along with efficient burning techniques for open burning.

Recommendation:

Motion to approve Resolution 19-12 approving the District's participation in the FY 2019-20 Community Air Protection Program and to amend the FY 2019-20 budget.

Respectfully Submitted,

Erik Edholm
 Air Pollution Control Officer

GRANT AGREEMENT COVER SHEET

GRANT NUMBER G19-CAPP-14

NAME OF GRANT PROGRAM Community Air Protection Program	
GRANTEE NAME Lassen County Air Pollution Control District	
TAXPAYER'S FEDERAL EMPLOYER IDENTIFICATION NUMBER 94-6000439	TOTAL GRANT AMOUNT NOT TO EXCEED \$12,758.00
FISCAL GRANT TERM FROM: April 6, 2020	TO: April 1, 2022
PROJECT PERFORMANCE PERIOD OF GRANT AGREEMENT FROM: April 6, 2020	TO: September 28, 2022

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

Total Community Air Protection Program Implementation Funds:
 Special Terms and Conditions (if applicable): Grant is contingent on CARB receipt
 By June 30, 2020 of Board Resolution or minute order authorizing the District to accept
 the funding and signed cover sheet.

- Exhibit A – Grant Provisions
- Exhibit A, Attachment 1 – Air District Advance Payment Request Form
- Exhibit A, Attachment 2 – Community Air Protection Program Grant Disbursement Request Form
- Exhibit B – General Terms and Conditions

This Agreement is of no force or effect until signed by both parties. Grantee shall not commence performance until it receives written approval from CARB.
 The undersigned certify under penalty of perjury that they are duly authorized to bind the parties to this Grant Agreement.

STATE AGENCY NAME California Air Resources Board		GRANTEE'S NAME (PRINT OR TYPE) Lassen County Air Pollution Control District	
SIGNATURE OF ARB'S AUTHORIZED SIGNATORY:		SIGNATURE OF GRANTEE (AS AUTHORIZED IN RESOLUTION, LETTER OF COMMITMENT, OR LETTER OF DESIGNATION) 	
TITLE Brandy Hunt, Branch Chief	DATE	TITLE Air Pollution Control Officer	DATE 4/28/2020
STATE AGENCY ADDRESS 1001 I Street, Sacramento, CA 95814		GRANTEE'S ADDRESS (INCLUDE STREET, CITY, STATE AND ZIP CODE) 720 South Street, Susanville, California 96130	

CERTIFICATION OF FUNDING

AMOUNT ENCUMBERED BY THIS AGREEMENT \$12,758.00	PROGRAM 3530000L39	PROJECT	ACTIVITY
PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT \$0.00	FUND TITLE Air Pollution Control Fund		FUND NO. 0115
TOTAL AMOUNT ENCUMBERED TO DATE \$12,758.00	(OPTIONAL USE)	FISCAL SUPPLIER ID	CHAPTER 23
APPR REF 101	ACCOUNT/ALT ACCOUNT 5432000	REPORTING STRUCTURE 39000500	SERVICE LOCATION 59501
		FISCAL YEAR (ENY) 2019-20	

I hereby certify that the California Air Resources Board Budget Office acknowledges that budgeted funds are available for the period and purpose of the expenditure stated above.

SIGNATURE OF CALIFORNIA AIR RESOURCES BOARD BUDGET OFFICE: 	DATE 4/6/20
---	----------------

I hereby certify that the California Air Resources Board Legal Office has reviewed this Grant Agreement.

SIGNATURE OF CALIFORNIA AIR RESOURCES BOARD LEGAL OFFICE: 	DATE 4/17/20	12
--	-----------------	----

RESOLUTION NO. 19-12

A RESOLUTION BY THE BOARD OF DIRECTORS FOR THE LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT APPROVING PARTICIPATION IN FY 2018-2019 COMMUNITY AIR PROTECTION FUNDS PROGRAM

WHEREAS, in 2017 the California Legislature passed and the Governor signed Assembly Bill (AB) 617 titled the “Community Air Protection Program”;

WHEREAS, AB 617 requires the California Air Resources Board (CARB) to improve air pollution data collection and reporting, requires expedited pollution control retrofits at large stationary sources, increases penalties for air pollution violations, requires enhanced air pollution monitoring in certain communities, requires CARB to adopt a statewide emissions reduction strategy focusing on pollution-burdened communities, and requires CARB and local air districts to implement community emissions reduction programs;

WHEREAS, the Lassen County Air Pollution Control District (District) has been approved by CARB for a grant of \$12,758.00 to assist the District in the implementation of District responsibilities during the implementation of AB 617;

NOW, THEREFORE, BE IT RESOLVED, that the Lassen County Air Pollution Control District Board, hereby accepts the grant funds and authorizes the Air Pollution Control Officer to execute on behalf of the District grant agreements with CARB, and all other necessary documents to implement and carry out the purposes of this resolution.

BE IT FURTHER RESOLVED that the Lassen County Air Pollution Control Board approves a budget amendment increasing expenditures and revenue as follows:

- 1) Increase AB 617 Admin Revenue Line Item by \$12,758.00 to a total of \$29,752.00 for fiscal year 2019-20.
- 2) Increase AB 617 Admin Expenditure Line Item by \$29,752.00 to a total of \$29,752.00 for fiscal year 2019-20.

The foregoing resolution was approved and adopted by the following vote of the Board on May 12, 2020.

AYES:

NOES:

ABSTAIN:

ABSENT:

Lassen County Air Pollution Control District

ATTEST:

Erik Edholm
Air Pollution Control Officer

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD

GOVERNING BOARD

Chris Gallagher
 Tom Hammond
 Jeff Hemphill
 Quincy McCourt
 Brian Moore
 Kevin Stafford

Staff

Erik Edholm
Air Pollution Control Officer
 Angelina Chamblee
Administrative Staff Assistant

Meeting of May 12, 2020

To: Governing Board

From: Erik Edholm, APCO

Subject: Emission Inventory District Grant

California Assembly Bill 197 requires the Air Resources Board (ARB) to make available and update at least annually on its Internet Web site the emissions of greenhouse gases, criteria pollutants, and toxic air contaminants for each facility that reports to the ARB and air districts. Lassen County Air Pollution Control District is required to update annually any facility emissions for larger sources that emit more than 10 tons/year of any criteria pollutant.

To aid Local Air Districts with complying with the AB 197 emission inventory reporting requirements, ARB has awarded funding, through the attached grant, to help the District review and update data currently stored or being uploaded into the California Emissions Inventory Development and Reporting System (CEIDARS) database.

The District will receive up to \$8,583.00 to administer the requirements of the grant. The District will be required to review, update, and submit to CARB quality assured criteria and toxic pollutant emissions data for stationary sources of criteria pollutant emissions and toxic air contaminants under the District's jurisdiction.

Recommendation:

Motion to approve Resolution 19-13 accepting grant agreement from ARB for the Emission Inventory District Grant

Respectfully Submitted,

Erik Edholm
 Air Pollution Control Officer

GRANT AGREEMENT COVER SHEET

GRANT NUMBER G19-EIDG-13

NAME OF GRANT PROGRAM AB 197 Emission Inventory District Grant	
GRANTEE NAME Lassen County Air Pollution Control District	
TAXPAYER'S FEDERAL EMPLOYER IDENTIFICATION NUMBER 94-6000439	TOTAL GRANT AMOUNT NOT TO EXCEED \$8,583.00
FISCAL GRANT TERM FROM: May 1, 2020	TO: May 1, 2021
PROJECT PERFORMANCE PERIOD OF GRANT AGREEMENT FROM: May 1, 2020	TO: May 1, 2021

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

- Exhibit A – Grant Agreement Provisions
- Exhibit B – Work Statement
- Exhibit B, Attachment I – Budget Summary
- Exhibit B, Attachment II – Project Disbursement Schedule
- Exhibit B, Attachment III – Project Schedule

This Agreement is of no force or effect until signed by both parties. Grantee shall not commence performance until it receives written approval from CARB.
 The undersigned certify under penalty of perjury that they are duly authorized to bind the parties to this Grant Agreement.

STATE AGENCY NAME California Air Resources Board		GRANTEE'S NAME (PRINT OR TYPE) Lassen County Air Pollution Control District	
SIGNATURE OF ARB'S AUTHORIZED SIGNATORY:		SIGNATURE OF GRANTEE (AS AUTHORIZED IN RESOLUTION, LETTER OF COMMITMENT, OR LETTER OF DESIGNATION) 	
TITLE Administrative Services Branch Chief, CARB	DATE	TITLE Air Pollution Control Officer	DATE 4/13/2020
STATE AGENCY ADDRESS 1001 I Street, Sacramento, California 95814		GRANTEE'S ADDRESS (INCLUDE STREET, CITY, STATE AND ZIP CODE) 720 South Street, Susanville, California 96130	

CERTIFICATION OF FUNDING				
AMOUNT ENCUMBERED BY THIS AGREEMENT \$8,583.00	PROGRAM 3510000D32	PROJECT N/A	ACTIVITY N/A	
PRIOR AMOUNT ENCUMBERED FOR THIS AGREEMENT \$0.00	FUND TITLE Cost of Implementation			FUND NO. 3237
TOTAL AMOUNT ENCUMBERED TO DATE \$8,583.00	(OPTIONAL USE)	FISCAL SUPPLIER ID 0000070815	CHAPTER 23	STATUTE 2019
APPR REF 001	ACCOUNT/ALT ACCOUNT 5432000	REPORTING STRUCTURE 39007100	SERVICE LOCATION 46504	FISCAL YEAR (ENY) 2019

I hereby certify that the California Air Resources Board Budget Office acknowledges that budgeted funds are available for the period and purpose of the expenditure stated above.

SIGNATURE OF CALIFORNIA AIR RESOURCES BOARD BUDGET OFFICE: <i>Donna Lee</i>	DATE 3/26/20
--	-----------------

I hereby certify that the California Air Resources Board Legal Office has reviewed this Grant Agreement.

SIGNATURE OF CALIFORNIA AIR RESOURCES BOARD LEGAL OFFICE: Abigail May	DATE 4/1/2020
--	------------------

RESOLUTION NO. 19-13

A RESOLUTION BY THE BOARD OF DIRECTORS FOR THE LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT ACCEPTING GRANT FUNDING FROM THE CALIFORNIA AIR RESOURCES BOARD TO IMPLEMENT AB 197 EMISSION INVENTORY GUIDELINES

WHEREAS, California Legislature passed and the governor signed Assembly Bill (AB) 197 on September 08, 2016;

WHEREAS, AB 197 requires the Air Resources Board (ARB) to make available and update at least annually on its Internet Web site the emissions of greenhouse gases, criteria pollutants, and toxic air contaminants for each facility that reports to the ARB and air districts;

WHEREAS, funding was provided for related expenses necessary to implement AB 197 in the state FY 2018-2019 budget;

WHEREAS, the Lassen County Air Pollution Control District (District) has been approved by ARB for a grant of \$8,583.00 to assist the District in the implementation of District responsibilities during the implementation of AB 197;

WHEREAS, the District is required to report annually any facility emissions that emit more than 10 tons/year of any criteria pollutant;

WHEREAS, the District is required to report annual toxic pollutant emissions data collected under the District's AB 2588 Air Toxics Hot Spots Information and Assessment Act program for facilities with a prioritization score greater than 10, a cancer risk of 10 in a million or greater, an acute or chronic index greater than 1, or those emitting 10 tons per year of any single hazardous air pollutants (HAP) or 25 tons per year of any combination of HAPs;

NOW, THEREFORE, BE IT RESOLVED, that the Lassen County Air Pollution Control District Board, hereby accepts the grant funds and authorizes the Air Pollution Control Officer to execute on behalf of the District grant agreements with CARB, and all other necessary documents to implement and carry out the purposes of this resolution.

The foregoing resolution was approved and adopted by the following vote of the Board on May 12, 2020.

AYES:

NOES:

ABSTAIN:

ABSENT:

Lassen County Air Pollution Control District

ATTEST:

Erik Edholm
Air Pollution Control Officer

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD

GOVERNING BOARD

Chris Gallagher
 Tom Hammond
 Jeff Hemphill
 Quincy McCourt
 Brian Moore
 Kevin Stafford

Staff

Erik Edholm
Air Pollution Control Officer
 Angelina Chamblee
Administrative Staff Assistant

Meeting of May 12, 2020

To: Governing Board

From: Erik Edholm, APCO

Subject: Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program

The “Funding Agricultural Replacement Measures for Emission Reductions” (FARMER) Program provides \$135 million for farmers to acquire cleaner heavy duty trucks, harvesting equipment, tractors, zero emission UTV’s and other equipment used in agricultural operations.

The California Air Resources Board (CARB) has created a Shared Allocation Pool of funding that is specifically designated for the 18 Air Quality Management and Air Pollution Control Districts. Lassen County APCD has been designated as one of the 18 districts in the shared allocation pool.

The Shared Allocation Pool is managed by the Placer County APCD. The Lassen County APCD Board approved Resolution No. 19-01 on August 13, 2019. Resolution No. 19-01 authorized the District to enter into a MOU with Placer County APCD, accept Program Funds, authorized APCO to execute all program documents and agreements, and to amend the District budget.

The District receives applications for FARMER projects and forwards the completed applications to Placer County APCD for approval. For FARMER Year 1, the District was awarded \$316,063 in project funding with an additional \$30,026 for implementation expenses.

FARMER Year 2, the District has been awarded \$306,096.15 with an additional \$33,617.49 for implementation funding. Attached is a list of the approved and selected projects for FARMER Year 2.

Recommendation:

Approve Resolution 19-14 accepting Program Funds and amending the District budget.

Respectfully Submitted,

Erik Edholm
 Air Pollution Control Officer

FARMER Year 2, Round 1 Project List: LASSEN

DISTRICT	PROJECT ID	PROJECT NAME	PROJECT TYPE	ROUND 1 AWARD	AWARD STATUS	PROJECT LIFE (YEARS)	ANNUAL HOUR/MILES REQUIREMENT	NOTES
Lassen	LAS21-04	Joe Egan Project 1	ZEV_Ag_UTV	\$ 8,924.25	ACCEPTED	3	NONE	UTV's mt report and keep an operational hour meter, but are not required to meet a minimum number of hours/year.
Lassen	LAS21-05	Joe Egan Project 2	ZEV_Ag_UTV	\$ 8,924.25	ACCEPTED	3	NONE	UTV's must report and keep an operational hour meter, but are not required to meet a minimum number of hours/year.
Lassen	LAS21-06	Kevin Mitchell Tractor Replacement	Off-Road Agricultural Equipment	\$ 135,000.00	ACCEPTED	5	850 HRS	no justification statement - max \$135K
Lassen	LAS21-07	McGarr Truck Grant	FARMER On-Road Heavy-Duty Trucks (new/used)	\$ 84,362.85	ACCEPTED	3	NONE	FARMER On-Road Trucks must report and keep an operational odometer, but are not required to meet a minimum annual mileage.
Lassen	LAS21-09	Richard Egan Project 1	ZEV_Ag_UTV	\$ 8,924.25	ACCEPTED	3	NONE	UTV's must report and keep an operational hour meter, but are not required to meet a minimum number of hours/year.
Lassen	LAS21-10	Richard Egan Project 2	ZEV_Ag_UTV	\$ 8,924.25	ACCEPTED	3	NONE	UTV's must report and keep an operational hour meter, but are not required to meet a minimum number of hours/year.
Lassen	LAS21-13	Five Dot Tractor Replacement	Off-Road Agricultural Equipment	\$ 51,036.30	ACCEPTED	5	650 HRS	
							TOTAL PROJECT FUNDS: \$306,096.15	
							TOTAL IMPLEMENTATION \$33,617.49	

RESOLUTION NO. 19-14

A RESOLUTION OF THE AIR POLLUTION CONTROL BOARD OF THE LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT AUTHORIZING DISTRICT TO CONTINUE PARTICIPATION IN THE CALIFORNIA AIR RESOURCES BOARD (CARB) FUNDING AGRICULTURAL REPLACEMENT MEASURES FOR EMISSION REDUCTIONS (FARMER) PROGRAM

WHEREAS, the California Legislature in 2017, allocated funds for an incentive program to reduce emissions from heavy-duty diesel engines associated with agricultural production; and

WHEREAS, the FARMER Program (the “Program”) was established to reduce emissions by providing grants to local air districts for the incremental cost of cleaner heavy-duty vehicles and equipment; and

WHEREAS, the CARB has been delegated the responsibility for the administration of the Program within the state, setting up necessary procedures governing application by air pollution control and air quality management districts; and

WHEREAS, the CARB has created a Shared Allocation Pool (Pool) of funding that is specifically designated for the 18 Air Quality Management and Air Pollution Control Districts with less than one percent of the statewide agricultural equipment emissions inventory, to ensure farmers in those districts have the opportunity to access FARMER funding and to streamline the implementation of the FARMER Program; and

WHEREAS, the Pool is be managed by the Placer County Air Pollution Control District (Placer County APCD) in accordance with the grant provisions outlined in the agreement between the CARB and Placer County APCD, and provisions outlined in the FARMER Policy and Procedures Manual;

WHEREAS, the Lassen County Air Pollution Control Board approved Resolution No 19-01 on August 13, 2019;

WHEREAS, Resolution No. 19-01 authorized the Lassen County Air Pollution Control District (the “District”) to enter into a MOU with Placer County APCD, accept Program Funds, authorized APCD to execute all program documents and agreements, and to amend the District budget;

WHEREAS, the District entered into a Memorandum of Understanding (MOU) with the Placer County APCD on 9/10/2019 to participate with the FARMER program;

WHEREAS, the District has previously been awarded and has accepted FARMER Year 1 project and implementation funding;

WHEREAS, the District submitted FARMER project applications to Placer County APCD for selection and approval of FARMER Year 2 Funding;

WHEREAS, the District has been awarded \$306,096.15 in project funding with an additional \$33,617.49 for implementation funding from FARMER Year 2 funding;

NOW, THEREFORE, BE IT RESOLVED that the Lassen County Air Pollution Control Board accepts the additional program funding and approves a budget amendment increasing expenditures and revenue as follows:

- 1) Increase FARMER Revenue Line Item by \$306,096.15 to a total of \$622,159.15 for fiscal year 2019-20.
- 2) Increase FARMER Administrative Revenue Line Item by \$33,617.49 to a total of \$63,643.49 for fiscal year 2019-20.
- 3) Increase FARMER Expenditure Line Item by \$306,096.15 to a total of \$622,159.15 for fiscal year 2019-20.

The foregoing resolution was approved and adopted by the following vote of the Board on May 12, 2020.

AYES:

NOES:

ABSTAIN:

ABSENT:

Lassen County Air Pollution Control District

ATTEST:

Erik Edholm
Air Pollution Control Officer

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD

GOVERNING BOARD

Chris Gallagher
Tom Hammond
Jeff Hemphill
Quincy McCourt
Brian Moore
Kevin Stafford

Staff

Erik Edholm
Air Pollution Control Officer
Angelina Chamblee
Administrative Staff Assistant

Meeting of May 12, 2020

To: Governing Board

From: Erik Edholm, APCO

Subject: Carl Moyer Grant Award, Corder Farms

Attached is a proposed Carl Moyer Grant for execution under 21st Cycle grant, of which the District currently has \$47,911.29 Cycle 21 funds available for award. The proposed grant is to Corder Farms for a tractor replacement project that will replace a 1998 John Deere 6405 with a 2017 John Deere 6110M Series, for a total grant amount of \$35,000.

Recommendation:

Approve Resolution 19-1 authorizing the APCO to execute grant agreement 18-21-CMP-06 in the amount of \$35,000 to Corder Farms.

Respectfully Submitted,

Erik Edholm
Air Pollution Control Officer

**LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT
CARL MOYER HEAVY-DUTY LOW EMISSION INCENTIVE PROGRAM AGREEMENT**

This Agreement (Agreement) is between the Lassen County Air Pollution Control District (District), a public agency of the State of California, and **Corder Farms** (Participant).

1.0 Recitals

- 1.1 The District is in nonattainment of the state air quality standards for particulate matter and is impacted by the effects of toxic air contaminants, including diesel particulate matter and other pollutants from mobile sources.
- 1.2 On December 11, 2007, the District Governing Board approved Resolution No. 18-07-CMP-10, authorizing the District's participation in the CARB Carl Moyer Program which is a Heavy-Duty Low Emission Vehicle Incentive Program (Program), which is hereby incorporated by reference and made part of this agreement.
- 1.3 On September 23, 2004, Governor Schwarzenegger signed Assembly Bills 923, 1394, and 2128 which made major changes to the Carl Moyer Program and projects funded using Department of Motor Vehicles Surcharges, expanding the Program to include light-duty vehicles, Fleet Modernization, and agricultural assistance projects.
- 1.4 To implement mobile source emission reduction projects, the Program provides incentives to fleet operators and individuals for the purchase, repower and/or retrofit of low-emission on-road motor vehicles, off-road mobile equipment, and agricultural water pumps.
- 1.5 The Participant wishes to participate in the Program by purchasing and operating the equipment described in this Agreement and represents that the purchase is not required by any local, state, and/or federal rule, regulation, memorandum, or other legally binding agreement, with the exception of certain agricultural projects described in Health and Safety Code sections 41081(d)(2)(ii), 41802 and 44275.
- 1.6 The Participant has read and agreed to all requirements of the Program application and guidelines which are hereby incorporated into this Agreement.
- 1.7 This Agreement is a voluntary act intended to accelerate the introduction of low-emission vehicle and engine technology designed to reduce emissions of oxides of nitrogen, particulate matter, reactive organic gases, toxic air contaminants, and oxides of carbon within Lassen County.
- 1.8 This Agreement was approved for use by the District's Board of Directors on December 14, 2010.
- 1.9 On May 12, 2020, The District Governing Board authorized making this contract with Participant.

Terms and Conditions

2.1 Definitions

2.1.1 “Applicable emission standards” are defined as the emission standards for oxides of nitrogen (NO_x), particulate matter (PM), hydrocarbons, and carbon monoxide established by the California Air Resources Board (CARB) or the United States Environmental Protection Agency (USEPA) for a model year vehicle or engine. For “phase-in” or “interim” engines the following standards apply:

Engine Model Year	Power Rating	NO _x Standard	PM Standard
2007-2009 On-Road	All On-Road Heavy-Duty Diesel Engines	1.2 g/bhp-hr	0.01 g/bhp-hr
2012-2013 Off-Road	56 – 129 kW (75 – 174 HP)	2.2 g/kW-hr (1.6 g/bhp-hr)	0.02 g/kW-hr (0.01 g/bhp-hr)
2011-2013 Off-Road	130 – 560 kW (175 – 749 HP)	2.2 g/kW-hr (1.6 g/bhp-hr)	0.02 g/kW-hr (0.01 g/bhp-hr)

2.1.2 “Agricultural water pump” is defined as a stationary or portable device designed to move water used for agricultural purposes.

2.1.3 “Certified” is defined as a motor vehicle or engine that is certified by CARB or the USEPA to an emission standard or standards.

2.1.4 “Experimental Permit” is defined as an Executive Order issued by CARB for the experimental use of a non-certified or non-verified engine, fuel, or engine retrofit in California.

2.1.5 “Fleet Modernization” is defined as the transaction in which an older on-road motor vehicle or piece of off-road mobile equipment is destroyed and replaced with a similar motor vehicle or piece of equipment certified to a lower emission standard.

2.1.6 “Motor vehicle” is defined as a self-propelled device by which any person or property may be propelled, moved, or drawn upon a highway, excepting a device moved exclusively by human power or used exclusively upon stationary rails or tracks.

2.1.7 “Off-road equipment” is defined as a self-propelled device not intended for operation on a highway and is powered by an engine certified to off-road or nonroad emission standards.

2.1.8 “Repower” is defined as the process in which an old engine is replaced with a new engine.

2.1.9 “Retrofit” is defined as the installation of a device designed to reduce emissions from an engine.

2.1.10 "Tier 3" is defined as the emission certification of an off-road compression ignition engine to the Tier 3 emission standards as described in §2423(b)(1) of the California Code of Regulations.

2.1.11 "Verified" is defined as a device, fuel, or system that is verified by CARB or the USEPA to reduce emissions from a mobile source by a verified amount.

2.2 Participant Obligations – the Participant will:

2.2.1 Participant agrees that the original engine(s) to be replaced by this program is the same as the engine(s) stated in Participant's application and restated in Exhibit A. Said engine(s) will be destroyed immediately or otherwise rendered unusable immediately after new engine installation. Participant agrees that the District may directly observe the Participant's destruction of the engine and/or be provided proof of destruction or nonuseability within 30 days of new engine installation. Engine destruction may include but is not limited to: salvage receipt (with serial number), placing a hole (at least five inches in diameter) in the engine block (with accompanying photos with serial numbers visible in said photos), welding the cylinder(s) to prevent any re-use, or any other means acceptable to the District.

N/A - Retrofit

2.2.2 Purchase, invoice the District, and operate the equipment described in Exhibit A by **December 31, 2020**. Participant may submit a written request to extend this Section if the project cannot be successfully completed due to circumstances beyond the Participant's reasonable control.

2.2.3 Ensure that a functioning hour meter is installed on the equipment described in Exhibit A for the life of the project.

2.2.4 Operate the equipment described in Exhibit A in Lassen County during the term of this agreement in accordance with the requirements in Exhibit B. In addition to meeting the operating requirements established in Exhibit B, 75% of the vehicles total operation must occur within California. Agricultural water pumps are required to operate 100% within Lassen County.

2.2.5 Maintain the minimum level of required insurance described in Exhibit C during the term of this Agreement, and ensure that the District is named as an additional insured under the policy.

2.2.6 Comply with applicable Airborne Toxic Control Measures and District Rules as determined by the APCO.

2.3 Payment

2.3.1 The District will reimburse the Participant up to **\$35,000.00** towards the cost of the vehicle(s) or equipment identified in Exhibit A within 60 days of receipt of an itemized invoice.

- 2.3.2 Any payments made under this Agreement are subject to the provisions and limitations of Health and Safety Code. The District shall have no liability for payment of any compensation and expenses that are found to be in contravention of the Health and Safety Code or any other local, state, or federal law. The Participant shall reimburse the District for any payments that are later found to be in contravention of the Health and Safety Code or any other local, state, or federal law.
- 2.3.3 No payments shall be issued under this Agreement prior to final inspection of the project by District personnel.
- 2.3.4 Payment of compensation shall be made by the District to Contractor within sixty (60) days after receipt by District of statement of charges and completion of final inspection. Such statement shall be checked and approved by a person or persons designated by the District.
- 2.3.5 Payments made under this Agreement are subject to taxation and an IRS Form 1099 will be issued to the Participant. Funds may be withheld by the District as required by law for payment of tax liabilities and/or other court-ordered payments.

2.4 General Program Requirements

- 2.4.1 The Participant warrants that the vehicle(s)/engine(s) covered under this Agreement meets all the eligibility requirements described in the Program application and guidelines. The Participant further agrees to operate the vehicle(s)/engine(s) in a manner that is consistent with the eligibility requirements in the guidelines and the goals and objectives of the Program.
- 2.4.2 The Participant cannot apply for or receive additional incentive funds, including but not limited to the state Carl Moyer Program inter-district fund or any other air district fund, including those funds used as matching funds, for any equipment listed in Exhibit A of this Agreement. This requirement may be waived by District staff on an individual basis. If the District discovers that the Participant has applied for or received funds from these sources, the District will terminate this Agreement and require that any funds paid under this Agreement be returned to the District.
- 2.4.3 The Participant agrees to operate the equipment described in Exhibit A within the manufacturer's specifications including all maintenance and fueling requirements. An operational odometer, hour meter, or other District-approved usage measuring device must be installed on all projects and maintained for continuous operation. Under no circumstances may the Participant make any modifications to or tamper with the vehicle, equipment, engine, emission control system(s), or any recording devices on the vehicle or equipment prohibited under CARB and USEPA regulations. The Participant also agrees to operate the vehicle, engine, and/or equipment in compliance with all local, state, and federal rules, laws, and regulations.

2.4.4 Participant shall cooperate with the District and CARB in implementation, monitoring, enforcement, and other efforts to assure the emission benefits from the project are real, quantifiable, surplus, and enforceable.

2.5 Engine Repower and Retrofit Requirements – This Agreement is or is not subject to the following requirements:

2.5.1 The low-emission engine or engine retrofit must be either:

- (i) CARB Certified; or
- (ii) CARB Verified; or
- (iii) Under an experimental permit issued by CARB; or
- (iv) In cases where federal law preempts state requirements, approved for use by the USEPA

Engines certified to a level that is less stringent than the standard applicable to the replaced engine for any pollutant are ineligible for funding under this agreement.

2.5.2 Any engine retrofit funded under this Agreement must reduce either oxides of nitrogen or particulate matter emissions by a minimum of 25% for either pollutant.

2.5.3 If the Participant is replacing or repowering an engine, the Participant must either:

- (i) Destroy the replaced or repowered engine in a manner acceptable to the District. If the engine is destroyed, the Participant must permit the District to inspect the destroyed engine; or
- (ii) Implement a District approved destruction alternative. The District may approve a destruction alternative only if special circumstances justifying the use of an alternative exist, and there is no detrimental impact to air quality.

2.6 New Low-Emission Vehicle Purchase – This Agreement is or is not subject to the following requirements:

2.6.1 New low-emission vehicles must be certified by CARB to an oxides of nitrogen emission level below the applicable standard for that motor vehicle or piece of off-road mobile equipment. Low-emission vehicle or engine technology under an experimental permit from CARB are also eligible for funding under the Program.

2.6.2 The low-emission vehicle or engine technology funded under Section 2.6.1 must achieve at least a 30% reduction in oxides of nitrogen emissions as compared to the applicable baseline emission standards for the specific model year and power rating.

2.6.3 The low-emission vehicle or engine technology funded under Section 2.6.1 must not be certified to particulate matter, hydrocarbons, and/or carbon monoxide levels above the applicable baseline emission standards for the specific model year and power rating.

2.6.4 The Participant must submit copies of invoices from service providers that confirm:

- (i) Installation of digital odometer/hour meter; and
- (ii) Vehicle finance documents

Each invoice must include vehicle identification number, engine serial number, odometer reading, and date service was provided.

2.6.5 The Participant agrees to the following motor vehicle title requirements:

- (i) The Participant will provide a copy of the replacement vehicle's title to the District, demonstrating that the District is named as a lien holder for the vehicle.
- (ii) The Participant must be the legal owner of the replacement vehicle through the length of this Agreement.
- (iii) If the replacement vehicle is financed, the Participant will list both the District and the Finance Company as lien holders for the vehicle.
- (iv) If the replacement vehicle is financed, and the loan is repaid before the termination of this Agreement, the Participant must ensure that the District remains a lien holder on the replacement vehicle through the end date listed in Section 2.9.1.
- (v) If the replacement vehicle is repossessed by the finance company, the Participant must reimburse the District in accordance with the termination formula in Section 2.7.
- (vi) Any changes to the replacement vehicle's title must be approved in writing by the District.

2.7 Upon termination of this Agreement, if the vehicle/engine fails to fulfill the minimum required operation, the Participant shall return to the District an amount based on the difference between the required operation amount and the actual amount operated according to the following formula:

$$A = I * [(O*L) - C] / (O*L)$$

A = Amount Owed to the District

I = Total Incentive Award

O = Annual Operational Requirement (miles, hours or gallons)

L = Length of the Agreement in Years

C = Actual Operation (miles, hours, or gallons)

The APCO may, at his or her sole discretion, relieve this obligation to return the funds after considering the circumstances leading to the failure to fulfill the minimum performance requirements. Additionally, the APCO may, at his or her sole discretion, require full reimbursement of all funds paid to the Participant as outlined in Section 2.9.10.

2.8 The parties acknowledge that this Agreement will be funded by incentive fund revenues being transferred to the District; however, the District may terminate this Agreement if: (i) it does not receive all or a portion of the revenues, or (ii) funds are not specifically appropriated for this Agreement in the District's final budget prior to the expiration of the Agreement and any Agreement extensions. If the District terminates this Agreement under this paragraph, it will serve notice of the action on the Participant within 10 working days

2.9 General Requirements

2.9.1 This Agreement shall begin upon execution by all parties and terminate on **December 31, 2023**. No work may begin on this project until this Agreement is executed by all parties. For this Agreement, the timeframe indicated by the execution of this Agreement and the afore-mentioned termination date shall serve as the contract term including both the project completion and project implementation/life periods.

2.9.2 Except as specified in Section 2.9.2(ii), the receipt of funds and performance under this Agreement prohibits application for any form of emission reduction credit for the life of the contract term outlined in Section 2.9.1.

- (i) This prohibition includes, but is not limited to all attainment, nonattainment, criteria and noncriteria pollutants, Application for Emission Reduction Credits (ERC), Mobile Emission Reduction Credits (MERC) and/or Certificates of Advanced Placement (CAP). This prohibition extends to credits from all Air Quality Management or Air Pollution Control Districts.
- (ii) For projects involving the replacement of a stationary diesel agricultural water pump with an electric water pump in conjunction with the Pacific Gas & Electric Company's (PG&E) PUC-approved discounted AG-ICE electric rate program, PG&E may retain all of the carbon dioxide credits and a portion of the remaining emission credits for reductions generated through this Agreement. The portion of the remaining emission credits retained by PG&E will be the difference in emissions between a Tier 3 diesel engine and the emissions associated with generating electricity for the electric pump.

2.9.3 The District, CARB, or their designee may conduct an audit of the Participant's operations to verify that the Participant is complying with the Agreement terms.

- (i) As a condition of accepting funds, the Participant agrees to designate CARB as a third-party beneficiary with full auditing, inspection, and enforcement rights throughout the entire term of the Agreement.

- (ii) Any audits will be conducted at a reasonable time and with reasonable notice to the Participant. The Participant agrees to provide the District and CARB with on-site access to the vehicle(s)/equipment described in Exhibit A.

2.9.4 The Participant shall defend, indemnify, and hold harmless District, CARB, its officers, agents, employees and volunteers from any and all losses, costs, damages, fines or expenses (including attorney fees, court costs and expert fees) or liability of any kind or character to any person or property arising from, or alleged to arise from, any breach of the responsibilities required of the Participant by this Agreement or which are related in any way to the vehicle(s)/equipment, including any and all liability for general, special, consequential, or other damages resulting from the use of the vehicle(s)/equipment by the Participant, for which financial assistance or other incentives are received from the District by the Participant.

2.9.5 Participant shall complete and return all requested information and surveys sent from the District, yearly, on **January 1st** of each year, for at least **Three years** from the commencement of operation. Noncompliance with the reporting requirements shall require on-site monitoring or inspection by the District. The Participant shall keep the following records from the beginning of operation of the equipment described in Exhibit A through the end of the term described in Section 2.9.1 and for three years following the end date listed in Section 2.9.1. It is the responsibility of the Participant to maintain records adequate to document the subsequent information. The District may request these records at any time during the term of this Agreement, including:

For On-Road Projects	For Off-Road Projects
<ul style="list-style-type: none"> 1. Copies of all driver log book entries for the preceding year 2. Miles traveled 3. Fuel consumed 4. Fuel cost 5. Vehicle downtime 6. Type and cost of maintenance performed 	<ul style="list-style-type: none"> 1. Hours operated 2. Fuel consumed 3. Fuel cost 4. Engine downtime 5. Type and cost of maintenance performed

2.9.6 The Participant shall maintain in force at all times during the term of this Agreement and any extensions or modifications thereto, insurance in accordance with Exhibit C. In the event the Participant does not have the required certificate of insurance, or if the required insurance lapses, this Agreement shall be terminated immediately.

2.9.7 No alteration or variation of the terms of this Agreement shall be valid unless made in writing and signed by both parties.

2.9.8 The Participant shall observe and comply with all applicable federal, state and District statutes, ordinances, regulations, rules, directives, and laws. This Agreement shall be deemed to be executed within the State of California and construed in accordance with and governed by the laws of the State of

California. If a provision of this Agreement violates any applicable law or regulation, that provision will be stricken from the Agreement, and all other provisions will remain in full force. Any action or proceeding arising out of this Agreement shall be filed in a state court or federal court located in Lassen County, California.

- 2.9.9 No performance rendered or payment due under this Agreement may be delegated or assigned without the written consent of all the parties hereto. If the Participant assigns any of its rights or obligations under this contract, all of the terms and conditions of this contract shall apply to the Participant's assignee.
- 2.9.10 The Participant will submit written documentation of performance towards the requirements outlined in Exhibit B to the District by December 31 of each year until termination of this Agreement. The District may request additional performance documentation at its discretion.
- 2.9.11 This agreement may be terminated by the District upon 30-day notice if the Participant fails to meet any of the obligations established in this Agreement or outlined in the Carl Moyer Program guidelines or the Health and Safety Code. If the Agreement is terminated, the Participant will refund the entire incentive paid by the District. The APCO may, at his or her discretion, waive the refund or allow the Participant an opportunity to cure its failure to meet the Agreement obligations. Additionally, the District and/or CARB may seek all available remedies for breaches of any Agreement provisions, Carl Moyer Program requirements, or Health and Safety Code.
- 2.9.12 The Participant may not sell or encumber the equipment described in Exhibit A without the written consent of the District.
- 2.9.13 The District has made no representations or guarantees to the Participant regarding the quality, condition, or proposed use of the low emission vehicle and engine technology funded under this Agreement or the effects of such technology on the normal operations of the Participant.
- 2.9.14 If either of the events listed in this paragraph occur, the Participant must notify the District within 30 days of the date Participant knows, or should have known, that the event has occurred or is likely to occur:
- (i) The Participant suffers a catastrophic loss; or
 - (ii) The Participant files for bankruptcy; or
 - (iii) Any other event has occurred or is likely to occur that could impair the Participant's ability to perform the conditions of this Agreement.
- 2.9.15 This Agreement will bind the successors of the District and Participant in the same manner as if they were expressly named.

2.9.16 Correspondence between the District and Participant should be addressed to the following:

To District	To Participant
Lassen County APCD 720 South Street Susanville, CA 96130 Phone: (530) 257-1041 Fax: (530) 257-1057	Corder Farms 540-255 Little Valley Rd McArthur, CA 96056 Phone: (530) 521-2200

The address and/or contacts may be changed only by written notice to the other party. Such written notice may be given by mail or personal service.

2.9.17 This Agreement consists of the following:

- (i) Participant Agreement
- (ii) Exhibit A – Vehicle and Engine Information Page
- (iii) Exhibit B – Performance Requirements
- (iv) Exhibit C – Insurance Requirements

DISCLOSURE AGREEMENT: The undersigned representative of Participant affirmatively states that neither they nor any other representative of Participant will submit another application or sign another contract for the same engine(s), equipment, and/or vehicle(s) detailed in Exhibit A with any other source of funds, including but not limited to other air districts or multidistrict funding under the Carl Moyer Program.

Any owner or owner's designee who is found to have submitted multiple applications or signed multiple contracts for the same engine(s), equipment, and/or vehicle(s) shall, at a minimum, be disqualified from funding for that engine(s) from all sources, may be required to reimburse the public agencies for any monies received, and may also be banned from submitting future applications to any and all Carl Moyer Program solicitations. In addition, as a violation of law, including but not limited to the Health and Safety Code and Business and Professions Code, ARB and the districts may levee fines and/or seek criminal charges.

The undersigned representative of Participant has read and agrees to comply with all terms and conditions in this Agreement and also affirmatively states that he or she has legal authority to bind Participant to the terms and conditions of this Agreement.

Approved by Participant

Date: _____

Approved by the Lassen County Air Pollution Control District

Erik Edholm
Air Pollution Control Officer

Date: _____

Approved to as form:

Greg Einhorn
District Counsel

Date: _____

EXHIBIT A

Vehicle / Equipment Information Form

Vocation(s) (Please list all vehicle/equipment uses):

Farming

Equipment:

Agricultural Tractor

Project Type:

Replacement

Counties Vehicle Currently Operates

Lassen County	Modoc County, Shasta County
Main Location of Operation (include cross streets)	

Annual Vehicle/Equipment Usage Information (be able to prove hours)

	Within the Lassen County Area	Outside of Lassen County Area	Total Operation
Hours	100%	0%	600 Hours

Existing Vehicle Information

Make: John Deere	Model: 6405	Model Year: 1998	GVWR:
Vehicle Identification Number: L06405N224246	Fleet Identification Number:	License Plate:	Odometer:

Existing Engine Information

Make: John Deere	Model: 4.5L	Model Yr: 1998	Serial Number: N/A	HP: 106	Hour Meter: N/A
Fuel Type: Diesel					

New or Replacement Vehicle Information

Make: John Deere	Model: 6110M	Model Year: 2017	GVWR:
Vehicle Identification Number:	Fleet Identification Number:	License Plate:	Odometer:

New Engine or Retrofit System Information

Make: John Deere	Model: 4045	Model Yr: 2017	Serial Number: CD4045U041399	HP: 110	NOx Cert:
Fuel Type: Diesel					

EXHIBIT B – PERFORMANCE REQUIREMENTS

The below listed vehicle(s)/engine(s) must meet the minimum performance requirements shown to avoid reimbursement according to Section 2.7 of this Agreement

Vehicle and Engine Year Make & Model*	Vehicle and Engine Serial Numbers*	Minimum Usage (hours)	Anticipated Annual NOx Reduction (tons)	Payback Requirement per Hour	Maximum Incentive Amount
2017 John Deere 6110M		1800	0.37	\$19.94	\$35,000.00
Total					

* The District will fill in information upon verification of project completion.

EXHIBIT C – INSURANCE REQUIREMENTS

INSURANCE

Contractor agrees to maintain any and all insurance required for the term of this contract. Limits of liability and coverage details are pursuant to the District's insurance requirements specification. The following insurance coverage is required:

- COMMERCIAL/GENERAL LIABILITY
- BUSINESS AUTOMOTIVE LIABILITY
- PUBLIC ENTITIES/SELF-INSURED STATUS
- PROFESSIONAL LIABILITY INSURANCE
- WORKERS COMPENSATION and EMPLOYERS LIABILITY

CONTRACTOR shall furnish the DISTRICT with certificate(s) of insurance or self-insurance and/or original endorsement(s) and/or insurance binder(s) affecting coverage required below. The certificates, endorsements, and/or binders for each insurance policy are to be signed by a person authorized by the insurer to effect coverage on its behalf. The certificates, endorsements, and/or binders are to be received and approved by the DISTRICT before work commences. The DISTRICT reserves the right to require complete, certified copies of all required insurance policies, at any time. If CONTRACTOR provides self-insurance, it shall, on intervals specified by the APCO, provide financial statements sufficiently detailed so as to allow the APCO to assess CONTRACTOR'S capability of providing such self-insurance. The APCO may reject self-insurance coverage where he finds that sufficient coverage will not be afforded to the DISTRICT.

During the term of the Agreement, CONTRACTOR shall, at its sole expense, obtain and maintain in full force and affect the type and limits of liability requirements as follows:

- I. A. **COMMERCIAL/GENERAL LIABILITY:** Bodily Injury and Property Damage for premises and operations; Personal Injury and Advertising for premises and operations; Independent Contractors (if any basis); Incidental Contracts; Contractual Liability; and Products and Completed Operations.

"Claims made" policies are unacceptable.

Minimum Limits: \$1,000,000 combined single limit, on an occurrence policy form.

BUSINESS AUTOMOBILE LIABILITY: Protection against loss of a result of liability to others caused by an accident and resulting in bodily injury and/or property damage, arising out of the ownership or use of any automobile. If CONTRACTOR has no owned automobiles, then only hired and non-owned automobile coverage are required.

Minimum Limits: \$1,000,000 per occurrence for bodily injury or property damage, combined single limit.

- B. **Public Entities/Self-Insured Status:** CONTRACTOR shall maintain status as a legally self-insured public entity for general liability and shall maintain a self-insured retention of three

hundred thousand dollars (\$300,000) per occurrence.

- C. **Professional Liability Insurance** (when the contract involves professional services such as engineering, architectural, legal, accounting, instructing, and consulting, professional liability insurance is required. If not contracting for professional services, delete this paragraph.) Professional liability insurance covering professional services shall be provided in an amount of at least \$1,000,000 per occurrence or \$1,000,000 on a claims made basis. However, if coverage is written on a claims made basis, the policy shall be endorsed to provide at least a two-year extended reporting provision.

- II. **Workers Compensation and Employers Liability:** CONTRACTOR shall carry full Worker's Compensation insurance coverage for all persons directly employed or volunteers, in carrying out the work under this contract, in accordance with the "Worker's Compensation and Insurance Act", Division IV of the Labor Code of the State of California and any acts amendatory thereof. Employer's Liability statutory limits will apply. If CONTRACTOR has no employees, no Worker's Compensation coverage is required. If CONTRACTOR hires subcontractors to perform under this agreement, the CONTRACTOR shall assure that the subcontractor carries workers compensation insurance for all of its employees, who are required to be covered by applicable law.

- III. **Notice of Cancellation.** Each insurance policy shall be endorsed, and evidence of such endorsement shall be provided to the DISTRICT, that coverage not be suspended, voided, canceled, reduced in coverage or in limits, or material change in coverage, except after thirty (30) days prior written notice has been given to the DISTRICT. Ten-(10) days prior written notice of cancellation for non-payment of CONTRACTOR's insurance premium is permissible.

- IV. **Additional Insured:** It is mandatory that all of the above insurance policies (except workers compensation) shall include the DISTRICT as additional insured. The DISTRICT, its officials, trustees, agents, employees, and volunteers are to be covered as additional insured as respects liability arising out of activities performed by or on behalf of the CONTRACTOR.

- V. In addition, it is understood and agreed that the following be made a part of this Agreement.

- A. **Excess/Umbrella:** An excess policy or an umbrella policy (following form) may be utilized to meet the above-required limits of liability.
- B. **Supplementary Payments:** The above-stated limits of liability coverage for Commercial/Comprehensive General Liability, and Business Automobile Liability assumes that the standard "supplementary payments" clause will pay in addition to the applicable limits of liability and that these supplementary payments are not included as part of the insurance limits of liability. If any of the policies indicate that defense costs are included in the general aggregate limit, then the general aggregate limits must be a multiple of the per occurrence limits.
- C. **Contractors' Insurance as Primary:** The CONTRACTOR's insurance coverage shall be primary insurance. Any insurance or self-insurance maintained by the DISTRICT, its officials, trustees, agents, employees or volunteers shall be excess to the CONTRACTOR's insurance and shall not contribute with it.
- D. **Acceptability of Insurers:** Insurance is to be placed with admitted State of California insurers which have an A.M. Best's rating of no less than A: VII, or be an equivalent program of self-insurance.
- E. **District Risk Manager Exceptions:** Any exceptions to the above insurance requirements are subject to the concurrence of the DISTRICT'S Risk Manager.

RESOLUTION NO. 19-15

A RESOLUTION BY THE BOARD OF DIRECTORS FOR THE LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT APPROVING CARL MOYER GRANT AGREEMENT 18-21-CMP-06 WITH CORDER FARMS.

WHEREAS, California Health and Safety Code sections 44275-44299.2 authorize the California Air Resources Board (ARB) to allocate Carl Moyer Program (CMP) funds to local air quality districts to provide financial incentives to both the public and private sectors to implement eligible projects to reduce emissions from on-road, marine, locomotive, agricultural, and off-road engines;

WHEREAS, Lassen County Air Pollution Control District (LCAPCD) has successfully implemented Carl Moyer Program projects in past years to reduce emissions and improve air quality in Northeast Plateau and seeks to continue to reduce emissions from diesel engines through clean air projects;

WHEREAS, the Governing Board approved on March 10, 2020 Resolution 19-09 Accepting Carl Moyer Program Funds from the California Air Resources Board;

WHEREAS, Resolution 19-09 authorized the Air Pollution Control Officer to execute on behalf of the District grant agreements with ARB, and all other necessary documents to implement and carry out the purposes of Resolution 19-09, each year until 2021;

NOW, THEREFORE, BE IT RESOLVED that the Governing Board hereby approves the Air Pollution Control Officer to execute Carl Moyer Grant Agreement 18-21-CMP-06 with Corder Farms;

The foregoing resolution was approved and adopted by the following vote of the Board on May 12, 2020.

AYES:

NOES:

ABSTAIN:

ABSENT:

Lassen County Air Pollution Control District

ATTEST:

Erik Edholm
Air Pollution Control Officer