

Location:

Governing Board Chambers
14306 Park Avenue
Victorville, CA 92392
www.MDAQMD.ca.gov



MONDAY, OCTOBER 25, 2021

10:00 a.m.

THIS MEETING IS BEING HELD IN ACCORDANCE WITH RESOLUTION 21-09 OF THE GOVERNING BOARD OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT AUTHORIZING ATTENDANCE BY BOARD MEMBERS, STAFF AND THE PUBLIC AND CONDUCT OF THE MEETING BY TELECONFERENCE, VIDEOCONFERENCE OR BOTH FOR THE PERIOD OF SEPTEMBER 27, 2021 THROUGH OCTOBER 27, 2021 PURSUANT TO PROVISIONS OF THE BROWN ACT.

JOIN BY PHONE, DIAL US: 1.701.802.5348 AND ENTER ACCESS CODE 5765772.

IF YOU ATTEND THE MEETING IN PERSON PLEASE NOTE THAT CERTAIN ELECTRONIC DEVICES HAVE, IN THE PAST, CAUSED ISSUES WITH THE TELECONFERENCE AND/OR AUDIO CONTENT OF THE MEETING. IF SUCH ISSUES OCCUR YOU MAY BE ASKED TO ADJUST YOUR DEVICE SO THAT THE MEETING MAY CONTINUE IN AN ORDERLY MANNER.

TO ENSURE RECEIPT OF PUBLIC COMMENTS YOU MAY E-MAIL YOUR COMMENTS TO PUBLICCOMMENT@MDAQMD.CA.GOV IN ADDITION TO PARTICIPATION AT THE MEETING. TO ENSURE PROPER DISTRIBUTION AND AVAILABILITY PLEASE SEND YOUR COMMENTS AT LEAST 48 HOURS BEFORE THE MEETING.

IF YOU CHALLENGE ANY DECISION REGARDING ANY OF THE LISTED PROPOSALS IN COURT, YOU MAY BE LIMITED TO RAISING ONLY THOSE ISSUES YOU OR SOMEONE ELSE RAISED DURING THE PUBLIC TESTIMONY PERIOD REGARDING THAT PROPOSAL OR IN WRITTEN CORRESPONDENCE DELIVERED TO THE GOVERNING BOARD TELEPHONICALLY OR OTHERWISE ELECTRONICALLY AT, OR PRIOR TO, THE PUBLIC HEARING.

DUE TO TIME CONSTRAINTS AND THE NUMBER OF PERSONS WISHING TO GIVE ORAL TESTIMONY, PUBLIC COMMENTS ARE LIMITED TO THREE MINUTES PER SPEAKER. YOU MAY WISH TO MAKE YOUR COMMENTS IN WRITING TO ASSURE THAT YOU ARE ABLE TO EXPRESS YOURSELF ADEQUATELY.

PLEASE NOTE THAT THE BOARD MAY ADDRESS ITEMS IN THE AGENDA IN A DIFFERENT ORDER THAN THE ORDER IN WHICH THE ITEM HAS BEEN

POSTED.

CALL TO ORDER 10:00 A.M.

Pledge of Allegiance.

Roll Call.

Items with potential Conflict of Interests — If you believe you have a conflict of interest, please recuse yourself at the appropriate time. If you have a question regarding a potential conflict of interest, please contact District Counsel.

Special Announcements/Presentations:

- A. Presentation of 2020/2021 Exemplar Award. Presenter: Brad Poiriez, Executive Director/APCO.

PUBLIC COMMENT

CONSENT CALENDAR

The following consent items are expected to be routine and non-controversial and will be acted upon by the Board at one time without discussion unless a Board Member requests an item be held for discussion under DEFERRED ITEMS.

1. [Approve Minutes from Regular Governing Board Meeting of September 27, 2021.](#)
2. [Authorize the encumbrance of AB2766 grant funds for disbursement in Fiscal Year 23 as described in the amended Mobile Source Emission Reductions Program \(MSERP\) Workplan in Exhibit A; and authorize the Executive Director/APCO to revise the budget accordingly. Presenter: Jorge Camacho, Grants Analyst.](#)
3. [Authorize \(1\) participation in Year 24 of the Carl Moyer Program, \(2\) authorize application submittal, \(3\) authorize the Executive Director/APCO to negotiate technical program details, execute contract with CARB approved as to legal form by the Office of District Counsel, \(4\) authorize acceptance and encumbrance of funds \(5\) authorize the Executive Director/APCO to revise budget accordingly. Presenter: Jorge Camacho, Grants Analyst.](#)
4. [\(1\) Adopt a Resolution authorizing the District's continuing participation in the Funding Agricultural Replacement Measures for Emission Reductions \(FARMER\) Program through Fiscal Year 2024-25, \(2\) authorize application submittal, \(3\) authorize the Executive Director/APCO to negotiate technical program details, execute contract with CARB approved as to legal form by the Office of District Counsel, \(4\) authorize acceptance and encumbrance of funds \(5\) authorize the Executive Director/APCO to revise budget accordingly. Presenter: Jorge Camacho, Grants Analyst.](#)
5. [Receive and file Policies and Procedures Manual for the District's Carl Moyer Program \(Moyer Program\). Acknowledge addition of Appendix B. Presenter: Jorge Camacho, Grants Analyst.](#)

6. [Receive and file Policies and Procedures Manual for the District's Community Air Protection Program \(CAP\). Presenter: Jorge Camacho, Grants Analyst.](#)
7. [Receive and file the District Activity Report. Presenter: Brad Poiriez, Executive Director/APCO.](#)
8. [Receive and file Financial Reports through August 2021. Presenter: Laquita Cole, Finance Manager.](#)
9. [Receive and file the Legislative Report for October 2021. Presenter: Brad Poiriez, Executive Director/APCO.](#)
10. [Set Date of January 24, 2022 to conduct a public hearing to consider the amendment of Rule 900 – Standards of Performance for New Stationary Sources \(NSPS\) and Rule 1000 – National Emission Standards for Hazardous Air Pollutants \(NESHAP\), as well as to receive and file updates to the Airborne Toxic Measures \(ATCMs\) and Maximum Achievable Control Technology \(MACT\) standards Notifications. Presenter: Alan De Salvio, Deputy APCO.](#)
11. [Set Date of January 24, 2022 to conduct a public hearing to consider the amendment of Rule 1126 – Municipal Solid Waste Landfills and approval of California Environmental Quality Act \(CEQA\) documentation. Presenter: Alan De Salvio, Deputy APCO.](#)

ITEMS FOR DISCUSSION

12. DEFERRED ITEMS.
13. PUBLIC COMMENT.
14. [Receive and file. This item reports the status of the District's Other Post-Employment Benefits \(OPEB\) and Pension Rate Stabilization Program \(PRSP\) irrevocable trust and investment summary. Presenter: Laquita Cole, Finance Manager.](#)
15. [Presentation – Planning and Rulemaking, Ozone, SIPs and More. Presenter: Alan De Salvio, Deputy APCO.](#)
16. Reports: Executive Director.
17. Board Members Comments and Suggestions for future agenda items.

In compliance with the Americans with Disabilities act, if special assistance is needed to participate in the Board Meeting, please contact Deanna Hernandez during regular business hours at 760.245.1661 x6244. Notification received 48 hours prior to the meeting will enable the District to make reasonable accommodations.

I hereby certify, under penalty of perjury, that this agenda has been posted 72 hours prior to the stated meeting in a place accessible to the public. Copies of this agenda and any or all additional materials relating thereto are available at www.mdaqmd.ca.gov or by contacting Deanna Hernandez at 760.245.1661 x6244 or by email at dhernandez@mdaqmd.ca.gov.

Mailed & Posted on: Tuesday, October 19, 2021.

Approved:

Deanna Hernandez

Deanna Hernandez

The following page(s) contain the backup material for Agenda Item: [Approve Minutes from Regular Governing Board Meeting of September 27, 2021.](#)
Please scroll down to view the backup material.

Mojave Desert Air Quality Management District
Brad Poiriez, Executive Director
14306 Park Avenue, Victorville, CA 92392-2310
760.245.1661 • Fax 760.245.2699
www.MDAQMD.ca.gov • [@MDAQMD](https://twitter.com/MDAQMD)



REGULAR GOVERNING BOARD MEETING
MONDAY, SEPTEMBER 27, 2021 - 10:00 A.M.
MDAQMD OFFICES, BOARD CHAMBERS
VICTORVILLE, CA

DRAFT MINUTES

Board Members Present:

Merl Abel, Town of Yucca Valley, **Chair**
Elizabeth Becerra, City of Victorville
Brigit Bennington, City of Hesperia
Paul Cook, San Bernardino County, 1st District Supervisor
Joseph “Joey” DeConinck, City of Blythe – *via Zoom*
Steevonna Evans, City of Adelanto – *via Zoom*
Kari Leon, Town of Apple Valley, **Vice Chair**
Dan Mintz, Sr., City of Twentynine Palms – *via Zoom*
V. Manuel Perez, Riverside County, 4th District Supervisor – *via Zoom*
Barbara Riordan, Public Member – *via Zoom*
Dawn Rowe, San Bernardino County, 3rd District Supervisor – *via Zoom*
Tim Silva, City of Barstow

Board Members Absent:

Jeff Williams, City of Needles

CALL TO ORDER

Chair **MERL ABEL** called the meeting to order at 10:00 am and asked Board Member **PAUL COOK** to lead the Pledge of Allegiance.

Chair **MERL ABEL** called for Roll Call – Deanna Hernandez, Senior Executive Analyst, called roll.

Items with potential Conflict of Interests – If you believe you have a conflict of interest, please recuse yourself at the appropriate time. If you have a question regarding a potential conflict of interest, please contact District Counsel. Chair **MERL ABEL** asked if any members wished to indicate a conflict of interest in regards to any agenda items. No Members did so.

Chair **MERL ABEL** called for **PUBLIC COMMENT**. At this time, no public comment was made in person, telephonically or electronically, moved onto **CONSENT CALENDAR**.

CONSENT CALENDAR –Chair **MERL ABEL** polled the Board to determine if any member wished pull an item on the consent calendar for discussion. No member did so. The following consent items were acted upon by the Board at one time without discussion. Upon motion by Board Member **BRIGIT BENNINGTON**, seconded by Board Member **BARBARA RIORDAN**, and carried by the following roll call vote, with twelve **AYES** votes by Board Members, **MERL ABEL, ELIZABETH BECERRA, BRIGIT BENNINGTON, PAUL COOK, JOSEPH “JOEY” DECONINCK, STEVEVONNA EVANS, KARI LEON, DANIEL MINTZ, Sr., V. MANUEL PEREZ, BARBARA RIORDAN, DAWN ROWE and TIM SILVA**, with Board Member **JEFF WILLIAMS absent**, on the Consent Calendar, as follows:

Agenda Item 1 – Approve Minutes from Regular Governing Board Meeting of August 23, 2021.
Approved Minutes from Regular Governing Board Meeting of August 23, 2021.

Agenda Item 2 – Receive and file comparison of MDAQMD stipend with stipends for other air districts and local entities. Presenter: Brad Poiriez, Executive Director/APCO.
Received and filed comparison of MDAQMD stipend with stipends for other air districts and local entities.

Agenda Item 3 – Receive and file the District Activity Report.
Presenter: Brad Poiriez, Executive Director/APCO.
Received and filed the District Activity Report.

Agenda Item 4 – Receive and file the Financial Report for FY21, through the month of July 2021, which provides financial information and budget performance concerning the fiscal status of the District. Presenter: Laquita Cole, Finance Manager
Received and filed the Financial Report for FY21, through the month of July 2021, which provides financial information and budget performance concerning the fiscal status of the District.

Agenda Item 5 – Receive and file the Legislative Report for September 2021.
Presenter: Brad Poiriez, Executive Director/APCO
Received and filed the Legislative Report for September 2021.

Agenda Item 6 – DEFERRED ITEMS.
None.

Agenda Item 7 – PUBLIC COMMENT.
No public comment was made in person, telephonically or electronically.

Agenda Item 8 – Discuss and finalize action on Amendment to the Employment Agreement (“Master Agreement”) with the Executive Director/Air Pollution Control Officer; adopt the Amendment; authorize the Chair of the Governing Board to execute the amended agreement; and direct staff actions.

Presenter: Merl Abel, Chair, Governing Board.

Special Counsel **PIERO DALLARDA** presented background information and answered questions from the Board. Chair **MERL ABEL** called for public comment, no public comment was made in person, telephonically or electronically. After discussion and upon motion by Board Member **ELIZABETH BECERRA**, seconded by Board Member **TIM SILVA**, and carried by the following roll call vote, with twelve **AYES** votes by Board Members, **MERL ABEL, ELIZABETH BECERRA, BRIGIT BENNINGTON, PAUL COOK, JOSEPH “JOEY” DECONINCK, STEVEVONNA EVANS, KARI LEON, DANIEL MINTZ, Sr., V. MANUEL PEREZ, BARBARA RIORDAN, DAWN ROWE and TIM SILVA, with Board Member JEFF WILLIAMS absent**, the board, **finalized** action on Amendment to the Employment Agreement (“Master Agreement”) with the Executive Director/Air Pollution Control Officer; **adopted** the Amendment; **authorized** the Chair of the Governing Board to execute the amended agreement; and direct staff actions.

Agenda Item 9 – Conduct a public hearing to consider the amendment of MDAQMD Federal 75 ppb Ozone Attainment Plan (Western Mojave Desert Nonattainment Area): a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the California Environmental Quality Act (CEQA) Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption, adopting the Rule and directing staff actions.

Presenter: Alan De Salvio, Deputy APCO.

Chair **MERL ABEL** opened the public hearing. Brad Poiriez, Executive Director/APCO, presented background information and answered questions from the Board. Chair **MERL ABEL** called for public comment, no public comment was made in person, telephonically or electronically, so being none, Chair **MERL ABEL** closed the public hearing. The determination was made that the California Environmental Quality Act (CEQA) Categorical Exemption applies and reading of the resolution was waived. Upon motion by Board Member **ELIZABETH BECERRA**, seconded by Board Member **LIZ BECERRA**, and carried by the following roll call vote, with twelve **AYES** votes by Board Members, **MERL ABEL, ELIZABETH BECERRA, BRIGIT BENNINGTON, PAUL COOK, JOSEPH “JOEY” DECONINCK, STEVEVONNA EVANS, KARI LEON, DANIEL MINTZ, Sr., V. MANUEL PEREZ, BARBARA RIORDAN, DAWN ROWE and TIM SILVA, with Board Member JEFF WILLIAMS absent**, the board, **adopted** Resolution 21-08, “**A RESOLUTION OF THE GOVERNING BOARD OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT MAKING FINDINGS, CERTIFYING THE NOTICE OF EXEMPTION, AMENDING THE MDAQMD 75 PPB OZONE ATTAINMENT PLAN (WESTERN MOJAVE DESERT NONATTAINMENT AREA) AND DIRECTING STAFF ACTIONS.**”

Agenda Item 10 – Adopt a resolution reaffirming the local Declaration of Emergency as adopted on April 27, 2020; ratifying the proclamation of a State of Emergency by the Governor on March 4, 2020; and authorizing remote teleconference meetings of the Governing Board of the Mojave Desert Air Quality Management District (MDAQMD) for the period of September 27, 2021 through October 27, 2021 pursuant to provisions of the Brown Act.

Presenter: Brad Poiriez, Executive Director/APCO.

Brad Poiriez, Executive Director/APCO, presented background information and answered questions from the Board. Chair **MERL ABEL** called for public comment, no public comment

was made in person, telephonically or electronically. After discussion, reading of the resolution was waived. Upon motion by Board Member **MERL ABEL**, seconded by Board Member **BARBARA RIORDAN**, and carried by the following roll call vote, with twelve **AYES** votes by Board Members, **MERL ABEL, ELIZABETH BECERRA, BRIGIT BENNINGTON, PAUL COOK, JOSEPH “JOEY” DECONINCK, STEVEVONNA EVANS, KARI LEON, DANIEL MINTZ, Sr., V. MANUEL PEREZ, BARBARA RIORDAN, DAWN ROWE and TIM SILVA, with Board Member JEFF WILLIAMS absent**, the board, **adopted Resolution 21-09, “A RESOLUTION OF THE GOVERNING BOARD OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT REAFFIRMING THE LOCAL DECLARATION OF EMERGENCY AS ADOPTED ON APRIL 27, 2020; RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNER ON MARCH 4, 2020; AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE GOVERNING BOARD OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT FOR THE PERIOD OF SEPTEMBER 27, 2021 THROUGH OCTOBER 27, 2021 PURSUANT TO PROVISIONS OF THE BROWN ACT.”**

Agenda Item 11 – Presentation – Technology Services.

Presenter: Presenter: Trevor Samorajski & William Berghoff, System Administrator I. Trevor Samorajski, System Administrator I, presented a power point presentation and answered questions from the Board. No action taken by the Board as this item is information only.

Agenda Item 12 – Reports:

Special notes from M. Poiriez:

- ❖ Next Board meeting will be held October 25th.

Mr. Poiriez updated the Board of past events:

- August 25th – Had a conference call with the cement industry CCMEC to discuss implementation of CARB changes on AB2588 and CTR
- August 25th –Had a zoom meeting on Community Air Protection Program to receive input/comments.
- August 26th – Was speaker for air quality class at CSUSB. Other staff members also have given presentations including Alan and Karen, and soon Ryan and other staff.
- Sept. 1st – Attended the CSDA conference, SDRMA had a very nice recognition for Jean and her impending retirement.
- Sept. 3rd – Had a call with EPA Region 9 regarding the need and process to adopt federally enforceable 185 fee rules in both MD and AV. More to come in coming months. This is required by the FCAA for severe and extreme nonattainment areas and the rules would only be triggered if there is a finding of failure to attain an Ozone standard.
- Sept. 8th – Had the Southwest Exceptional Events Working Group (SEEWG) quarterly meeting.
- Sept. 9th - Legislature sent SB170 (Budget Bill Jr.) and SB155 (Resources Trailer Bill) as the vehicles to move the budget to the Governor’s desk for signature.

Of note: In response to a June [Capital Public Radio report](#) that the Governor overstated progress on priority wildfire prevention projects, the resources trailer bills require the Natural Resources Agency, beginning on April 1, 2022, to produce an annual report (until April 1, 2026) on all programs related to wildfires and forest resilience funded pursuant

to the Budget Act of 2020 and the Budget Act of 2021 for the purpose of informing the Legislature and the public on the agency's implementation of the funded programs.

Also included: \$42.58 M from the APCF for FARMER

\$170M from GGRF for FARMER

*30M to ARB for SORE incentive program to provide incentives for professional landscaping services in California operated by small businesses or sole proprietors to purchase zero-emission small off-road equipment. AB 1346 – directs CARB to phase out the sale of SORE by 2024 or as soon as feasible, whichever is later.

For AB617: Pretty much same as last year:

\$260M for incentives \$50M for implementation. \$10M for community-based organization grants

In the Resource Trailer Bill:

- Extends SB 901 (Dodd) Healthy Forests and Wildfire Prevention \$200M continuous appropriation funding five years to the 2028-29 fiscal year (it was previously funded through the 2023-24 fiscal year). Similar to before, \$165M is for healthy forest and fire prevention programs and projects and \$35M is for prescribed fire and other fuel reduction projects, including the operation of year-round prescribed fire crews and implementation of a research and monitoring program for climate adaptation.
 - Community Resilience Centers Grant Program. Clean Air Centers eligible for funding. Upon appropriation in the budget act, \$25M in 2022–23 and \$75M 2023–24 to the Strategic Growth Council, in coordination with OPR, for the establishment of the grant program.
-
- Sept. 10th – Joint call between executive staff of both SCAQMD and MDAQMD on a request received by SCAQMD Board Member Rutherford on potential of reassignment of mountain communities from SC to MD. Discussed the legalities, possibilities, challenges, etc. of such an idea for both Districts. Both Districts are in agreement that this is not in the best interest of MD and there is an enormous amount of issues may include that CARB and/or EPA may not approve even if the Districts remotely thought this was a good idea.
 - Sept. 14th – had a call with Congresswoman Norma Torres to discuss MP mine/Molcorp and past compliance history, and educate her with our involvement with the facility. We are still trying to set up a tour of the facility in October for interested Board members, stay tuned.
 - Sept. 14th – had a call with EPA Region IX staff regarding the process of our 2008 Ozone SIP, approvals forthcoming with a deferral on the contingency measure portion of the SIP until summer of 2022.
 - Sept. 14-16th -participated virtually in the CAPCOA rural District APCO conference.
 - Sept. 15th – Participated in the AAPCA Local Government Committee call.
 - Sept. 15th – Attended MEEC Board meeting.
 - Sept. 16th – Participated in the AAPCA Fall 2021 Air Director Board meeting
 - Sept. 21st – met with Chairman and APCO of AVAQMD to have personnel and contract discussions.
 - Sept. 24th – Staff held a Retirement luncheon for Jean, this was her last day at the District and we all wished her well in her well-deserved retirement.

Mr. Poiriez updated the Board of coming events:

- October 6th – will have a WRAP Board call
- October 6th – Will attend the San Bernardino County – State of the County
- Oct. 7th – staff will hold a compliance/permitting training for Specialty Minerals staff.
- Oct. 21st – will be the High Desert Opportunity Summit
- Oct. 24-27th will be the CAPCOA Fall Membership meeting.

Agenda Item 13 - Board Member Comments and Suggestions for Future Agenda Items.

- Chair **ABEL** thanked Vice Chair **LEON** for running the August 2021 Governing Board meeting.
- Board Member **COOK** comment on Board Member **ROWE** efforts in recognizing illegal marijuana grows and their environmental impact within their supervisorial district.

Being no further business, Chair **MERL ABEL** adjourned the meeting at **11:07 a.m.** to the next Regular Meeting of ***October 25, 2021.***

The following page(s) contain the backup material for Agenda Item: [Authorize the encumbrance of AB2766 grant funds for disbursement in Fiscal Year 23 as described in the amended Mobile Source Emission Reductions Program \(MSERP\) Workplan in Exhibit A; and authorize the Executive Director/APCO to revise the budget accordingly.](#)
[Presenter: Jorge Camacho, Grants Analyst.](#)
Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #2

PAGE 1

DATE: October 25, 2021

RECOMMENDATION: Authorize the encumbrance of AB2766 grant funds for disbursement in Fiscal Year 23 as described in the amended Mobile Source Emission Reductions Program (MSERP) Workplan in Exhibit A; and authorize the Executive Director/APCO to revise the budget accordingly.

SUMMARY: This item authorizes the District’s annual MSERP Workplan including encumbrance, and disbursements from to AB 2766 grant funds.

BACKGROUND: The MDAQMD Governing Board approved the program structure for the MDAQMD Mobile Source Emissions Reduction Program (MSERP). The MSERP Work Plan sets forth allocations to be made annually from the revenue received by authority of AB2766 as follows:

1. A direct allocation to District operations (approximately 60% of revenue received)
2. Fixed and direct allocations to five agencies delivering transit services:
 - a. Victor Valley Transit Authority \$250,000
 - b. Morongo Basin Transit Authority 40,000
 - c. Needles Area Transit Authority 15,000
 - d. Palo Verde Valley Transit Authority 20,000
 - e. San Bernardino County (operating a rideshare program) 75,000
3. Program Allocations
 - a. The Voluntary Accelerated Vehicle Retirement Program 60,000
 - b. The Lawn & Garden Equipment Exchange Program 150,000
 - c. EV Charging Infrastructure 40,000

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #2

PAGE 2

A redlined copy of the workplan setting forth amendments and allocations is attached as Exhibit A for your reference. A clean copy is attached as Exhibit B.

The MDAQMD receives the fiscal year's AB 2766 revenue through September of each year. The revenue is then encumbered through the MSERP Workplan. Unspent encumbrances are returned to the fund.

The following process will substantiate the use of grant funds and will be useful in the event the District is subject to an audit.

- The District entered into Memorandum of Understanding (MOA) with each agency delivering transit services. As part of the agreement each agency is required to provide an (1) annual report describing how the funds were used and (2) a scope of work for the planned use of the future funds.
- The District has operated a Lawn & Garden Equipment Exchange program. This disbursement authorization will reserve funds to continue implementation of this program.
- The District has operated the Voluntary Accelerated Vehicle Retirement program which scraps eligible vehicles on an ongoing basis. This disbursement authorization will reserve funds to continue implementation of this program.
- The work plan has revised the allocations for the Voluntary Accelerated Vehicle Retirement Program and the Lawn & Garden Equipment Exchange Program. The new allocations align more directly with the actual cost and participation of each program.

REASON FOR RECOMMENDATION: MDAQMD guidelines require Governing Board formally authorize the District's distribution of the funds as described in the MSERP Workplan.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Brad Poiriez, Executive Director on or about September 20, 2021.

FINANCIAL DATA: Approving the item will allow the District to distribute AB 2766 as described in the MSERP Workplan and revise expenses in the budget as applicable.

PRESENTER: Jorge Camacho, Grants Analyst.



Exhibit A

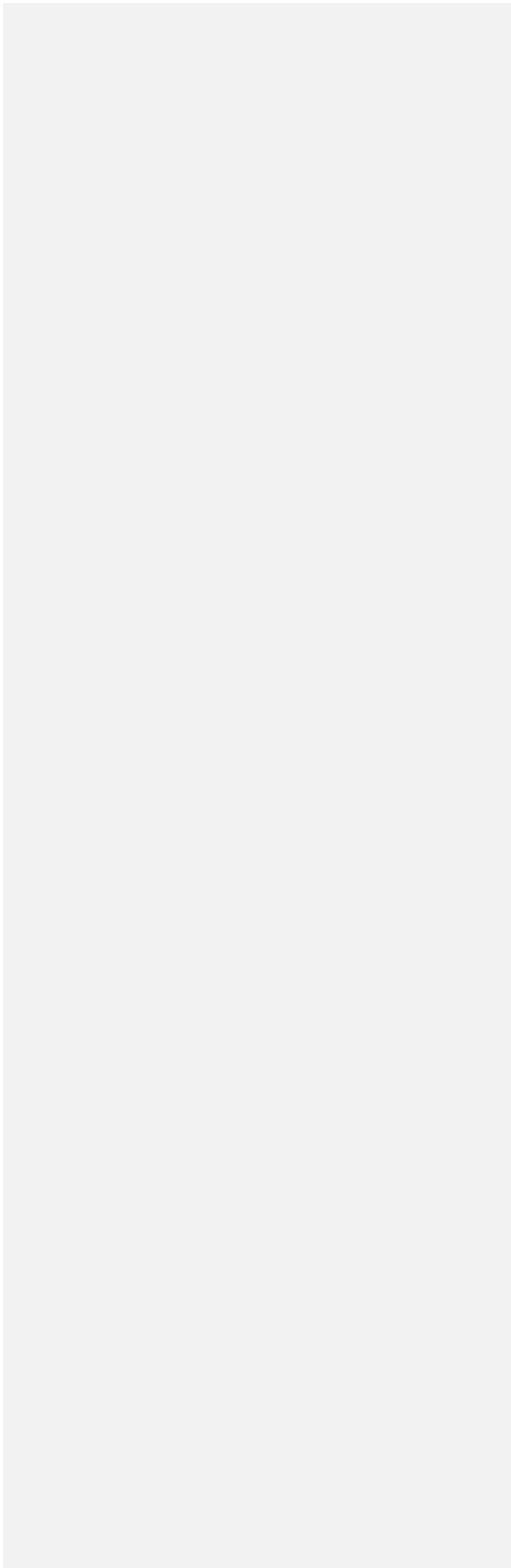
Mojave Desert
Air Quality Management District



Mobile Source Emission Reductions
Program Work Plan

Amended on
~~October 26, 2020~~ October 25, 2021

14306 PARK AVE, VICTORVILLE, CA 92392-2310
PHONE: (760) 245-1661
FAX: (760) 245-2699



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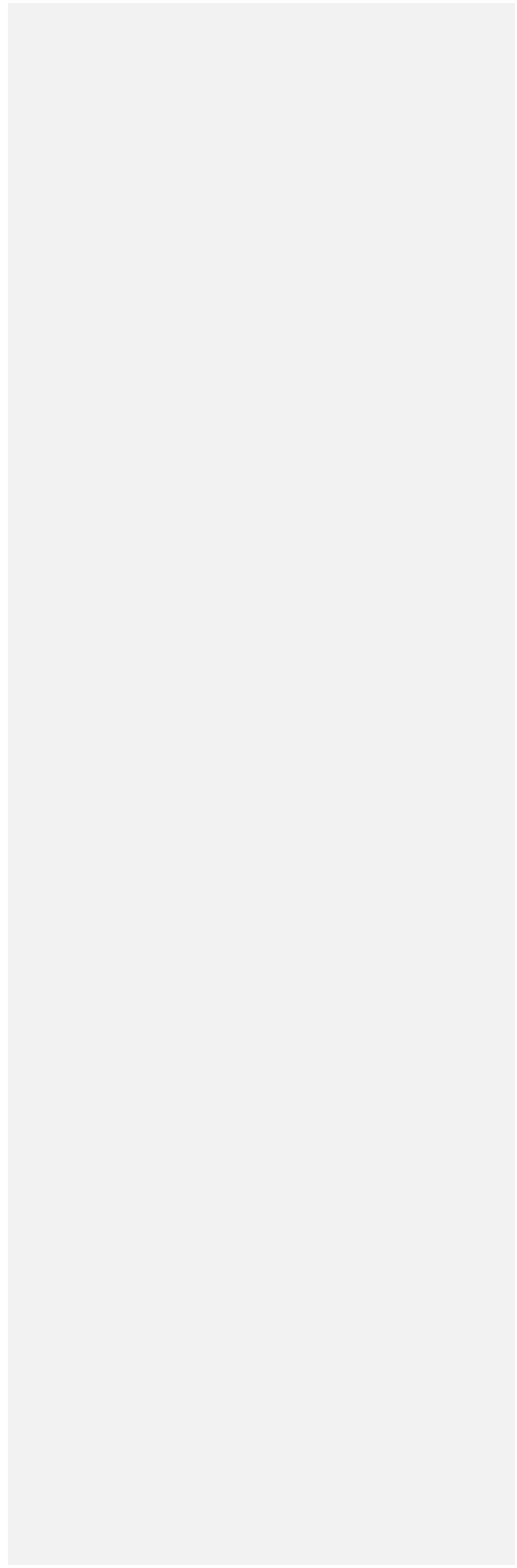


TABLE OF CONTENTS

I. PURPOSE OF WORK PLAN 1

II. SOURCES OF FUNDS FOR GRANTS..... 1

 A. The Carl Moyer Program 1

 B. AB 2766 Funds 1

 1. Operational Support Allocation(s)..... 2

 2. Public Transit Support Allocation(s)..... 2

 3. Specific Program Allocation(s) 2

 4. Competitive Grant Opportunities Allocation(s)..... 2

 C. The Clean Air Fund..... 2

III. GRANT PROGRAM 3

 A. The Carl Moyer Program 3

 B. AB 2766 Funds 3

 1. Operational Support 3

 2. Public Transit Support..... 3

 3. Specific Programs 3

 4. Competitive Grant Opportunities 4

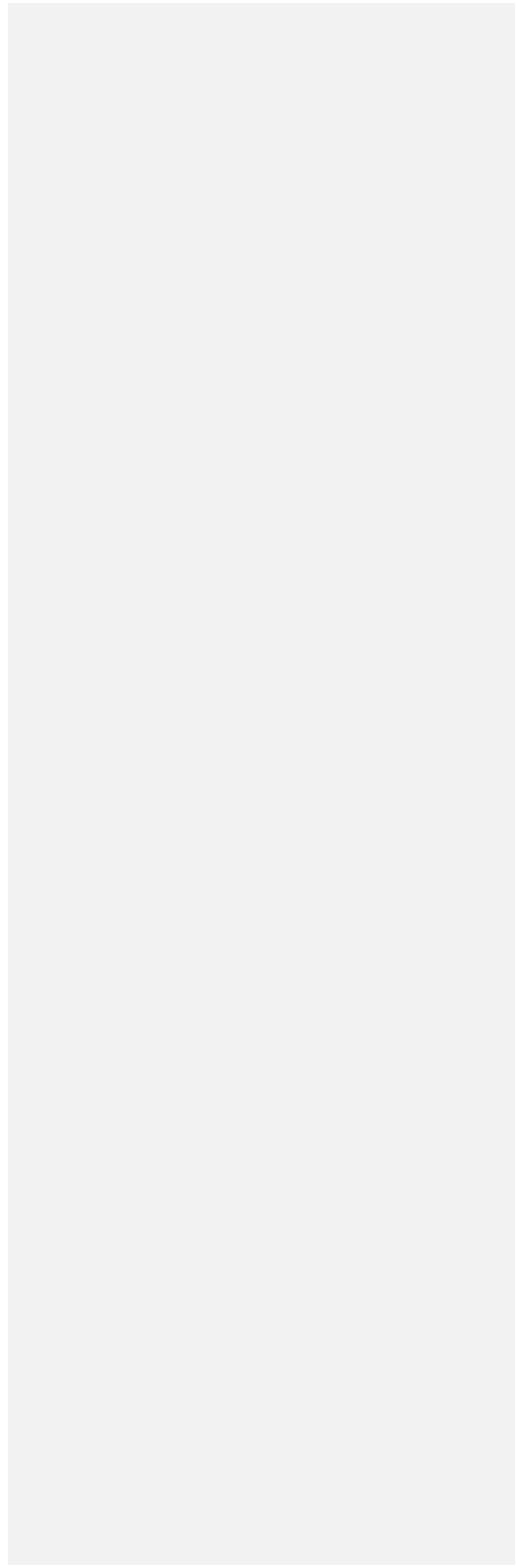
 5. Eligible Project(s)..... 5

 C. The Clean Air Fund..... 6

IV. CONTRACTS..... 7

V. AUDIT 7

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Mobile Source Emission Reductions Program Work Plan

I. PURPOSE OF WORK PLAN

This Work Plan sets forth the structure for the Mojave Desert Air Quality Management District (MDAQMD) Mobile Source Emission Reductions Program (MSERP) providing grants to projects that reduce emissions from mobile sources. The Work Plan covers the major policy aspects of the MSERP and includes descriptions of the sources of grant funds, the grant programs, distribution of funds, the Call for Projects process, examples of eligible projects, contracts, and audits. This Work Plan is designed to describe in broad terms the overall mission of MSERP. Guidance documents from funding sources may provide additional guidance. The program may also provide grants to projects under any other program or funding source available to MDAQMD, as long as such projects are compatible with the mission of the Mobile Source Emission Reductions Program. The Governing Board has authorized the Executive Director/APCO to make conforming adjustments and administrative changes to this document as needed.

II. SOURCES OF FUNDS FOR GRANTS

This section of the Work Plan provides background on the primary sources of MSERP funding and may be amended from time to time.

A. THE CARL MOYER PROGRAM

The funding for the Carl Moyer Program originates with the California Air Resources Board (CARB). The purpose of this program is to reduce emissions by providing grants for the incremental cost of cleaner heavy-duty vehicles and equipment such as on-road, off-road, marine, locomotive, stationary agricultural pump, forklift, and airport ground support engines. The grants are administered locally by the District. CARB is responsible for developing program guidelines, establishing the program requirements including the specific criteria for the eligible project categories.

District policy and program management for the Carl Moyer Program is outlined in the MDAQMD Carl Moyer Program Policies and Procedures Manual.

B. AB 2766 FUNDS

In 1992, under the authority of Assembly Bill 2766 (Sher), the MDAQMD Governing Board authorized to impose a \$4 motor vehicle registration fee to provide funds to meet new responsibilities mandated under the California Clean Air Act (CCAA). As enacted in the California Health & Safety Code (~~§44220H & S Code~~), AB 2766 states that the fees shall be used to support district operated planning, monitoring, enforcement and technical studies necessary to implement the CCAA. An additional allowable use is to support programs that reduce air pollution from motor vehicles.

Program structure:

1. **Operational Support Allocation(s)** – Allocate to the District’s General Fund, 60% of total program revenue (approx. \$960,000)
2. **Public Transit Support Allocation(s)** – Allocate in fixed amounts, approx. 25% of total program revenue (\$400,000*), disbursed as follows:
 - a. **Victor Valley Transit Authority:** Adelanto, Apple Valley, Barstow, Hesperia, Victorville, and portions of San Bernardino County. **\$250,000**
 - b. **Morongo Basin Transit Authority:** Twentynine Palms, Yucca Valley, and portions of San Bernardino County. **\$40,000**
 - c. **Needles Area Transit:** Needles and portions of San Bernardino County **\$15,000**
 - d. **Palo Verde Valley Transit Authority:** Blythe and portions of Riverside County **\$20,000**
 - e. **San Bernardino County:** providing ride share for commuters residing in the MDAQMD jurisdiction **\$75,000**
3. **Specific Program Allocation(s)** - Allocate in fixed amounts, approx. 15% of total program revenue (\$240,000)
 - a. Voluntary Accelerated Vehicle Retirement (VAVR) Program **\$60,000***
 - b. Lawn & Garden Equipment Exchange Program (LGEP) **\$150,000***
 - c. EV Charging Infrastructure **\$40,000**
4. **Competitive Grant Opportunities Allocation(s)** – At the discretion of the Executive Director/APCO annual revenue received in excess of the allocations noted above or any unused portions may be offered for competitive proposals or other emission reducing projects/initiatives.

*Not more than 6.25% of the funds distributed shall be used for administrative cost (§ 44233)

*New allocations will take affect starting in fiscal year 22.

C. THE CLEAN AIR FUND

The purpose of this fund is to provide grants for projects that provide positive air quality impacts on a local community. An award from the District for such projects serves the mission of the District to promote clean air and contribute to a reduction in emissions within the jurisdiction. The Mojave Desert Clean Air Fund is governed by MDAQMD Governing Board Policy 17-01 and related MDAQMD Standard Practices developed to administer the Fund. The Clean Air Fund was initially funded with resources identified

by the District in cooperation with the California Air Resources Board and the California State Department of Finance. Future funding may be recommended and authorized by the Board from time to time either directly or through the annual budget process.

III. GRANT PROGRAM

A. THE CARL MOYER PROGRAM

The guidelines adopted by CARB establish the program requirements for the District, and they also describe the specific criteria for the eligible project categories.

District policy and program management for the Carl Moyer Program is outlined in the MDAQMD Carl Moyer Program Policies and Procedures Manual.

B. AB 2766 FUNDS

1. Operational Support

District operations related to mobile source emission reductions include programs, projects, education, and monitoring supported with primary staff time in Air Monitoring, Planning and Rulemaking, Grants, Community Relations & Education, and related administration; overhead, related equipment, materials and supplies.

The District will establish a cost accounting system to track the use and expenses of funds designated for operational support.

2. Public Transit Support

The District will disburse to eligible transit agencies one time annually the designated amounts as indicated herein, after receipt of revenue for the fiscal year. Funds may be distributed approximately in October. The transit agency will be required to

- a. Commit to the eligible use of funds using a Memorandum of Agreement;
- b. Indicate the planned use of funds disbursed; and
- c. Commit to fully expending the funds not later than June 30 of the following year, and to return to the District unspent funds not later than August 30.
- d. Provide receipts and or financial statements indicating the expenditures of funds for eligible costs.

3. Specific Programs and Emission Reducing Projects/Initiatives

The District will periodically report to the Governing Board the progress and status of the specific programs including but not limited to the funds under contract, the use of funds, and funds remaining throughout the fiscal year. At the discretion of the Executive Director/APCO unused balances may be offered for competitive proposals or used for other emission reducing projects/initiatives. The Executive Director/APCO is authorized to award up to \$50,000 per project; project(s) requests exceeding \$50,000 must be presented to the Governing Board for approval.

(Report components: Amount of Funds Awarded; Amount under contract; Amount Spent to report date; Balance available for each program)

4. Competitive Grant Opportunities

From time to time the District may accumulate AB 2766 funds from various sources such as canceled grants, residual amounts following the completion of a grant-funded project, or revenue received in excess of the program distribution formula, as noted above. At his discretion the Executive Director/APCO may issue a Call for Projects that will offer opportunity for the community to propose creative projects that may be eligible for use of the AB 2766 funds.

- a. The Call for Projects will include instructions for
 - 1) Submitting proposals, including any preproposal meetings, deadlines, terms and conditions for the proposed projects, form of the proposal
 - 2) Examples of eligible projects
 - 3) The amount of funds available to award
 - 4) Evaluation criteria including, but not limited to, the quantifiable emission reductions, quantifiable vehicle miles traveled reductions; experience of applicant; project cost comparison (total project costs); broad based application; dedicated co-funding; creativity; multi-agency cooperation; broad based support; relative value of administrative costs to the overall project cost; average age of fleet; proposal format/organization/content (proposal quality); and cost effectiveness.
 - 5) A pro forma contract
- b. The Executive Director/APCO and staff will review and evaluate the proposals based on the published criteria. The Executive Director/APCO will make selection and funding recommendations to the Governing Board. The MDAQMD Governing Board will make the final determination for grants awarded.

- c. Selected projects will be required to develop a Scope of Work based on the terms set forth in the Call for Projects and commitments described by the Grantee in their proposal. Grantees will enter into a contract with the MDAQMD. The Scope of Work shall include at least the following elements:
 - 1) The proposal's project description
 - 2) Milestones and deliverables
 - 3) Estimated project completion
 - 4) Allowable costs
- d. The District will evaluate the Grantee's contract performance through the duration of the contract and project implementation.

5. Eligible Projects

These program guidelines are established by the MDAQMD Governing Board. Except as specifically limited below, any project that would result in a reduction of emissions from motor vehicles, reductions in vehicle miles traveled, reductions in vehicle trips, or a public education program that supports any of the above ends would also be potentially eligible for funding. Types of projects that may be funded include, but are not limited to:

- a. Alternative fuel/electric vehicle infrastructure development
- b. Purchase or lease of clean fuel/electric vehicles, or repowering existing vehicles to operate on alternative fuel. Program funding limited to incremental cost of the alternative fuel technology or an amount not to exceed 25% of the total project cost, whichever is greater.
- ~~c. Implementation and maintenance of local arterial traffic management, including, but not limited to, signal timing, transit signal preemption, bus stop relocation and "smart streets"~~
- d. Implementation of rail-bus integration and regional transit information systems
- e. Transit services and transit projects, including but not limited to shuttle service or subsidizing transit passes
- f. Park and Ride Lots; Parking management
- g. Implementation of demonstration projects in telecommuting, video teleconferencing,

Commented [JC1]: Remove traffic synchronization projects as an eligible project.

- h. Implementation of a smoking vehicles program
- i. Voluntary Accelerated Vehicle Retirement
- j. Public education programs
- k. Proposals/projects not falling under any category in a-j may be considered on a case-by-case basis and will be subject to the final authority of the Executive Director/APCO. Proposals/projects requesting a case-by-case must provide permanent and quantifiable emission reductions.
- l. Funding limitations: For alternative fuel vehicle purchases/leases, the funding request may not exceed 25% of total vehicle cost or the incremental cost of the alternative fuel vehicle over a conventionally fueled vehicle, whichever is greater. When a conventionally fueled vehicle is replaced under this program, that vehicle or a similar vehicle must be removed from service within MDAQMD boundaries. The MDAQMD supports infrastructure projects which make alternate fuels available to the consumer market.

The following projects **will not be eligible** for Mobile Source Emission Reductions Program funding:

- 1) Street or road paving or sidewalk construction.
- 2) Projects required as mitigation by an environmental document under the California Environmental Quality Act or National Environmental Policy Act.
- 3) Projects to comply with or implement a mandatory requirement of an existing MDAQMD regulation.
- 4) Implementation and maintenance of local arterial traffic management, including, but not limited to, signal timing, transit signal preemption, bus stop relocation, and smart streets.

Special Note: Projects funded with Mobile Source Emission Reductions Program funding cannot generate Emission Reduction Credits (ERCs) pursuant

C. THE CLEAN AIR FUND

Eligible projects may include but are not limited to purchase(s) of equipment, creation of programs, or construction of projects that upon completion improve air quality by reducing emissions and/or, dust, or increasing energy efficiency. Programs which are duplicative of District efforts are not eligible for funding.

The Mojave Desert Clean Air Fund may not be used to fund projects otherwise eligible for other District grant programs, such as the Mobile Emissions Reduction Program, Carl Moyer, or other restricted funding sources. Should funds from these existing programs

be depleted, the APCO may approve a grant submission to the Mojave Desert Clean Air Fund that would otherwise be eligible for other District grant programs.

1. Procedure

- a. Grant awards will be made from an interest bearing bank account established for the purpose of funding the Mojave Desert Clean Air Fund.
- b. Requests for grant awards must be made in writing to the APCO, or designee, and must describe the proposed project, provide a budget of the funds requested, an explanation for the requested amount of funds, describe the community which will be impacted by the proposed air quality benefit and outline any in-kind or matching funds available.
- c. Project awards must provide positive air quality impacts and/or education within the community. Project requests must submit an evaluation of the air quality benefit or air quality improvement.
- d. Grant award recommendations and disbursement is delegated to the APCO up to \$50,000 per project; individual grant requests exceeding \$50,000 must be presented to the Governing Board for approval.
- e. Any entity or organization which is not compliant with MDAQMD regulations or are in arrears to the MDAQMD may not be eligible to apply.
- f. The APCO will periodically report to the Governing Board of the awards and the status of the fund.

2. The APCO may develop additional procedures as needed or direct staff to do so.

IV. CONTRACTS

Projects awarded grant funds will complete a contract with the MDAQMD. All contracts must be executed and projects implemented within the time frames specified in the contract. Contract preparation for projects will commence following project approval by the Governing Board unless otherwise specified herein. Projects must be completed as expeditiously as possible, but no later than the time specified in the contract commencing from the date the contract is executed.

Generally, funds will be released on a reimbursement basis, in increments associated with various deliverables. The particular deliverables, as well as the incremental portion of project funding released with each deliverable, will vary from project to project, and will be described in full in the Scope of Work made part of the contract.

V. AUDIT

Any entity that receives funds from the Mobile Source Emission Reductions Program may be subject to an audit of each project funded. The audit may be conducted by MDAQMD staff or by an independent auditor selected by MDAQMD. The audit will determine if the funds were used in accordance with the contract terms for projects intended to reduce air pollution from motor vehicles.

If MDAQMD determines that the funds were expended in a manner contrary to law or not in accordance with contract provisions, MDAQMD will notify the Grantee of the determination. The MDAQMD Governing Board will hold a public hearing at which the Grantee may present information related to the expenditure of funds. After the hearing the facts of the matter, if the Governing Board determines that the Grantee has expended the funds in a manner that is contrary to law or not in accordance with the terms of the contract, the MDAQMD shall demand repayment from the Grantee the amount equal to the amount that was inappropriately expended. MDAQMD may instead choose to seek alternate options to recover funds inappropriately expended.



Exhibit B

Mojave Desert
Air Quality Management District



Mobile Source Emission Reductions
Program Work Plan

Amended on
October 25, 2021

14306 PARK AVE, VICTORVILLE, CA 92392-2310
PHONE: (760) 245-1661
FAX: (760) 245-2699

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TABLE OF CONTENTS

I. PURPOSE OF WORK PLAN.....	1
II. SOURCES OF FUNDS FOR GRANTS.....	1
A. The Carl Moyer Program.....	1
B. AB 2766 Funds.....	1
1. Operational Support Allocation(s).....	2
2. Public Transit Support Allocation(s).....	2
3. Specific Program Allocation(s).....	2
4. Competitive Grant Opportunities Allocation(s).....	2
C. The Clean Air Fund.....	2
III. GRANT PROGRAM.....	3
A. The Carl Moyer Program.....	3
B. AB 2766 Funds.....	3
1. Operational Support.....	3
2. Public Transit Support.....	3
3. Specific Programs.....	3
4. Competitive Grant Opportunities.....	4
5. Eligible Project(s).....	5
C. The Clean Air Fund.....	6
IV. CONTRACTS.....	7
V. AUDIT.....	7

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Mobile Source Emission Reductions Program Work Plan

I. PURPOSE OF WORK PLAN

This Work Plan sets forth the structure for the Mojave Desert Air Quality Management District (MDAQMD) Mobile Source Emission Reductions Program (MSERP) providing grants to projects that reduce emissions from mobile sources. The Work Plan covers the major policy aspects of the MSERP and includes descriptions of the sources of grant funds, the grant programs, distribution of funds, the Call for Projects process, examples of eligible projects, contracts, and audits. This Work Plan is designed to describe in broad terms the overall mission of MSERP. Guidance documents from funding sources may provide additional guidance. The program may also provide grants to projects under any other program or funding source available to MDAQMD, as long as such projects are compatible with the mission of the Mobile Source Emission Reductions Program. The Governing Board has authorized the Executive Director/APCO to make conforming adjustments and administrative changes to this document as needed.

II. SOURCES OF FUNDS FOR GRANTS

This section of the Work Plan provides background on the primary sources of MSERP funding and may be amended from time to time.

A. THE CARL MOYER PROGRAM

The funding for the Carl Moyer Program originates with the California Air Resources Board (CARB). The purpose of this program is to reduce emissions by providing grants for the incremental cost of cleaner heavy-duty vehicles and equipment such as on-road, off-road, marine, locomotive, stationary agricultural pump, forklift, and airport ground support engines. The grants are administered locally by the District. CARB is responsible for developing program guidelines, establishing the program requirements including the specific criteria for the eligible project categories.

District policy and program management for the Carl Moyer Program is outlined in the MDAQMD Carl Moyer Program Policies and Procedures Manual.

B. AB 2766 FUNDS

In 1992, under the authority of Assembly Bill 2766 (Sher), the MDAQMD Governing Board authorized to impose a \$4 motor vehicle registration fee to provide funds to meet new responsibilities mandated under the California Clean Air Act (CCAA). As enacted in the California Health & Safety Code (§44220), AB 2766 states that the fees shall be used to support district operated planning, monitoring, enforcement and technical studies necessary to implement the CCAA. An additional allowable use is to support programs that reduce air pollution from motor vehicles.

Program structure:

1. **Operational Support Allocation(s)** – Allocate to the District’s General Fund, 60% of total program revenue (approx. \$960,000)
2. **Public Transit Support Allocation(s)** – Allocate in fixed amounts, approx. 25% of total program revenue (\$400,000*), disbursed as follows:
 - a. **Victor Valley Transit Authority:** Adelanto, Apple Valley, Barstow, Hesperia, Victorville, and portions of San Bernardino County. **\$250,000**
 - b. **Morongo Basin Transit Authority:** Twentynine Palms, Yucca Valley, and portions of San Bernardino County. **\$40,000**
 - c. **Needles Area Transit:** Needles and portions of San Bernardino County **\$15,000**
 - d. **Palo Verde Valley Transit Authority:** Blythe and portions of Riverside County **\$20,000**
 - e. **San Bernardino County:** providing ride share for commuters residing in the MDAQMD jurisdiction **\$75,000**
3. **Specific Program Allocation(s)** - Allocate in fixed amounts, approx. 15% of total program revenue (\$240,000)
 - a. Voluntary Accelerated Vehicle Retirement (VAVR) Program **\$60,000**
 - b. Lawn & Garden Equipment Exchange Program (LGEP) **\$150,000**
 - c. EV Charging Infrastructure **\$40,000**
4. **Competitive Grant Opportunities Allocation(s)** – At the discretion of the Executive Director/APCO annual revenue received in excess of the allocations noted above or any unused portions may be offered for competitive proposals or other emission reducing projects/initiatives.

*Not more than 6.25% of the funds distributed shall be used for administrative cost (§ 44233)

C. THE CLEAN AIR FUND

The purpose of this fund is to provide grants for projects that provide positive air quality impacts on a local community. An award from the District for such projects serves the mission of the District to promote clean air and contribute to a reduction in emissions within the jurisdiction. The Mojave Desert Clean Air Fund is governed by MDAQMD Governing Board Policy 17-01 and related MDAQMD Standard Practices developed to administer the Fund. The Clean Air Fund was initially funded with resources identified by the District in cooperation with the California Air Resources Board and the California

State Department of Finance. Future funding may be recommended and authorized by the Board from time to time either directly or through the annual budget process.

III. GRANT PROGRAM

A. THE CARL MOYER PROGRAM

The guidelines adopted by CARB establish the program requirements for the District, and they also describe the specific criteria for the eligible project categories.

District policy and program management for the Carl Moyer Program is outlined in the MDAQMD Carl Moyer Program Policies and Procedures Manual.

B. AB 2766 FUNDS

1. Operational Support

District operations related to mobile source emission reductions include programs, projects, education, and monitoring supported with primary staff time in Air Monitoring, Planning and Rulemaking, Grants, Community Relations & Education, and related administration; overhead, related equipment, materials and supplies.

The District will establish a cost accounting system to track the use and expenses of funds designated for operational support.

2. Public Transit Support

The District will disburse to eligible transit agencies one time annually the designated amounts as indicated herein, after receipt of revenue for the fiscal year. Funds may be distributed approximately in October. The transit agency will be required to

- a. Commit to the eligible use of funds using a Memorandum of Agreement;
- b. Indicate the planned use of funds disbursed; and
- c. Commit to fully expending the funds not later than June 30 of the following year, and to return to the District unspent funds not later than August 30.
- d. Provide receipts and or financial statements indicating the expenditures of funds for eligible costs.

3. Specific Programs and Emission Reducing Projects/Initiatives

The District will periodically report to the Governing Board the progress and status of the specific programs including but not limited to the funds under

contract, the use of funds, and funds remaining throughout the fiscal year. At the discretion of the Executive Director/APCO unused balances may be offered for competitive proposals or used for other emission reducing projects/initiatives. The Executive Director/APCO is authorized to award up to \$50,000 per project; project(s) requests exceeding \$50,000 must be presented to the Governing Board for approval.

(Report components: Amount of Funds Awarded; Amount under contract; Amount Spent to report date; Balance available for each program)

4. Competitive Grant Opportunities

From time to time the District may accumulate AB 2766 funds from various sources such as canceled grants, residual amounts following the completion of a grant-funded project, or revenue received in excess of the program distribution formula, as noted above. At his discretion the Executive Director/APCO may issue a Call for Projects that will offer opportunity for the community to propose creative projects that may be eligible for use of the AB 2766 funds.

- a. The Call for Projects will include instructions for
 - 1) Submitting proposals, including any preproposal meetings, deadlines, terms and conditions for the proposed projects, form of the proposal
 - 2) Examples of eligible projects
 - 3) The amount of funds available to award
 - 4) Evaluation criteria including, but not limited to, the quantifiable emission reductions, quantifiable vehicle miles traveled reductions; experience of applicant; project cost comparison (total project costs); broad based application; dedicated co-funding; creativity; multi-agency cooperation; broad based support; relative value of administrative costs to the overall project cost; average age of fleet; proposal format/organization/content (proposal quality); and cost effectiveness.
 - 5) A pro forma contract
- b. The Executive Director/APCO and staff will review and evaluate the proposals based on the published criteria. The Executive Director/APCO will make selection and funding recommendations to the Governing Board. The MDAQMD Governing Board will make the final determination for grants awarded.
- c. Selected projects will be required to develop a Scope of Work based on the terms set forth in the Call for Projects and commitments described by the Grantee in their proposal. Grantees will enter into a contract with the

MDAQMD. The Scope of Work shall include at least the following elements:

- 1) The proposal's project description
 - 2) Milestones and deliverables
 - 3) Estimated project completion
 - 4) Allowable costs
- d. The District will evaluate the Grantee's contract performance through the duration of the contract and project implementation.

5. Eligible Projects

These program guidelines are established by the MDAQMD Governing Board. Except as specifically limited below, any project that would result in a reduction of emissions from motor vehicles, reductions in vehicle miles traveled, reductions in vehicle trips, or a public education program that supports any of the above ends would also be potentially eligible for funding. Types of projects that may be funded include, but are not limited to:

- a. Alternative fuel/electric vehicle infrastructure development
- b. Purchase or lease of clean fuel/electric vehicles, or repowering existing vehicles to operate on alternative fuel. Program funding limited to incremental cost of the alternative fuel technology or an amount not to exceed 25% of the total project cost, whichever is greater.
- d. Implementation of rail-bus integration and regional transit information systems
- e. Transit services and transit projects, including but not limited to shuttle service or subsidizing transit passes
- f. Park and Ride Lots; Parking management
- g. Implementation of demonstration projects in telecommuting, video conferencing,
- h. Implementation of a smoking vehicles program
- i. Voluntary Accelerated Vehicle Retirement
- j. Public education programs
- k. Proposals/projects not falling under any category in a-j may be considered on a case-by-case basis and will be subject to the final authority of the Executive

Director/APCO. Proposals/projects requesting a case-by-case must provide permanent and quantifiable emission reductions.

1. Funding limitations: For alternative fuel vehicle purchases/leases, the funding request may not exceed 25% of total vehicle cost or the incremental cost of the alternative fuel vehicle over a conventionally fueled vehicle, whichever is greater. When a conventionally fueled vehicle is replaced under this program, that vehicle or a similar vehicle must be removed from service within MDAQMD boundaries. The MDAQMD supports infrastructure projects which make alternate fuels available to the consumer market.

The following projects **will not be eligible** for Mobile Source Emission Reductions Program funding:

- 1) Street or road paving or sidewalk construction.
- 2) Projects required as mitigation by an environmental document under the California Environmental Quality Act or National Environmental Policy Act.
- 3) Projects to comply with or implement a mandatory requirement of an existing MDAQMD regulation.
- 4) Implementation and maintenance of local arterial traffic management, including, but not limited to, signal timing, transit signal preemption, bus stop relocation, and smart streets.

Special Note: Projects funded with Mobile Source Emission Reductions Program funding cannot generate Emission Reduction Credits (ERCs) pursuant

C. THE CLEAN AIR FUND

Eligible projects may include but are not limited to purchase(s) of equipment, creation of programs, or construction of projects that upon completion improve air quality by reducing emissions and/or, dust, or increasing energy efficiency. Programs which are duplicative of District efforts are not eligible for funding.

The Mojave Desert Clean Air Fund may not be used to fund projects otherwise eligible for other District grant programs, such as the Mobile Emissions Reduction Program, Carl Moyer, or other restricted funding sources. Should funds from these existing programs be depleted, the APCO may approve a grant submission to the Mojave Desert Clean Air Fund that would otherwise be eligible for other District grant programs.

1. Procedure
 - a. Grant awards will be made from an interest bearing bank account established for the purpose of funding the Mojave Desert Clean Air Fund.

- b. Requests for grant awards must be made in writing to the APCO, or designee, and must describe the proposed project, provide a budget of the funds requested, an explanation for the requested amount of funds, describe the community which will be impacted by the proposed air quality benefit and outline any in-kind or matching funds available.
 - c. Project awards must provide positive air quality impacts and/or education within the community. Project requests must submit an evaluation of the air quality benefit or air quality improvement.
 - d. Grant award recommendations and disbursement is delegated to the APCO up to \$50,000 per project; individual grant requests exceeding \$50,000 must be presented to the Governing Board for approval.
 - e. Any entity or organization which is not compliant with MDAQMD regulations or are in arrears to the MDAQMD may not be eligible to apply.
 - f. The APCO will periodically report to the Governing Board of the awards and the status of the fund.
2. The APCO may develop additional procedures as needed or direct staff to do so.

IV. CONTRACTS

Projects awarded grant funds will complete a contract with the MDAQMD. All contracts must be executed and projects implemented within the time frames specified in the contract. Contract preparation for projects will commence following project approval by the Governing Board unless otherwise specified herein. Projects must be completed as expeditiously as possible, but no later than the time specified in the contract commencing from the date the contract is executed.

Generally, funds will be released on a reimbursement basis, in increments associated with various deliverables. The particular deliverables, as well as the incremental portion of project funding released with each deliverable, will vary from project to project, and will be described in full in the Scope of Work made part of the contract.

V. AUDIT

Any entity that receives funds from the Mobile Source Emission Reductions Program may be subject to an audit of each project funded. The audit may be conducted by MDAQMD staff or by an independent auditor selected by MDAQMD. The audit will determine if the funds were used in accordance with the contract terms for projects intended to reduce air pollution from motor vehicles.

If MDAQMD determines that the funds were expended in a manner contrary to law or not in accordance with contract provisions, MDAQMD will notify the Grantee of the determination.

The MDAQMD Governing Board will hold a public hearing at which the Grantee may present information related to the expenditure of funds. After the hearing the facts of the matter, if the Governing Board determines that the Grantee has expended the funds in a manner that is contrary to law or not in accordance with the terms of the contract, the MDAQMD shall demand repayment from the Grantee the amount equal to the amount that was inappropriately expended. MDAQMD may instead choose to seek alternate options to recover funds inappropriately expended.

The following page(s) contain the backup material for Agenda Item: Authorize (1) participation in Year 24 of the Carl Moyer Program, (2) authorize application submittal, (3) authorize the Executive Director/APCO to negotiate technical program details, execute contract with CARB approved as to legal form by the Office of District Counsel, (4) authorize acceptance and encumbrance of funds (5) authorize the Executive Director/APCO to revise budget accordingly. Presenter: Jorge Camacho, Grants Analyst. Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #3

PAGE 1

DATE: October 25, 2021

RECOMMENDATION: Authorize (1) participation in Year 24 of the Carl Moyer Program, (2) authorize application submittal, (3) authorize the Executive Director/APCO to negotiate technical program details, execute contract with CARB approved as to legal form by the Office of District Counsel, (4) authorize acceptance and encumbrance of funds (5) authorize the Executive Director/APCO to revise budget accordingly.

SUMMARY: This item authorizes the District's participation, application, contract negotiation, acceptance and encumbrance of Year 24 Carl Moyer grant funds.

BACKGROUND: The Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program) provides monetary grants for the incremental cost of cleaner than required technology. While the California Air Resources Board (CARB) is responsible for developing the Moyer Program Guidelines, the participating California air pollution control districts and air quality management districts are in charge of administering the program. The state legislature has authorized continuing funding for statewide implementation of the Moyer Program into FY 2021-2022 (Year 24).

Subject to the final reporting of available revenue for the Moyer Program, the tentative allocation for the MDAQMD is \$2,459,231. The tentative allocation includes \$307,404 to offset administrative cost. The amount of funding will be finalized during the contract development process authorized under the recommendation. By submitting an application to CARB, the District will be able to claim those funds and demonstrate the willingness to administer the program in accordance with the stated objectives.

The program requires the District to provide one dollar in matching funding for every two dollars of Moyer funding (50%). This match amount may be modified if the overall allocation is greater than the statewide \$12 million cap. Currently Moyer Program funding exceeds \$65 million statewide and CARB has completed a recalculation of participating districts' required match. The MDAQMD will be required to provide an estimated \$368,885 in match funding (15%). The amount of match required will also be finalized during the contract development process authorized under the recommendation. Eligible projects awarded using AB 2766 funds or other District funds will satisfy the tentative allocation requirement.

REASON FOR RECOMMENDATION: Program guidelines require Governing Board formally authorize the District's participation, application, and acceptance of grant funds for the Carl Moyer program. By this action the Governing Board delegates authority to the Executive Director/APCO to execute contract(s) with CARB for this grant and comply with program requirements.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Brad Poiriez, Executive Director on or about September 21, 2021.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #3

PAGE 2

FINANCIAL DATA: Approving the item will allow the District to revise estimated revenues and expenses in the budget to actuals when grant funds or subsequent grants funds are received.

PRESENTER: Jorge Camacho, Grants Analyst.

Mojave Desert Air Quality Management District

Brad Poiriez, Executive Director

14306 Park Avenue, Victorville, CA 92392-2310

760.245.1661 • Fax 760.245.2699

www.MDAQMD.ca.gov • @MDAQMD

Exhibit A



To: Air Pollution Control Officers

From: Scott Rowland
Branch Chief
Mobile Source Control Division

Date: September 21, 2021

Subject: SOLICITATION FOR APPLICATIONS TO RECEIVE FUNDING FROM THE CARL MOYER MEMORIAL AIR QUALITY STANDARDS ATTAINMENT PROGRAM: FISCAL YEAR (FY) - 2021-2022 (YEAR 24) FUNDS – APPLICATIONS DUE WEDNESDAY, OCTOBER 20, 2021.

This memo solicits applications for FY 2021-2022 (Year 24) grants from the Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program). All California air pollution control and air quality management districts may apply for these grants funded by smog abatement and tire fees.

For Year 24, the California Air Resources Board (CARB) estimates, that based on authority and projected Carl Moyer Program revenues for FY 2021-2022, approximately \$235 million will be available for grants to districts under Carl Moyer Program regular and State Reserve funds. The tentative allocation of regular Carl Moyer Program funds reflects updated information on air district populations and air pollution severity under the requirements of Health and Safety Code section 44299.2. The share of district funds available for Carl Moyer Program administration reflects current statutory allowances. A district may, however, request a lower administrative portion and retain the difference in project funds.

A response to the solicitation notice must be received by Wednesday, October 20, 2021 and should include the completed and signed application. Attached to this notice is the tentative allocation table and application form. The solicitation package includes attachments that you will need to complete your application:

- Attachment 1 provides districts' tentative funding allocations for regular Carl Moyer Program funds.
- Attachment 2 is the application form. Districts must complete and return this form to receive or designate funds. (<https://ww2.arb.ca.gov/administrative-forms-carl-moyer-program-community-air-protection-incentives>)

Tentative and Final Grant Amounts

Attachment 1 provides the tentative grant amounts available by district and the corresponding match commitment. **Note that these tentative allocations are based on a preliminary estimate of revenues for the Carl Moyer Program and should not be used in board resolutions.** Final allocations will be calculated by applying the formula described in Health and Safety Code section 44299.2, with consideration of the final revenue (estimate expected in November 2022), the number of districts that apply and funds requested.

Match Requirement

A district's match requirement is 15 percent of its allocation, except those districts requesting the minimum allocation of \$200,000, which are exempt from a match requirement. A district may apply for more than the tentative allocation, with a matching funds commitment of 15 percent. Please contact your Carl Moyer Program liaison or Ms. Deborah Paselk using the contact information at the end of this memorandum, if you need assistance with determining your match requirement.

Designations

A district may choose to designate the minimum allocation to the Rural District Assistance Program (RAP), or its tentative allocation to a lead air district. The district may make these designations in the application, for the current Year 24 and up to four succeeding years.

In responding to this solicitation, districts may take one of the following actions:

1. **Accept your grant award and request a reservation of funds equal to or greater than your tentative allocation, or accept an amount less than your grant award and request a reservation of funds for the amount desired.**

To participate in the Carl Moyer Program, accept the grant award, and reserve an allocation, districts must submit the following:

- Application – A completed application form signed and dated by the district's Air Pollution Control Officer or authorized designee. Please complete all applicable sections of the application, including section 4 if the district requests a lower administration portion of the total grant.
 - If requesting additional funds, beyond your tentative allocation, or accepting an amount less than your tentative allocation but greater than the minimum (\$200,000), please use Section 2, second row. If the amount will be less than your tentative allocation, please indicate

this on your district's email to CARB with a cc to your Carl Moyer Program liaison.

- District Board Resolution/Board Minute Order (BMO) – The district board resolution/BMO must commit to participate in the Carl Moyer Program, accept Carl Moyer Program funds, and follow the requirements of the Carl Moyer Program. Because allocations in Attachment 1 are tentative and final allocations will differ, the resolution/BMO should not specify an exact grant amount unless district board policy requires it, in which case a not-to-exceed figure should be used. District resolution/BMO should accompany the signed grant agreement that is to be received by CARB on **April 15, 2022**. If a district is unable to make this deadline, the District must indicate on the application the date the board will hear the item. The deadline for Resolutions/BMOs to be received by CARB is **June 30, 2022**. Should a district require additional time to obtain a Board resolution/BMO or require a model resolution, please contact your Carl Moyer Program liaison for additional assistance.
 - District Match Funds – Districts can meet the 15 percent match obligation through local funds tied to a combination of (1) already committed projects not used as match for a previous grant, (2) future projects, and (3) contribution of in-kind administration limited to not more than 15 percent of the total match commitment. All projects used to meet match requirements must be eligible under current Carl Moyer Program guidelines. Already committed match projects must be entered or uploaded to the Carl Moyer Program Clean Air Reporting Log (CARL) by the application deadline.
 - Policies and Procedures Manual – In signing the application the district Air Pollution Control Officer or designee confirms that an up-to-date district Carl Moyer Program Policies and Procedures Manual is maintained at the district's office. The manual or recent changes to it need not be submitted with the application but should be made available for review upon request.
2. **Designate your tentative allocation to a lead district, or your minimum allocation of \$200,000 to RAP.**

Districts opting to designate funds to a lead district or RAP must submit the following:

- Application – An original application form signed and dated by the district's Air Pollution Control Officer or authorized designee. Please complete Sections 1, 2, 5, 6, and 7.

- District Board Resolution/BMO – A district board resolution to authorize designation of Moyer Program funds to a lead district or the Rural Assistance Program for the years you have specified in your application. District resolution/BMO should accompany the signed grant agreement that is to be received by CARB on **April 15, 2022**. If a district is unable to make this deadline, the District must indicate on the application the scheduled board date. The deadline for Resolutions/BMOs to be received by CARB is **June 30, 2022**. Should a district require additional time to obtain a Board resolution/BMO or require a model resolution, please contact your Carl Moyer Program liaison for additional assistance.
3. **Decline the Funds**
- Districts that choose not to participate in the Carl Moyer Program for Year 24 are asked to complete sections 1, 2, and 7 of the application form, including signature by the Air Pollution Control Officer.

Please send your completed application by e-mail to MSCDGrants@arb.ca.gov. CARB will assume a district has declined Year 24 funds if an application is not submitted to CARB by Wednesday, October 20, 2021 and has not previously designated funds.

The Carl Moyer Program 2017 Guidelines are available electronically at <http://www.arb.ca.gov/msprog/moyer/guidelines/current.htm>; see Sections B and C of Chapter 3 for guidelines related to the solicitation and application. For questions about the application process, please contact your Carl Moyer Program liaison or Ms. Deborah Paselk, Moyer Administration Lead, via email at Deborah.Paselk@arb.ca.gov.

Sincerely,

Scott Rowland

Scott Rowland, Branch Chief
Mobile Source Control Division

Enclosures

cc: See next page.

cc: Tung Le
Executive Director
California Air Pollution Control Officers Association
1107 Ninth Street, Suite 801
Sacramento, California 95814

Deborah Paselk
Air Pollution Specialist – Moyer Administration Lead
Mobile Source Control Division

Attachment 1: Carl Moyer Program Year 24 Tentative Allocation

Table 1: Air District Allocations

Air District	Total Allocation	Administration Allocation	Project Allocation	Required Match
Amador County APCD	\$298,793	\$37,349	\$261,444	\$44,819
Antelope Valley AQMD	\$1,730,062	\$216,258	\$1,513,804	\$259,509
Bay Area AQMD	\$27,586,540	\$1,724,159	\$25,862,381	\$4,137,981
Butte County AQMD	\$735,683	\$91,960	\$643,723	\$110,352
Calaveras County APCD	\$319,036	\$39,880	\$279,156	\$47,855
Colusa County APCD	\$249,064	\$31,133	\$217,931	\$37,360
Eastern Kern APCD	\$696,998	\$87,125	\$609,873	\$104,550
El Dorado County AQMD	\$801,901	\$100,238	\$701,663	\$120,285
Feather River AQMD	\$756,717	\$94,590	\$662,127	\$113,507
Glenn County APCD	\$265,452	\$33,182	\$232,270	\$39,818
Great Basin Unified APCD	\$272,760	\$34,095	\$238,665	\$40,914
Imperial County APCD	\$773,162	\$96,645	\$676,517	\$115,974
Lake County AQMD	\$341,008	\$42,626	\$298,382	\$51,151
Lassen County APCD	\$260,805	\$32,601	\$228,204	\$39,121
Mariposa County APCD	\$247,674	\$30,959	\$216,715	\$37,151
Mendocino County AQMD	\$391,133	\$48,892	\$342,241	\$58,670

Air District	Total Allocation	Administration Allocation	Project Allocation	Required Match
Modoc County APCD	\$220,931	\$27,616	\$193,315	\$33,140
Mojave Desert AQMD	\$2,459,231	\$307,404	\$2,151,827	\$368,885
Monterey Bay Unified APCD	\$2,693,083	\$336,635	\$2,356,448	\$403,962
North Coast Unified AQMD	\$577,848	\$72,231	\$505,617	\$86,677
Northern Sierra AQMD	\$565,928	\$70,741	\$495,187	\$84,889
Northern Sonoma County APCD	\$314,899	\$39,362	\$275,537	\$47,235
Placer County APCD	\$1,447,769	\$180,971	\$1,266,798	\$217,165
Sacramento Metropolitan AQMD	\$12,324,980	\$770,311	\$11,554,669	\$1,848,747
San Diego County APCD	\$17,987,451	\$1,124,216	\$16,863,235	\$2,698,118
San Joaquin Valley APCD	\$35,370,703	\$2,210,669	\$33,160,034	\$5,305,605
San Luis Obispo County APCD	\$916,745	\$114,593	\$802,152	\$137,512
Santa Barbara County APCD	\$1,629,666	\$203,708	\$1,425,958	\$244,450
Shasta County AQMD	\$592,099	\$74,012	\$518,087	\$88,815
Siskiyou County APCD	\$297,762	\$37,220	\$260,542	\$44,664
South Coast AQMD	\$90,275,094	\$5,642,193	\$84,632,901	\$13,541,264

Air District	Total Allocation	Administratio nAllocation	Project Allocation	Require dMatch
Tehama County APCD	\$372,740	\$46,593	\$326,147	\$55,911
Tuolumne County APCD	\$341,315	\$42,664	\$298,651	\$51,197
Ventura County APCD	\$5,775,758	\$721,970	\$5,053,788	\$866,364
Yolo-Solano AQMD	\$1,294,210	\$161,776	\$1,132,434	\$194,132
TOTAL	\$211,185,000	\$14,926,577	\$196,258,423	\$31,677,749

Table 2: Regional and CARB Allocations

Allocation	Total Allocation	Administration Allocation	Project Allocation	Required Match
Sacramento Region Total ¹	\$13,619,190	\$932,087	\$12,687,103	\$2,042,879
San Joaquin Valley Region Total ²	\$35,643,463	\$2,244,764	\$33,398,699	\$5,346,519
State Reserve Funds (10%)	\$23,465,000	N/A	N/A	N/A

Allocations are tentative, based on initial calculations per the Health and Safety Code and prior to adjustments following responses to the solicitation. These amounts should not be cited in district board resolutions and minute orders. Final grants will differ.

¹ Sacramento Region Total is the combined total allocations from Sacramento Metropolitan AQMD and Yolo-Solano AQMD

² San Joaquin Valley Region Total is the combined total allocations from San Joaquin Valley APCD and Great Basin Unified APCD

ATTACHMENT 2: CARL MOYER PROGRAM APPLICATION

MSCD/ITAB-099 (REV. 12/2020) PAGE 1 OF 3

The California Air Resources Board must receive this application by the due date specified in the Solicitation Memo <https://ww2.arb.ca.gov/administrative-forms-carl-moyer-program-community-air-protection-incentives>.

Send the Air District's signed application to MSCD Grants at MSCDGrants@arb.ca.gov.

SECTION 1: APPLICANT AIR DISTRICT

Air District Name:	
Street Address:	City/Zip Code:
Contact Person:	Telephone Number:
E-mail:	
The address provided above matches the address provided on the Air District's Data Record Form (STD 204) or Government Agency Tax Payer ID Form <input type="checkbox"/> Yes <input type="checkbox"/> If no, the Air District will be submitting a corrected STD. 204 or Government Agency Tax Payer ID Form to CARB.	

SECTION 2: AIR DISTRICT REQUEST OF CARL MOYER PROGRAM FUNDING

Moyer Year:	Fiscal Year:
-------------	--------------

Check one box and enter the dollar amount (if applicable).

<input type="checkbox"/> Tentative allocation ("Total Allocation" amount from Attachment 1):	\$	
<input type="checkbox"/> Greater amount than tentative allocation, if available:	\$	
Sum of tentative allocation plus greater amount:	\$	
<input type="checkbox"/> Minimum allocation of \$200,000 (no match required).		
<input type="checkbox"/> Minimum allocation and authorizes the funds be designated to the Rural District Assistance Program (RAP) for the current fiscal year.		
<input type="checkbox"/> Tentative allocation and authorizes the funds be designated to a lead air district for the current fiscal year.		
Identify the lead air district:		
<input type="checkbox"/> No Carl Moyer Program funds. Air District declines all funding for this fiscal year.		

ATTACHMENT 2: CARL MOYER PROGRAM APPLICATION
 MSCD/ITAB-099 (REV. 12/2020) PAGE 2 OF 3

SECTION 3: AIR DISTRICT MATCHING FUNDS
(15% OF FUNDING REQUEST, FOR APPLICATIONS OVER \$200,000)

The Total Air District Match is based on the: <input type="checkbox"/> Tentative allocation <input type="checkbox"/> Request Allocation (Tentative allocation plus greater amount) <input type="checkbox"/> Other
Total Air District Match:

Specify match funding by Source and Amount:

Source of Funding	Dollar Amount

Match Funds Subtotal:
Estimated In-Kind Administration: (Up to 15% of Total District Match)

SECTION 4: PROGRAM ADMINISTRATION

Check the box with the percentage for program administration that best applies to the Air District. If the Air District wishes to request a program administration grant percentage lower than the 6.25% or 12.5% allowed under statute (H&SC § 44299.1) check last box and enter the percentage.

<input type="checkbox"/> 6.25% (Air District with one million or more inhabitants)
<input type="checkbox"/> 12.5% (Air District under one million inhabitants)
<input type="checkbox"/> The Air District requests program administration funds be included in this grant at a lower portion than allowed by statute. Percent of the total grant:

ATTACHMENT 2: CARL MOYER PROGRAM APPLICATION

SECTION 5: BOARD RESOLUTION

Check one box and complete the date (if applicable).

This application has been duly approved and authorized by the Air District governing board, as specified in the attached resolution.

This application is scheduled to go before the Air District Board.

Date scheduled to go before the Air District Board:

SECTION 6: AIR DISTRICT CONTACT INFORMATION

Air District Air Pollution Control Officer	Telephone Number	Email Address

Air District Carl Moyer Program Manager	Telephone Number	Email Address

SECTION 7: AIR DISTRICT APCO/EO APPROVED SIGNATURE

To the best of my knowledge and belief, the information in this application is true and correct. Unless my Air district has declined or designated these grant funds, an up-to-date Carl Moyer Program District Policies and Procedures Manual, based on current Carl Moyer Program Guidelines, is maintained at the Air District's office.

Signature of Air Pollution Control Officer:

Date of Signature:

ATTACHMENT 2: CARL MOYER PROGRAM APPLICATION

MSCD/ITAB-099 (REV. 12/2020) PAGE 1 OF 3

The California Air Resources Board must receive this application by the due date specified in the Solicitation Memo <https://ww2.arb.ca.gov/administrative-forms-carl-moyer-program-community-air-protection-incentives>.

Send the Air District's signed application to MSCD Grants at MSCDGrants@arb.ca.gov.

SECTION 1: APPLICANT AIR DISTRICT

Air District Name: Mojave Desert Air Quality Management District	
Street Address: 14306 Park Ave	City/Zip Code: Victorville/92392
Contact Person: Jorge Camacho	Telephone Number: 760.245.1661 ext. 2020
E-mail: jcamacho@mdaqmd.ca.gov	
The address provided above matches the address provided on the Air District's Data Record Form (STD 204) or Government Agency Tax Payer ID Form <input checked="" type="checkbox"/> Yes <input type="checkbox"/> If no, the Air District will be submitting a corrected STD. 204 or Government Agency Tax Payer ID Form to CARB.	

SECTION 2: AIR DISTRICT REQUEST OF CARL MOYER PROGRAM FUNDING

Moyer Year: 24	Fiscal Year: 2021-2022
-------------------	---------------------------

Check one box and enter the dollar amount (if applicable).

<input type="checkbox"/> Tentative allocation ("Total Allocation" amount from Attachment 1):	\$	
<input checked="" type="checkbox"/> Greater amount than tentative allocation, if available:	\$	2,459,231
Sum of tentative allocation plus greater amount:	\$	3,000,000
<input type="checkbox"/> Minimum allocation of \$200,000 (no match required).		
<input type="checkbox"/> Minimum allocation and authorizes the funds be designated to the Rural District Assistance Program (RAP) for the current fiscal year.		
<input type="checkbox"/> Tentative allocation and authorizes the funds be designated to a lead air district for the current fiscal year. Identify the lead air district:		
<input type="checkbox"/> No Carl Moyer Program funds. Air District declines all funding for this fiscal year.		

ATTACHMENT 2: CARL MOYER PROGRAM APPLICATION

**SECTION 3: AIR DISTRICT MATCHING FUNDS
 (15% OF FUNDING REQUEST, FOR APPLICATIONS OVER \$200,000)**

The Total Air District Match is based on the:

Tentative allocation

Request Allocation (Tentative allocation plus greater amount)

Other

Total Air District Match:
 \$450,000

Specify match funding by Source and Amount:

Source of Funding	Dollar Amount
AB 2766	\$450,000

Match Funds Subtotal:
 \$450,000

Estimated In-Kind Administration: (Up to 15% of Total District Match)

SECTION 4: PROGRAM ADMINISTRATION

Check the box with the percentage for program administration that best applies to the Air District. If the Air District wishes to request a program administration grant percentage lower than the 6.25% or 12.5% allowed under statute (H&SC § 44299.1) check last box and enter the percentage.

6.25% (Air District with one million or more inhabitants)

12.5% (Air District under one million inhabitants)

The Air District requests program administration funds be included in this grant at a lower portion than allowed by statute.

Percent of the total grant:

ATTACHMENT 2: CARL MOYER PROGRAM APPLICATION

SECTION 5: BOARD RESOLUTION

Check one box and complete the date (if applicable).

This application has been duly approved and authorized by the Air District governing board, as specified in the attached resolution.

This application is scheduled to go before the Air District Board.

Date scheduled to go before the Air District Board:

October 25, 2021

SECTION 6: AIR DISTRICT CONTACT INFORMATION

Air District Air Pollution Control Officer	Telephone Number	Email Address
Brad Poiriez	760.245.1661	bradp@mdaqmd.ca.gov

Air District Carl Moyer Program Manager	Telephone Number	Email Address
Laquita Cole	760.245.1661	lcole@mdaqmd.ca.gov

SECTION 7: AIR DISTRICT APCO/EO APPROVED SIGNATURE

To the best of my knowledge and belief, the information in this application is true and correct. Unless my Air district has declined or designated these grant funds, an up-to-date Carl Moyer Program District Policies and Procedures Manual, based on current Carl Moyer Program Guidelines, is maintained at the Air District's office.

Signature of Air Pollution Control Officer: 	Date of Signature: 9/21/2021
--	---------------------------------

The following page(s) contain the backup material for Agenda Item: [\(1\) Adopt a Resolution authorizing the District's continuing participation in the Funding Agricultural Replacement Measures for Emission Reductions \(FARMER\) Program through Fiscal Year 2024-25, \(2\) authorize application submittal, \(3\) authorize the Executive Director/APCO to negotiate technical program details, execute contract with CARB approved as to legal form by the Office of District Counsel, \(4\) authorize acceptance and encumbrance of funds \(5\) authorize the Executive Director/APCO to revise budget accordingly. Presenter: Jorge Camacho, Grants Analyst.](#)

Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #4

RECOMMENDATION: (1) Adopt a Resolution authorizing the District's continuing participation in the Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program through Fiscal Year 2024-25, (2) authorize application submittal, (3) authorize the Executive Director/APCO to negotiate technical program details, execute contract with CARB approved as to legal form by the Office of District Counsel, (4) authorize acceptance and encumbrance of funds (5) authorize the Executive Director/APCO to revise budget accordingly.

SUMMARY: This item authorizes the District's participation, application, contract negotiation, acceptance and encumbrance of Fiscal Year 22 FARMER grant funds, budget revision.

BACKGROUND: In September 2017, Governor Brown signed into law Assembly Bill (AB) 109 (Ting, Chapter 249, Statutes of 2017) and AB 134 (Committee on Budget, Chapter 254, Statutes of 2017). Together, these two bills appropriate \$135 million from the State Budget for Fiscal Year (FY) 2017-18 to the California Air Resources Board (CARB) for reducing criteria, toxic, and greenhouse gas (GHG) emissions from the agricultural sector. In response, CARB developed the FARMER Program Guidelines to meet the Legislature's objectives and help meet the State's criteria, toxic and greenhouse gas emission reduction goals. The state legislature has authorized continuing funding for statewide implementation of the FARMER program.

Subject to the final reporting of available revenue for the FARMER Program, the tentative allocation for the MDAQMD is \$1.8 million. The tentative allocation includes funds to offset administrative cost. The amount of funding will be finalized during the contract development process authorized under the recommendation. By formally authorizing participation in the FARMER program, the District will be able to apply for those funds. The resolution will allow the District to participate over multiple years and streamline the annual FARMER application process with CARB. The Board will be updated accordingly with grant amounts are received.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #4

Page 2

REASON FOR RECOMMENDATION: Program guidelines require Governing Board formally authorize the District's participation, application, and acceptance of grant funds for the FARMER program.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Brad Poiriez, Executive Director on or about October 4, 2021.

FINANCIAL DATA: Approving the item will allow the District to revise estimated revenues and expenses in the budget to actuals when grant funds or subsequent grants funds are received.

PRESENTER: Jorge Camacho, Grants Analyst.

RESOLUTION _____

A RESOLUTION OF THE GOVERNING BOARD OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT AUTHORIZING PARTICIPATION AND ACCEPTANCE OF FARMER INCENTIVE FUNDING FROM THE CALIFORNIA AIR REOSURCES BOARD

WHEREAS, in September 2021, Governor Newsom signed into law Senate Bill (SB) 170 (Skinner, Chapter 240, Statutes of 2021), which appropriates \$212.6 million from the State Budget for the FARMER Program for FY 2021-22 from the Greenhouse Gas Reduction Fund (GGRF) and Air Pollution Control Fund (APCF);

WHEREAS, CARB developed the Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program Guidelines to meet the Legislature’s objectives and help meet the State’s criteria, toxic and greenhouse gas emission reduction goals;

WHEREAS, funding for the FARMER program in subsequent fiscal years comes from a variety of funding sources, such as, the Greenhouse Gas Reduction Fund (GGRF), the California Tire Recycling Management Fund; and the Air Pollution Control Fund (APCF);

WHEREAS, annually, CARB proposes a tentative allocation for the Mojave Desert Air Quality Management District to implement projects pursuant to the FARMER Program guidelines;

WHEREAS, there are specific legislative requirements for the FARMER Program (e.g., expenditure records, quantification methodology, annual reporting, and disadvantaged/low income community investments) of the cap and trade proceeds that the District will need to adhere to;

WHEREAS, the District may need to transfer funds to other districts, or may be invited to accept FARMER funds previously allocated to other air districts through inter-district transfer;

NOW, THEREFORE, BE IT RESOLVED, the Mojave Desert Air Quality Management District Governing Board hereby approves the District’s participation in the FARMER Program, through Fiscal Year 2024-25, authorizes application submittal, authorizes the acceptance of funds awarded to the District for eligible projects and authorizes the APCO to implement the program each year through Fiscal Year 2024-25, in accordance with the terms and conditions of the FARMER Program grant agreements that are approved by the District; and

BE IT FURTHER RESOLVED that the APCO is authorized to adjust the budget if necessary when each year’s fiscal year funding is finalized or when an air district transfer occurs; and

RESOLUTION _____

1 **BE IT FURTHER RESOLVED** that the District will comply with the applicable FARMER
2 program guidelines; and

3 **BE IT FURTHER RESOLVED** that the Air Pollution Control Officer/Executive Officer is
4 authorized to executive on behalf of the District grant agreements with CARB and all other related
5 documents needed to implement and carry out the purposes of this Resolution, subject to review and
6 approval by District counsel as to legal form, each year through Fiscal Year 2024-25.

7
8 **PASSED, APPROVED AND ADOPTED** by the Governing Board of the Mojave Desert Air Quality
9 Management District by the following vote:

10 AYES: MEMBER:

11 NOES: MEMBER:

12 ABSENT: MEMBER:

13 ABSTAIN: MEMBER:

14
15 STATE OF CALIFORNIA)
16 COUNTY OF SAN BERNARDINO) SS:
17)

18
19 I, Deanna Hernandez, Senior Executive Analyst of the Mojave Desert Air Quality Management
20 District, hereby certify the foregoing to be a full, true and correct copy of the record of the action as the
21 same appears in the Official Minutes of said Governing Board at its meeting of October 25, 2021.

22 _____
23 Senior Executive Analyst,
24 Mojave Desert Air Quality Management District.
25
26
27
28

The following page(s) contain the backup material for Agenda Item: [Receive and file Policies and Procedures Manual for the District's Carl Moyer Program \(Moyer Program\)](#).
[Acknowledge addition of Appendix B. Presenter: Jorge Camacho, Grants Analyst.](#)
Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #5

DATE: October 25, 2021

RECOMMENDATION: Receive and file Policies and Procedures Manual for the District's Carl Moyer Program (Moyer Program). Acknowledge addition of Appendix B.

SUMMARY: Receive and file the District's Policies and Procedures Manual for the Moyer Program.

BACKGROUND: Periodically, staff updates grant policies and procedures for efficiencies and to comply with program guidelines. Staff has reviewed and updated the policies & procedures for our Carl Moyer Program. Appendix B-which details the MDAQMD's Lawn & Garden replacement program has been added to fulfill a program requirement. A redlined copy of the policies and procedures is included as Exhibit A for your reference. A clean copy is attached as Exhibit B.

REASON FOR RECOMMENDATION: Receive and file.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Brad Poiriez, Executive Director on or about September 23, 2021.

FINANCIAL DATA: No changes in appropriation.

PRESENTER: Jorge Camacho, Grants Analyst.

Mojave Desert Air Quality Management District

Brad Poiriez, Executive Director

14306 Park Avenue, Victorville, CA 92392-2310

760.245.1661 • Fax 760.245.2699

www.MDAQMD.ca.gov • @MDAQMD

Exhibit A





Mojave Desert Air Quality Management District

Carl Moyer Program Policies & Procedures Manual

~~March 22, 2021~~ October 25, 2021

14306 PARK AVENUE
VICTORVILLE, CA 92392
PHONE (760) 245-1661 FAX (760) 245-202

Carl Moyer Program Policies & Procedures Manual
TABLE OF CONTENTS

I.	PURPOSE	1
II.	BACKGROUND	1
III.	PROGRAM TIMELINE /CARB APPLICATION & AWARD PROCESS	2
IV.	CORRESPONDENCE WITH CARB	23
V.	MATCHING FUNDS	3
VI.	PROCEDURE FOR OBTAINING MOYER FUNDS FROM CARB	4
VII.	DISBURSEMENT OF FUNDS BY CARB	45
VIII.	PROGRAM OUTREACH	56
IX.	PROGRAM SOLICITATION	56
X.	APPLICATION REVIEW/EVALUATION/PROJECT SELECTION	6
XI.	GOVERNING BOARD APPROVAL	78
XII.	GENERAL CARL MOYER PROGRAM IMPLEMENTATION	78
XIII.	PROJECT CATEGORIES	89
XIV.	PROJECT FILE SET UP AND MAINTENANCE	89
XV.	INSPECTIONS	9

XVI. GRANT AGREEMENTS.....10

XVII. EXPENDITURES: PROJECT REIMBURSEMENTS.....1142

XVIII. PROJECT MONITORING/NONPERFORMANCE.....12

XIX. FISCAL MANAGEMENT.....13

XX. INTEREST EARNED ON CMP FUNDS.....1647

XXI. DISTRICT RECORDKEKEPING16

XXII. REPORTING TO CARB.....16

APPENDIX A

APPENDIX B

Carl Moyer Program Policies & Procedures Manual

I. PURPOSE

This Policy and Procedure Manual provides guidance on how to implement the California Air Resources Board's (CARB) Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program) to ensure fair and consistent decision-making, project selection, management, and tracking.

The requirements of the 2017 Carl Moyer Program Guidelines are also incorporated by reference into this manual.

II. BACKGROUND

Established in 1998, the Carl Moyer Program is a state grant program that funds the incremental cost of cleaner-than-required heavy-duty engines and equipment. Public or private entities that operate eligible engines and/or equipment in California can apply for grant funding through their participating local air pollution control or air quality management districts (Districts). Examples of eligible engines and equipment include heavy-duty on-road and off-road, marine, locomotive, stationary agricultural pumps, and airport ground support equipment.

The Carl Moyer Program is designed to cost-effectively reduce smog-forming and toxic emissions from older polluting engines by offering incentives to off-set the cost of newer, cleaner engines and technologies. The regulatory, technological and incentives landscape has changed significantly since the creation of the Moyer Program. To address evolving needs, the Legislature has periodically modified the Program to better serve California. Most recently, Senate Bill (SB) 513 (Beall, 2015) has provided new opportunities for the Program to contribute significant emission reductions alongside implemented regulations, advanced zero and near zero-technologies, and to combine program funds with those of other incentive programs. Three key changes to the program: SB 513 specified that the Board consider the cost of technology and the cost of regulations in establishing a new cost-effectiveness limit thus providing districts options to apply a cost-effectiveness limit for more recent regulations and a cost-effectiveness limit for advanced technology projects that are zero-emission, or alternatively meet the cleanest certified optional standard. The higher limit will provide additional incentive to turn engines and fleets over to the cleanest certified technologies now emerging in the marketplace. SB 513 provides broader opportunity for air districts to support infrastructure projects. Air districts retain the flexibility to select projects that meet their local needs and priorities. SB 513 also allows for the leveraging of funds by working with applicants to co-fund projects with other incentive

programs up to the cost of the project with the exception that private sector projects contribute a minimum of 15 % cost share.

CARB is responsible for developing the guidelines that Districts use to implement the program. Annually, CARB allocates a portion of the available funding to Districts for local implementation of the program. The original Carl Moyer Program guidelines were revised in 2000, 2003, 2005, 2008, 2011 and 2017. These guidelines have been revised to reflect updates described in the “Carl Moyer Program Guidelines, 2017 Revisions.”

The Mojave Desert Air Quality Management District (MDAQMD) has participated in the Carl Moyer Program since its inception. Historically, project proposals have been accepted and approved on a first come, first served basis. However, the District has now moved to a competitive application process.

III. PROGRAM TIMELINE /CARB APPLICATION & AWARD PROCESS

Generally, the following outlines the Carl Moyer Program timeline:

By end of January	CARB sends application packet to air districts with notice of tentative Program Award amount.
By end of March	MDAQMD Governing Board approves tentative Program Award amount and District submits application packet to CARB.
By end of April	CARB notifies air districts of final Program Award.
By end of May	Executive Director executes the Program Award documents and submits to CARB along with MDAQMD Governing Board approved agenda item.
June 30 of following year	Target date for contracts to be executed.
June 30 of second year	Deadline for air districts to receive fund disbursements.
June 30 of fourth year	Deadline for air district to liquidate funds.

IV. CORRESPONDENCE WITH CARB

District staff shall document any applicable correspondence with CARB staff regarding CARB interpretations, clarification, guidance or possible deviations from the Carl Moyer Program guidelines.

District staff will participate in the Carl Moyer Program Incentive Program Implementation (IPI) Team meetings coordinated by CARB staff. The meetings are held about every four months as needed. The IPI meetings give the District an opportunity to be involved in the formation of advisories and guideline modifications, be informed of the status of other local District Carl Moyer Program implementations as well as other CARB related activities.

V. MATCHING FUNDS

Air districts implementing the Carl Moyer Program must commit match funds equaling 15 % of the State funds received. The District uses motor vehicle registration fees (AB 2766) to satisfy this requirement. To count as matching funds, motor vehicle registration fees must be used on motor vehicle projects as defined in the Carl Moyer Guidelines, which also include self-propelled equipment like tractors and forklifts. AB 2766 (\$4 DMV) motor vehicle registration fees may not be used on locomotives or stationary sources. Up to 15% of the match requirement may be provided through un-reimbursed “in kind services” (i.e.; the cost of District resources over and above the amount reimbursed by Carl Moyer Program administration funds). See additional details on matching fund requirements in the Program Administration chapter of the Carl Moyer Guidelines.

Once the MDAQMD Governing Board approves a project for Carl Moyer Program funding, District staff shall assign the Carl Moyer Program/matching funds as necessary to ensure that the District’s match requirement is met. District staff shall document those amounts and the specific sources of funds to ensure program timelines are being met. Carl Moyer Program grant agreements do not specify whether the source of funding is program funding or match funding. It is the responsibility of District staff to ensure that state funds are obligated only to eligible projects. Matching funds must also be obligated to eligible projects and used in accordance with the restrictions in the Sections I and J of the Program Administration chapter of the Carl Moyer Program Guidelines.

As the Carl Moyer Program and matching funds are obligated to eligible projects, District staff shall update the “Administrative Information” section of the CARL database by entering the amount of state and matching funds and the specific sources of funds obligated for each project. The CARL database shall be updated for changes to funding sources that the District finds necessary.

VI. PROCEDURE FOR OBTAINING MOYER FUNDS FROM CARB

CARB determines the tentative awards to Districts for each year in accordance with the formula identified in Health & Safety Code Section 44299.2(a). The CARB sends the solicitation packet to the Executive Director in January. The application packet must be completed and submitted by the posted deadline, which is 60 days from the date of the

solicitation. The application packet must include: The completed application with original signature; Documentation for the match commitment; MDAQMD Governing Board agenda item; and a certification that the District's Carl Moyer Policies and Procedures Manual is current and maintained on file with the District. Detailed requirements for each of these items are included in the 2017 Carl Moyer Program Guidelines, in the Program Administration section. The Carl Moyer Program representative for the District prepares the MDAQMD Governing Board agenda item requesting approval of the Carl Moyer Program application, completes the application packet, obtains the signature of the Executive Director, prepares a forwarding letter with the required attachments, and submits the application packet to CARB.

CARB determines the final award for the District. The award is incorporated into a Grant Award and Authorization form, which specifies the amount of the award for projects, the amount for District administrative costs, and the amount of matching funds the District must contribute. Two original Grant Award and Authorization forms are sent to the District. District staff obtains the Executive Director's signature on both originals and submits one original to CARB. The second original is retained with the District's copy of the forwarding letter. A copy of the Grant Award and Authorization form is submitted to Administrative Services for inclusion in the fiscal management files associated with the program. April 30 of each year is the deadline for acceptance of the grant award. As required in the grant award, the District must meet all application stipulations in order to accept an award. From June 30 following the full execution of the agreement, the District has 12 months to obligate funds and 48 months to expend the grant award. Any funds not expended within 48 months as instructed by CARB must be returned to CARB (Health and Safety Code sections 44287(k) and 44299.2(c)). If funds are to be returned to CARB a check will be sent to CARB with the unused amounts. The District may also redirect their unused funds to another air district or the Rural Assistance Program. For further details please refer to Carl Moyer Guidelines *Redirection of Funds* section.

VII. DISBURSEMENT OF FUNDS BY CARB

To receive a disbursement of Carl Moyer Program funds, the District must submit a Grant Disbursement Request to CARB. The Grant Disbursement Request form is signed by the Executive Director. If there are stipulations on the Grant Award and Authorization form, all stipulations must be met prior to submitting the initial disbursement request. The District will seek its initial disbursement when and if all previous years Carl Moyer Program funds have been obligated to projects, or requests for the funding exceed available funding that the District has already received. For the initial disbursement, the District may request 10 % of its allocation or \$200,000, whichever is greater. If the District submits a request that documents the need for more than 10 % or \$200,000, to the satisfaction of CARB, a larger disbursement may be made. In addition, the District may request all of its administrative funds. The District will receive one

check for both administration and project funds. However, the District must account for the administration and project funds separately. Prior to receiving the initial disbursement, the District must submit documentation of the obligation and expenditure of previous years' Carl Moyer Program funds and required matching funds as follows:

- Expenditure of 100 % of all Carl Moyer Program funds and required District match from allocations awarded two or more years previous. CARB may waive this requirement if expenditures from the previous years Carl Moyer Program are sufficient to compensate for unexpended funds from two or more years previous.
- Obligation of at least 90 % of the previous years Carl Moyer Program and required match funds.

For additional disbursements of Carl Moyer Program funds, the District must submit a Grant Disbursement Request and provide documentation of obligation of previous and current years' funds as follows:

- Obligation of 100 % of all previous years' funds, documented by entering the projects' information into the CARL database and the submission of the executed contracts for those projects.
- Obligation of 50 % of the initial disbursement for the current year documented by entering the projects' information into the CARL database and submitting a copy of approval by board resolution or fully executed contracts. On a case-by-case basis, CARB may accept other documentation of the commitment to obligate current year's funds.

VIII. PROGRAM OUTREACH

Carl Moyer Program materials, District solicitations, individual program applications and other related materials shall be made available to the public through the District's website, or upon request. The following outreach efforts will be considered by District staff when releasing a solicitation for funding, or other incentive program information:

- ❖ Brochures/Program solicitations
- ❖ Carl Moyer Program mailing and email lists
- ❖ MDAQMD website: [www. MDAQMD.ca.gov](http://www.MDAQMD.ca.gov)
- ❖ Publish an article in the District Newsletter
- ❖ General news/ press releases and advertisements
- ❖ Contact engine manufacturer representatives
- ❖ Contact Trade Associations (e.g.; AGC, Farm Advisor, Farm Bureau)

IX. PROGRAM SOLICITATION

The District uses a variety of mechanisms to solicit projects. A Call for Projects may be used by the District in the event that program funds are available (a sample is included in Appendix A). It includes a general announcement and the application forms for each

funding category for which project proposals are being solicited. District staff will issue additional solicitations, if necessary, until all funds are obligated.

X. APPLICATION REVIEW/EVALUATION/PROJECT SELECTION

Project applications for Carl Moyer Program funding will be accepted during the MDAQMD's application period. The application period will open on January 1st of every year and close March 31st. The Executive Director has the authority to extend the application period if needed. Applicants shall be notified in writing as to any application deficiencies within thirty working days from the close of the application period (Health and Safety Code section 44288 (a)).

Projects potentially eligible for Carl Moyer Project funding are subject to the criteria and guidelines established by CARB. The District may establish more definitive or specific guidelines at the direction of the MDAQMD Governing Board. Such as focusing projects that operate in a low-income community as defined by AB 1550. Ultimately, the MDAQMD may use discretion to distribute funds equitably throughout its jurisdiction. Senate Bill 513 provides opportunities to co-fund Carl Moyer Program eligible projects with other funding sources. There is no limit on the number of co-funding sources to fund a project as long as total project costs are not exceeded and the applicant cost share requirement is met. Applicants must disclose all co-funding sources in their project application.

Eligibility and cost-effectiveness will be determined in accordance with the state Carl Moyer Program Guidelines. District staff will rely on the cost-effectiveness results generated by the CARL database as part of the eligibility determination. A pre-inspection will be conducted as part of the eligibility determination (see Section W, Program Administration chapter of the 2017 Carl Moyer Guidelines). If necessary, staff will request a case-by-case review from CARB to determine project eligibility.

For projects requiring the use of the non-calculation form the MDAQMD will submit the forms to CARB for review prior to awarding and entering into contract with the grantee.

Project eligibility is based on the current Carl Moyer Guidelines and cost-effectiveness results generated by the CARL database using the maximum project life allowed. For the purpose of project selection, eligible projects shall be ranked by cost-effectiveness using at a minimum a three-year project life or the project term as proposed in the project application or the maximum allowable project life and emission reductions calculated using historical throughput/operation within the MDAQMD. The District retains the flexibility to select projects based on local needs, goals, and priorities including, but not limited to the most cost-effectiveness project.

Dependent upon the availability of funds and consideration of local priority, eligible projects will be presented to the Governing Board for funding consideration and approval after the application period has closed and all projects have been ranked. Staff will notify the applicant of the Governing Board meeting on when their Project will be considered for funding.

Eligible projects not selected shall remain active for the remainder of the calendar year as back-up project(s). Applicants will be required to update their application information as well as vendor quote once the original application submittal date exceeds six months. The back-up projects will be discarded when the application periods opens the following year. Note, all applicants will need to resubmit application every year if not selected to be considered for funding.

MDAQMD will continue to adhere to the funding limits pursuant to the Carl Moyer Program Guidelines. Eligible Costs of On-road and Off-road Projects are “not to exceed” the eligible amount on which the grant award is calculated. In addition, District retains flexibility to set funding percent ages or maximum dollar awards for individual projects to increase the total number of projects funded. For specific project limitations, refer to the 2017 Moyer Guidelines.

XI. GOVERNING BOARD APPROVAL

District staff will recommend projects to the MDAQMD Governing Board for funding approval. Carl Moyer Program grant funds will be deemed encumbered upon MDAQMD Governing Board approval.

XII. GENERAL CARL MOYER PROGRAM IMPLEMENTATION

The CARB is in charge of issuing Carl Moyer Program guidelines and will provide guidance on project-specific questions when requested. The Carl Moyer Program guidelines (and advisories) developed by the CARB serve as the minimum requirements that all air Districts must use to structure local implementation of a Carl Moyer Program funding program. Air Districts may elect to set local standards that are more stringent than those developed by CARB but in no case shall the District Carl Moyer Program Policies and Procedures be less stringent than those established by CARB. Districts may fund only those projects that meet the Carl Moyer Program Guidelines and eligibility criteria, or those projects approved on a case-by-case basis by CARB staff. Current Carl Moyer Program Guidelines and advisories can be found at:

https://ww2.arb.ca.gov/sites/default/files/classic/msprog/moyer/guidelines/2017/2017_cm_pgl.pdf. The MDAQMD Governing Board has authorized District staff to implement the program locally pursuant to the Carl Moyer Program Guidelines for those categories that

have been approved by CARB and are applicable to the MDAQMD. If sufficient Carl Moyer Program funding is available, all projects evaluated and determined to be eligible under the guidelines are presented to the MDAQMD Governing Board for consideration. Should requests for funding exceed funding available, all projects will be subject to competitive review. As part of the MDAQMD Governing Board's funding approval, the Executive Director requests to sign grants on the MDAQMD Governing Board's behalf, and the MDAQMD Governing Board approves budget changes necessary to accept and/or obligate funds.

XIII. PROJECT CATEGORIES

The District will accept applications for all project categories which apply to the MDAQMD as referenced in the current Carl Moyer Program Guidelines. As required by program guidelines, Chapter 9, Section C.5 (A) Appendix B describes the District's Residential Lawn and Garden Equipment Replacement Program.

XIV. PROJECT FILE SET UP AND MAINTENANCE

Once a project application has been reviewed by District staff and deemed eligible under the Carl Moyer Program Guidelines, a project file will be established. ~~Paper and~~ Electronic project files will include the following:

- ❖ Project application plus required documentation, i.e. quotes, executive orders, etc.
- ❖ Governing Board minute item approving award
- ❖ ~~Al~~Correspondence
- ❖ Pre-inspection documentation (~~photos will be maintained electronically~~)
- ❖ ~~C~~rrent ~~in~~Insurance certificates
- ❖ Post-inspection documentation
- ❖ Reimbursement package (defined herein Section XVII)
- ❖ Annual reporting documents

Project files will be retained subject to District retention policy, Standard Practice 4-5.

XV. INSPECTIONS

(A) Pre-Inspection:

Once an application is deemed eligible and before funds are obligated to a project, District staff shall conduct a pre-inspection. If requested by an engine manufacturer representative or potential applicant, District staff may elect to pre-inspect potentially qualifying equipment prior to application submittal.

During the pre-inspection, District staff must take photographs and confirm that the equipment functions and is in such a condition that it would be likely to continue in

operation. Existing engines' serial number(s) shall be recorded and/or each existing engine shall be stamped with a unique number assigned by the District before the engine is removed from the equipment. Alternatively, District staff may witness and document that the engine was permanently destroyed and rendered useless before it was removed from the equipment.

An inspection form shall be created and placed in the project file that includes the photographs of each engine, serial number(s) and/or tag number(s) along with other pertinent information. An example of a grant inspection form is included in Appendix A.

Photographs shall be printed and included with the pre-inspection forms in the project file.

No work may begin on the project until after the pre-inspection is complete and the Grant Agreement is executed.

(B) Post-Inspection:

Post-inspections shall be completed on all projects funded under the Carl Moyer Program. Most projects may require more than one post-inspection because the delivered engine, repowered equipment, and the destroyed engines are usually in different locations.

Once the project proponent notifies the District that the project is complete and before making payment on any project, the District must conduct a post-inspection(s) to confirm and document that: 1) the new or repowered equipment is fully functional with the correct engine as specified in the project proposal. District staff shall require the grantee to start the engine on each new or repowered piece of equipment; 2) the new engine serial numbers match serial numbers on the invoices, and 3) the correct old engines have been destroyed in accordance with the specifications contained in the grant agreement. An inspection form shall be created and placed in the project file that includes the photographs, serial numbers and/or stamped identification numbers along with other pertinent information. This information and photographs must be documented in the post-inspection form along with other pertinent information. An example of a grant inspection form is included in Appendix A.

(B) Engine Destruction:

As stated in the Carl Moyer guidelines equipment replacement project requires that the existing equipment be scrapped to permanently remove it from service. This ensures that emission reductions are real and prevents the existing equipment from being moved into another locale to continue emitting high levels of pollutants. Note, both the existing engine and equipment must be destroyed. The destruction method of the equipment will vary depending on the structure of the equipment. Destruction of the equipment must occur at

an air district approved salvage yard. The salvage yard will provide the MDAQMD a certificate of destruction form and photographs of the destroyed equipment within 10 days of the equipment being destroyed. An example of the certification of destruction form is included in Appendix A.

In rare instances grantees will be able to destroy the engine themselves with prior written MDAQMD approval and it must be for cause (i.e. recycling yard is closed, no transportation available to take the equipment etc.). An MDAQMD inspector would need to be present to witness the destruction itself. In addition, the cost of resources required to witness the destruction will be incurred by the grantee.

XVI. GRANT AGREEMENTS

Awarded projects will be secured with a contract between the grantee and the MDAQMD. District staff shall create a draft grant agreement for every project recommended to the MDAQMD Governing Board for funding. The current Carl Moyer Program Guidelines list minimum contract requirements that must be included in the grant agreement. Draft grant agreements are created from a standard grant agreement based on the requirements of the Carl Moyer Program Guidelines and as approved by District counsel. A sample grant agreement is included in Appendix A.

As part of the funding request, the Executive Director requests authorization to sign the grants on behalf of the MDAQMD Governing Board, and to make minor revisions to the grant. The project proposal is incorporated in the grant agreement as an attachment.

District staff generates two originals of the grant agreement. Following the MDAQMD Governing Board decision on projects, District staff obtains signatures on the approved grant agreements. An original of the fully executed grant agreement must be sent to the project proponent, Administration Services, Executive Office, and the project file.

If a grant amendment is required, District staff will determine if the amendment increases the total Carl Moyer Program funding amount for the project. If funding is increased District staff shall re-evaluate the eligibility, cost-effectiveness and any other applicable requirements to ensure that the project still complies with the most recent Carl Moyer Program Guidelines. District staff will also determine if that type of amendment has previously been approved by District counsel. If District counsel has not previously approved the type of revision required, the proposed revision is sent to District counsel for review.

Once an amendment has been approved by District counsel, District staff sends the project proponent two originals with a request to sign, date, and return them to the District. When the signed amendments are received, the Executive Director signs the originals and copies are distributed as noted above.

XVII. EXPENDITURES: PROJECT REIMBURSEMENTS

(A) Funds will be expended on a reimbursement basis. The following must be completed and/or submitted for reimbursement to be released to the grantee:

- ❖ Post-inspection
- ❖ Detailed invoice
- ❖ Insurance certificates
- ❖ Proof of payment to any/all vendors
- ❖ Proof of destruction for old engine

The District must receive an itemized invoice for a project before payment may be made. A project invoice must include enough detail to ensure only eligible project costs are being reimbursed. District staff shall review the itemized invoice and only pay for eligible expenses.

- (B) Charges on repower projects are only eligible for funding if they are required to ensure the effective installation and functioning of the new engine, but are not part of typical vehicle or equipment maintenance or repair. Ineligible repower costs include tires, axles, paint, brakes, and mufflers.
- (C) In order to be eligible for Carl Moyer Program funding, labor expenses must be included in the project invoice, including details on the number of hours charged and the hourly wage.
- (D) Taxes, installation costs for eligible hardware, and transport costs for eligible hardware are eligible for Carl Moyer Program funding with the following exceptions. Installation labor cost incurred by a grantee's own employees is not eligible for funding.
- (E) A potential grantee **may not** order or make a down payment on a new engine, piece of equipment, or vehicle prior to contract execution. Dealers ordering engines, equipment, or vehicles prior to District approval of grant applications **assume all financial risk**, and are in no way ensured Carl Moyer Program funds. A grantee may not receive engines, equipment, or vehicles, nor may work begin on a repower or retrofit project until the project contract is fully executed.
- (F) Payments shall be made directly to the grantee unless otherwise authorized to pay the vendor directly. In these instances, the grantee must complete a pay vendor direct authorization form that will be included in the project file. A sample of the form is included in Appendix A.

- (G) For all on-road projects, if a compliance check was not previously completed, the District shall verify with its CARB District liaison that there are no outstanding violations prior to payment.
- (H) For projects where the participant must comply with an CARB regulation early to receive funding, invoices may not be paid until the project participant has provided documentation that early compliance has been achieved. A project participant may demonstrate early compliance via a detailed letter signed by the vehicle or equipment owner or legal representative or, if the regulation requires CARB to certify compliance, through CARB certification.
- (I) Invoices received after a project post-inspection has been completed must be evaluated for consistency with the project post-inspection form.
- (J) The District shall maintain copies of all invoices and documentation of payment in the project files.
- (K) As project milestones are achieved and documented through the post-inspections described in Section XV, District implementation staff shall request Administrative Services to make payments to grantees using a payment authorization request form. The request for reimbursement with documentation as noted above will be submitted to Administrative Services for payment. Administrative Services will issue payment in accordance with the award authorized by the MDAQMD Governing Board by minute action. A copy of the itemized invoice shall be attached to the memorandum as necessary to document costs.

In the event that an incomplete reimbursement package is processed and approved, the funds will not be released to the grantee until the deficiency has been corrected and reimbursement package is complete.

XVIII. PROJECT MONITORING/NONPERFORMANCE

(A) ANNUAL REPORTING

Grantees are required (as a condition of the grant agreement) to submit annual reports for the life of the project. The annual reports are designed to give the District an understanding of how the equipment funded is being used and performing, and where this activity is occurring. Grantee will also demonstrate that the project equipment is not being underutilized in favor of other, higher-polluting equipment. In the alternative, grantee may demonstrate that if the equipment is underutilized that the underutilization was due to unforeseen conditions beyond Grantee's control.

The District will mail (paper or electronically) reporting forms to each grantee each year upon the annual anniversary date of the completed project; responses from the grantee will be due within 30 days. District staff will send out one follow-up reminder 14 days after the original submittal date has passed. Grantees that do not comply with the reporting requirements are subject to District auditing as specified in the state Carl Moyer Program Guidelines. A copy of an annual reporting form is included in Appendix A.

(B) AUDITS

District staff shall annually conduct audits of all Year 12 and later projects for which the annual reporting form was not submitted.

District staff shall conduct audits of projects funded with Carl Moyer Program Funds. Annually, audits must include at least 5 % or 20 randomly selected active projects (whichever is less): the district may include in this total the audits of projects with reporting deficiency.

District staff shall also conduct audits on at least 5 % of Year 12 and later projects at the end of their contract term and all Year 12 and later projects that were found to be more than 30 % below the contracted activity level during any previous audit and/or may grant a waiver under current Moyer Guidelines

Audits shall include verification that the funded engines are still operational in the same equipment and meet the mileage, fuel usage, or hours of operation indicated on the executed contract. This shall be completed by checking the serial number of the engine; witnessing the engine operate, and checking the odometer, hour meter/usage device, fuel receipts, or Electronic Monitoring Unit (EMU).

(C) NONPERFORMING PROJECTS

All grant agreements contain a provision that if it is found that the grantee is in breach of the terms of the agreement including the operational time provisions as specified in the agreement and scope of work (see sample in Exhibit A) the Carl Moyer Program grant funds must be returned on a pro rata basis. If annual reports indicate that project activity is more than 30 % below the level of use committed to in the grant agreement, the District may do any of the following: grant a waiver that includes but is not limited to extending the reporting term; recalculate the project's cost-effectiveness; attempt to recover funds or consult with CARB to determine what, if any, action must be taken to ensure the emissions benefits are realized and captured per most recent Carl Moyer Project Guidelines. In addition, the District shall audit all of the other engines owned by the same participant and included in the same Carl Moyer Program funded project.

The District's action regarding non-performing projects shall conform to the following guidelines:

1. Extend reporting term as a waiver option. The District may grant extended reporting term for reporting purposes to capture the required emission reductions. The grantee must continue the contract reporting term and must provide documentation that the engine, vehicle, or equipment is not being underutilized in favor of operating other, higher-polluting equipment and the underutilization was due to unforeseen conditions beyond the grantee's control.

To be considered for a waiver, the grantee must provide a written request to the District along with documentation that substantiates the need for the waiver and verifies that higher-polluting equipment is not consequently receiving more use. Acceptable documentation include documentation from appropriate governmental agencies regarding surface water deliveries and fallow land, relevant logs regarding the amount of groundwater pumped in lieu of surface water deliveries, agricultural pump engine registration or permit information, records that show that idled vehicles or equipment are still owned by the grantee, relevant information from CARB's Diesel Off-Road On-line Reporting System (DOORS), or other pertinent records. Project equipment and operations records available for auditing purposes.

Grantee shall be notified in writing as to the District's decision on granting a waiver.

After the extended contract term all hours each unit operated during the extension shall be considered in aggregate against the total hours required under the contract. Project completion will be determined by the District and if any portions of the agreement remain to be satisfied.

2. Recalculate a project's cost-effectiveness. The District shall recalculate a project's cost-effectiveness based on the reported decrease in usage. If the project is still below the cost-effectiveness cap effective on the date of contract, the District shall continue to monitor the project over the next year to determine if additional actions are necessary. A waiver is not required in this event.
3. Recover funds. Return funds in proportion to the loss in emission reductions.

The level of effort the District takes to recover funds may be guided by circumstances such as 1) The existence of fraud or intentional misuse of funds, 2) The amount of Carl Moyer Program funding involved, and 3) The ability of the applicant to repay the funds.

XIX. FISCAL MANAGEMENT

- (A) Allowable Costs. Carl Moyer Program administrative funds shall be used only for Carl Moyer Program administration and outreach including: District staff time;

consultant fees; printing, mailing, and travel costs; project monitoring and compliance expenses; and indirect costs such as general administrative services, office space, and telephone services.

- (B) Required Documentation. The District shall maintain the following documentation of Carl Moyer Program funds used for administration and outreach:
1. Personnel documentation will be documented with timesheets.
 2. Printing, mailing, and travel expenses will be documented with receipts and/or invoices.
 3. The District travel cost criteria will be consistent with the District's written travel policies for other District programs and shall be documented by expense reports.
 4. Indirect cost calculation methodology to determine indirect costs of program administration is described below:

The primary basis for determining the indirect cost rate is direct salaries and benefits associated to the program.

$$\text{Indirect Cost Rate} = \frac{\text{Total Program Salaries and Benefits}}{\text{Total District Salaries and Benefits}}$$

The calculated indirect cost rate is applied to the allowable indirect costs (as determined by Administrative Services). The direct salaries and benefits reflect an after-the-fact distribution of actual work hours reported by District staff using project codes applicable to the Carl Moyer Program. This allocation methodology proportionately allocates costs in a manner that most accurately reflects the benefits of the services and supplies provided. Exceptions to this are those services and supplies that the calculated indirect rate calculation may not apply. In this case, other methods deemed reasonable will be used to determine the appropriate indirect cost allocation. The basis used will be clearly identified including justification as to why it is applied to the indirect cost.

Administrative Services shall maintain documentation for all costs referenced in the indirect cost calculation formula including explanation for any deviations to the indirect cost calculation.

- (C) Availability of Records. The above documentation, records, and referenced materials shall be made available for review during CARB or other State agency monitoring visits and audits. These records shall be retained for a minimum of two years after submittal of the final report for that funding cycle to CARB or any longer period as CARB directs in the most recent Carl Moyer Guidelines.

- (D) Project Tracking Document. District staff shall maintain expenditure spreadsheets that document the current state of obligations and expenditures for each program year. Spreadsheet expenditures shall be updated each time a payment request is sent to Administrative Services. Spreadsheet obligations shall be updated each time the MDAQMD Governing Board approves a new project.

XX. INTEREST EARNED ON CMP FUNDS

Any interest accrued on Carl Moyer Program funds provided by the State that are deposited in interest bearing accounts must be reported to CARB. The interest income must be expended on projects that meet the current Carl Moyer Program Guidelines in accordance with the timelines in the Guidelines. Projects funded by interest earned shall be entered into the CARL database.

The District maintains a segregated trust account that tracks revenues, expenditures, and interest. Interest calculation for all fiscal programs, including the Carl Moyer Program, is performed by the Finance Section of the District. The District segregates its Carl Moyer Program funds into separate accounts for Carl Moyer Program administration and Carl Moyer Program projects. The District uses all interest earned in the project account to fund program administration or eligible Carl Moyer Program projects.

The District Finance Section staff tracks and reports on earned interest using the Funding Cycle Method.

XXI. DISTRICT RECORDKEEPING

Project files will be retained subject to District retention policy, Standard Practice 4-5 (included in Appendix A).

XXII. REPORTING TO CARB

District staff will enter all applicable projects into the CARL database.

APPENDIX A Sample Documents

1. Sample Call for Projects
2. Sample Project Application
3. Sample Award Letter
4. Sample Pay Vendor Direct Authorization Form
5. Sample Inspection Forms
6. Sample Annual Reporting Form
7. Sample Certification of Destruction Form
8. Sample Grant Agreement
9. Standard Practice 4-5

The Carl Moyer Standards Attainment Program

Call for Projects

Beginning in June 2009, the Mojave Desert Air Quality Management District (MDAQMD) began accepting applications for grants from owners of heavy-duty diesel-powered equipment. The grant funds would help owners of heavy-duty diesel vehicles, mobile equipment, marine vessels, locomotives, and agriculture pumps reduce air pollution by partially paying for the cost of upgrading their equipment with cleaner technology. The program is named after the late Dr. Carl Moyer, in recognition of his work in the air quality field and his efforts in bringing about this incentive program. Approximately \$amount is available to fund projects within the MDAQMD this year, the eleventh year of the program.

The program is first come, first served unless requests for funding exceed funding available. The MDAQMD evaluates all applications for eligibility and ranks the projects based on cost effectiveness. The proposals that reduce the largest amount of air pollution for the lowest amount of funding have the best chance of receiving grant awards. The 2017 Carl Moyer Program Guidelines spell out eligibility criteria, cost effectiveness calculations, and conditions that equipment owners must agree to, including future operating requirements and restrictions. The 2017 Guidelines are available at the following website: <https://ww2.arb.ca.gov/guidelines-carl-moyer>.

Applicants are required to submit all information necessary to determine eligibility and calculate emission reductions and cost effectiveness such as hours of operation, fuel use, details about the existing engine(s) and the proposed new engine(s), and cost quotes from vendors. MDAQMD staff will assist applicants at no cost with the development and submittal of proposals. Application forms, additional information, and assistance, are available by request from Jorge Camacho, Grants Analyst, at 760-245-1661 ext. 2020 (jcamacho@mdaqmd.ca.gov or grants@mdaqmd.ca.gov).

Details for all project categories are contained in the state 2017 CMP Guidelines.

Special Note: Projects funded via the Carl Moyer Program cannot generate Emission Reduction Credits (ERCs) pursuant to MDAQMD Regulation XIV or be used for offsets pursuant to Regulation XIII.

III. SCHEDULE

<u>DATE</u>	<u>EVENT</u>
Open	Call for Projects available
Open	Applications received; applications may be subject to competitive review.

APPLICATION REVIEW/AWARD PROCESS	
Ongoing	Competitive application review (if needed). Staff reviews applications and prepares recommendations to the Governing Board.
Ongoing	Governing Board approves or rejects recommendations
30-60 Days	Contract preparation & execution

<p>ONGOING (if funding available exceeds eligible requests for funding)</p>	<p>Staff reviews applications and prepares recommendations to Governing Board for projects until all available funds have been awarded.</p>
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IV. ELIGIBLE PROJECTS/SELECTION CRITERIA

Applications will be subject to the criteria in CARB’s Guidelines. The complete Carl Moyer Program guidelines are available at <https://ww2.arb.ca.gov/guidelines-carl-moyer>.

V. APPLICATION SUBMITTAL REQUIREMENTS

Applicants must complete the appropriate application forms, a disclosure statement and an application statement. These forms may be accessed on MDAQMD’s website at https://ww2.arb.ca.gov/sites/default/files/classic/msprog/moyer/guidelines/2017/2017_cmpgl.pdf. All applications must follow the directions below and all requested information must be supplied:

- ◆ Proposals should be directed to:

Grants Section

Mojave Desert Air Quality Management District
14306 Park Avenue
Victorville, CA 92392

Disposition of Proposals - MDAQMD reserves the right to reject any or all proposals. All proposals become the property of the MDAQMD. Proposals are valid only during the current funding cycle that the proposals are submitted.

Modification or Withdrawal - Once submitted, additional information and/or proposal revisions will be considered only at the discretion of MDAQMD. Project proponents should inform MDAQMD immediately if there is need to withdraw a proposal.

Grounds for Rejection - A proposal may be rejected if:

- It is received outside the exact time frames set for receipt of proposals.
- It is not received at the specified location.
- It is not signed by a responsible representative of the proposer.
- The proposal does not meet the criteria set forth in CARB's guidelines.
- MDAQMD staff determines that the project is ineligible.

VI. FUNDING LIMITS

The Carl Moyer Program is intended to fund the **differential cost** only between existing technology and low emission technology. In no case will the amount funded have a cost effectiveness ratio that exceeds \$30,000/weighted ton of pollutants reduced. No administrative costs will be funded.

VII. CONTRACT PREPARATION AND FUNDS DISTRIBUTION

Those projects that are chosen for funding will be required to complete a contract with the MDAQMD in order to receive funds. Contract preparation for Carl Moyer Program projects will begin immediately upon approval of projects by the MDAQMD Governing Board and will be reviewed by District Counsel.

Once a contract has been executed, the MDAQMD will provide the grantee with one final copy of the signed contract and written instructions on how to request funds. Funds awarded will be released on a reimbursement basis.

The contract will require the applicant to perform adequate record keeping substantiating the emission reductions associated with the project. The scope and duration of necessary record keeping will vary depending upon the nature of the project, but will be based upon the engine life identified in the application. The contract will also include requirements for monitoring and reporting by the proposer. The MDAQMD reserves the right to conduct a fiscal audit to ensure appropriate expenditure of the Carl Moyer funds.

Proprietary Rights - Applicants wishing to propose the use of proprietary data developed solely at their own expense should clearly identify such data and the restrictions on its use in their proposals.

VIII. AUDIT PROCEDURES

Any entity that receives funds from the Carl Moyer Program may be subject to an audit of each project funded. The audit may be conducted by MDAQMD staff or by an independent auditor selected by MDAQMD. The purpose of the audit will be to determine if the funds were used in a manner consistent with the Carl Moyer Guidelines and contract terms.

If MDAQMD determines that the funds were expended in a manner contrary to law or not in accordance with contract provisions, MDAQMD will notify the contractor of the determination, and the MDAQMD Governing Board will hold a public hearing at which the contractor may present information related to the expenditure of funds. After the hearing, if the Governing Board determines that the contractor has expended the funds in a manner that is contrary to law or not in accordance with contract provisions, MDAQMD shall withhold monies from the contractor in an amount equal to the amount that was inappropriately expended. MDAQMD may instead choose to seek repayment of funds inappropriately expended.

IX. IF YOU NEED HELP

MDAQMD staff members are available to answer questions during the application preparation period. Please direct inquiries to Jorge Camacho, Grants Analyst, at (760) 245-1661, ext. 2020.

MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT**BRAD POIRIEZ, EXECUTIVE DIRECTOR**

14306 Park Avenue, Victorville, CA 92392-2310

760.245.1661 • Fax 760.245.2699

Email: grants@mdaqmd.ca.govwww.MDAQMD.ca.gov • @MDAQMD*Carl Moyer Program***Heavy duty diesel emissions
reduction program application***All applicants must complete this form.***Please type or print all information on this and any attached applications.****Section 1: Applicant information**

COMPANY NAME:												
TYPE OF BUSINESS:												
CONTACT PERSON:												
MAILING ADDRESS:												
CITY:							STATE:			ZIP:		
PHONE:			FAX:			EMAIL:						
PHYSICAL ADDRESS (IF DIFFERENT FROM MAILING):												
PHYSICAL CITY:									ZIP:			
NAME OF SIGNEE:												
TITLE OF SIGNEE:												
TAX ID (Check one)		<input type="checkbox"/>	FEDERAL EMPLOYERS ID #		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	INDIVIDUAL/SOLE PROPRIETOR		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Section 2: Engine vendor/salesperson information

COMPANY NAME:											
CONTACT PERSON:											
ADDRESS:											
CITY:							STATE:			ZIP:	
PHONE:			FAX:			EMAIL:					

Section 3: Application statement

All information provided in this application will be used by the Mojave Desert Air Quality Management District to evaluate the eligibility of this application to receive incentive funds. MDAQMD staff reserves the right to request additional information of the applicant and can deny the application if such information is not provided.

- I certify to the best of my knowledge that the information contained in this application is true and correct.
- I have the legal authority to apply for incentive funding for the entity described in this application.

PRINTED NAME OF RESPONSIBLE PARTY:											
TITLE:									DATE:		
SIGNATURE OF RESPONSIBLE PARTY:											

Section 4: Third-party application preparation

PREPARATION FEE:	SOURCE OF FUNDING:
PRINTED NAME OF RESPONSIBLE PARTY:	
COMPANY:	TITLE:
SIGNATURE OF RESPONSIBLE PARTY:	DATE:

Section 5: Deliverables

All applicants must provide the information specified on this form.

Provide the information detailed below. Attach additional pages if necessary.

- A program schedule, with project milestones and dates clearly identified:

- Record-keeping for the life of the funded project: Please list steps taken to ensure information is available to provide at a minimum of the following reports:
 - 1. Quarterly status reports** until the equipment purchase has been accomplished. These reports shall include a discussion of any problems encountered and how they were resolved, any changes in the schedule, and recommendations for completion of the project. These progress reports are required before payment will be made.
 - 2. An annual report**, for the duration of the project life used to determine cost-effectiveness, which provides the annual hours of operation, amount and type of fuel used, and operational maintenance issues encountered and how they were resolved. All equipment will be required to have a non-resettable hour meter or odometer installed. MDAQMD reserves the right to verify the information provided.

- Refueling (alternative fuels only: Describe how and where equipment will be refueled (on-site, existing facility, mobile equipment, etc.):

Section 6: Vehicle/equipment information

PRIMARY FUNCTION OF VEHICLE:						
PRINTED NAME OF RESPONSIBLE PARTY:						
COMPANY:	TITLE:					
EQUIPMENT TYPE (Check one):						
Off Road NEW	Off Road REPOWER	Off Road RETROFIT	On Road NEW	On Road REPOWER		
On Road RETROFIT	Locomotive	Agricultural	Forklift	Auxiliary Power Unit	GSE	Other

ANNUAL VEHICLE USAGE

OPERATION WITHIN CALIFORNIA (%):	OPERATION WITHIN MDAQMD BOUNDARIES (%):
ESTIMATED ANNUAL USAGE (HOURS, MILES AND/OR FUEL):	

PROJECT INFORMATION

PROJECT TYPE (select one): Replacement of one (1) existing engine/piece of equipment for one (1) new engine/piece of equipment Replacement of multiple existing engines/pieces of equipment for one (1) new engine/piece of equipment. Number of existing engines being replaced: _____	
METHOD OF VEHICLE/EQUIPMENT PURCHASE (Please note: This grant is designed as a reimbursement after purchase) (select one): Purchase in full Use of short-term financing (PO account, Net 30 terms, etc.) Use of long-term financing (the grant amount must immediately go toward principal)	
IS THE EQUIPMENT REGISTERED, DOMICILED OR OPERATED A MAJORITY OF THE TIME (check all that apply): Within the boundaries of a disadvantaged community census tract , as defined by SB 535 Within the boundaries of a low-income community census tract , as defined by AB 1550 Outside of a disadvantaged community, but within 1/2-mile of an SB 535 disadvantaged community and within an AB 1550 low-income community census tract Within the boundaries of a low-income household	
TOTAL PROJECT COST:	TOTAL FUNDING AMOUNT REQUESTED: Maximum eligible Other: \$ _____

EXISTING (BASELINE) EQUIPMENT INFORMATION

EQUIPMENT TYPE:		EQUIPMENT IS: MOBILE PORTABLE STATIONARY		
EQUIPMENT MAKE:	EQUIPMENT MODEL:	EQUIPMENT YEAR:		
EQUIPMENT SERIAL NUMBER:				
NUMBER OF MAIN ENGINES ON THIS EQUIPMENT:				
ENGINE FAMILY (for controlled engines only):		ENGINE TIER (for controlled engines only):		
ENGINE MAKE:	ENGINE MODEL:	ENGINE YEAR:		
ENGINE HORSEPOWER:		ENGINE FUEL TYPE:		
ENGINE SERIAL NUMBER:				

REPLACEMENT (NEW) EQUIPMENT INFORMATION

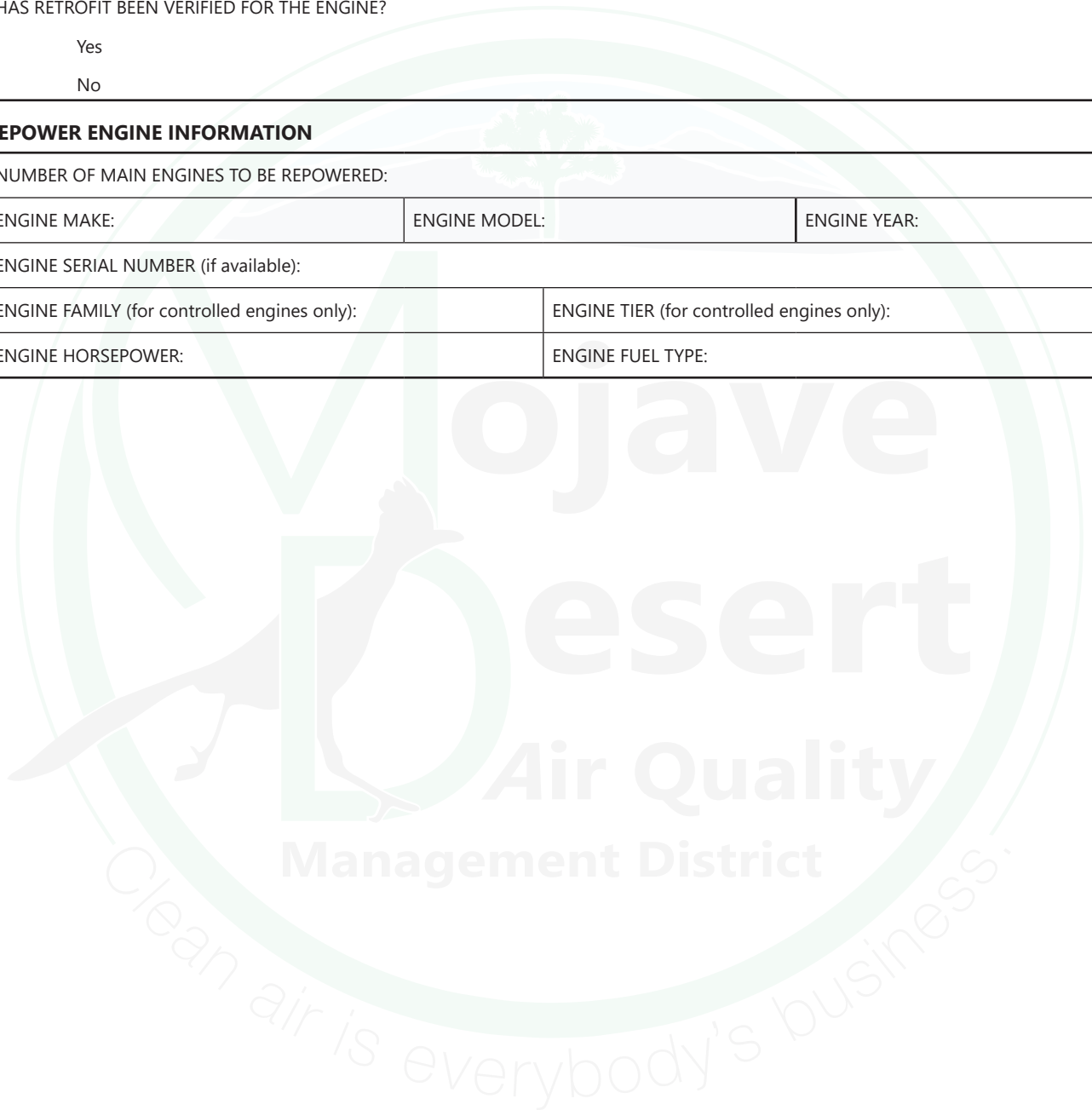
REPLACEMENT EQUIPMENT TYPE:				
EQUIPMENT MAKE:	EQUIPMENT MODEL:	EQUIPMENT YEAR:		
EQUIPMENT SERIAL NUMBER:				
NUMBER OF MAIN ENGINES ON THIS EQUIPMENT:				
ENGINE FAMILY:		ENGINE TIER:		
ENGINE MAKE:	ENGINE MODEL:	ENGINE YEAR:		
ENGINE HORSEPOWER:		ENGINE FUEL TYPE:		

RETROFIT PROJECT INFORMATION

ARB-verified RETROFIT DEVICE MANUFACTURER:	
RETROFIT DEVICE MAKE:	RETROFIT DEVICE MODEL:
RETROFIT DEVICE ARB EXECUTIVE ORDER NUMBER:	
RETROFIT DEVICE SERIAL NUMBER (if available):	
ARB-verified PM REDUCTION (%):	ARB-verified NOx REDUCTION (%):
HAS RETROFIT BEEN VERIFIED FOR THE ENGINE? Yes No	

REPOWER ENGINE INFORMATION

NUMBER OF MAIN ENGINES TO BE REPOWERED:		
ENGINE MAKE:	ENGINE MODEL:	ENGINE YEAR:
ENGINE SERIAL NUMBER (if available):		
ENGINE FAMILY (for controlled engines only):	ENGINE TIER (for controlled engines only):	
ENGINE HORSEPOWER:	ENGINE FUEL TYPE:	



Application requirements checklist

	<p>COMPLETED APPLICATION: If the owner, partner or corporate officer will not be signing the Grant Agreement, please provide a letter naming and authorizing another individual to sign the grant agreement and other documents on behalf of the business.</p>
	<p>W-9 FORM: Complete and submit IRS form W-9, included as Page 6 of this packet. MDAQMD will issue form 1099 as required by law.</p>
	<p><u>PARTICIPATING DEALER QUOTE & SUPPORTING DOCUMENTS FOR NEW EQUIPMENT:</u> New equipment must be purchased from a District approved dealer. (Equipment and parts are eligible for funding only if they are required to ensure the effective installation and functionality of the equipment/engine.)</p> <p>Quote for the new equipment, itemizing all standard equipment and options, including tax and delivery.</p> <p>Evidence of warranty with minimum parts and labor coverage on engine and drive train for 1 year, 1600 hours. Warranty costs are not eligible for grant funding.</p> <p>Optional: An itemized quote of the parts and labor necessary to install the highest level ARB verified retrofit device available on the new engine.</p> <p>Copy of ARB Emissions Executive Order for new engine and/or retrofit device.</p> <p>Manufacturer's specification sheet for the new equipment, engine, and/or retrofit device.</p>
	<p><u>ANNUAL USAGE:</u> Include documentation of the equipment usage for at least the twenty-four (24) month period immediately prior to the application date. More than 24 months' usage can be considered if the average over that period is more indicative of future usage. Engine hour documentation is preferred. Please provide at least one of the following types of usage documentation:</p> <p>Hour meter reading log collected at minimum of once per year from an installed and fully functioning hour meter, or;</p> <p>Historical fuel usage documentation specific to the old equipment. Documentation must include fuel logs, purchase receipts, or ledger entries, or;</p> <p>At least two items from the following list:</p> <ul style="list-style-type: none"> • Revenue and usage records that identify operational, standby, and down hours for the equipment; • Employee timesheets linked to specific equipment use; • Preventative maintenance records tied to specific hours of equipment use; • Repair work orders specific to the equipment; • Six months of tracking normal equipment usage with a functional, tamper proof hour meter with prior District approval <p>Limited usage documentation or other circumstances will be considered on a case-by-case basis. Prior to contracting, the District will conduct a pre-inspection of the old equipment to verify its operational status.</p>
	<p><u>MDAQMD INSPECTION OF EXISTING EQUIPMENT:</u> Arrange with the District an on-site inspection of the existing equipment.</p>

	<p>PROOF OF EXISTING EQUIPMENT OWNERSHIP AND RESIDENCY IN CALIFORNIA (2 YEARS):</p> <p>Bill of sale for existing equipment; and</p> <ul style="list-style-type: none"> • One of the following: • Tax depreciation logs • Property tax records • Equipment insurance records • Bank appraisal for equipment • Maintenance/service records • General ledgers • Fuel records specific to existing equipment • Other: <p>If no bill of sale, must provide 2 items from list above</p>
	<p>TRUCRS REPORT: Attach report from ARB On-Road Heavy-Duty Diesel Reporting system, if required.</p>
	<p>DOORS REPORT: Attach report from ARB Diesel Off-road, On-line Reporting system, if required.</p>
	<p>CERTIFICATES OF INSURANCE: Provide current certificates of insurance with your application as evidence of coverage for General Liability and Worker's Compensation*. * If the Applicant is exempt from the requirement of maintaining workers compensation insurance, provide evidence of such exemption.</p>
	<p>CERTIFICATES OF INSURANCE: Funded projects will be required to provide certificates of insurance endorsing the District as additionally insured for this project for General Liability and Property Insurance that covers the replacement cost of the new equipment. When these policies, as well as your Worker's Compensation policy are renewed or changed, updated certificates must be submitted to the APCD until the Grant Agreement expires.</p>
	<p>FINANCING DOCUMENTATION: If the Grantee obtains financing to assist in the purchase of replacement equipment, full documentation of financing must be provided to the APCD. No more than the Grantee's share of the cost of the equipment may be financed.</p>

LOAN ASSISTANCE: Loan assistance may be available for equipment replacement through the California Capital Access Program (CalCAP). Contact your lender for eligibility requirements and to see if they participate in CalCAP. Additional information on CalCAP loans is available from the ARB at: www.arb.ca.gov/ba/loan/off-road/off-road.htm or at 866-6-DIESEL, and from the California Pollution Control Financing Authority at: www.treasurer.ca.gov/cpcf/calcap.asp For a list of participating lenders, see: www.treasurer.ca.gov/cpcf/calcap/institutions.pdf

After replacement equipment is delivered

	<p>MDAQMD INSPECTION OF NEW EQUIPMENT: Arrange with the District an on-site inspection of the new equipment.</p>
	<p>SALVAGE CERTIFICATION FORM: Salvage yard must be a District approved salvage yard. Submit this form to the District within 30 days of receiving new equipment.</p>
	<p>FINAL INVOICE FROM DEALERSHIP: The applicant cannot finance more than their portion of the cost of the new equipment</p>

Mojave Desert Air Quality Management District
Carl Moyer Program - Application Statement

Please initial each item to signify that you understand and agree with each statement. If you have questions on any of the statements, please call 760-245-1661, ext. 2020 or email grantsBofcsdf.ca.gov.

Initials

- ____ I have legal authority to apply for grant funding for the entity described in this application.
- ____ The proposed project is not required to be implemented by any local, state, and/or federal rule, regulation, or other legally binding requirement.
- ____ No replacement engine/equipment/vehicles have been purchased and no work on this project has begun or will begin until the Grant Agreement is approved by the Board and signed by the Executive Director.
- ____ I understand that I must complete the purchase, repower, or retrofit work specified in the application no later than 18 months after approval of the Grant Agreement and will be required to submit a progress report until that work is complete. This deadline may be earlier than 18 months after approval of the Grant Agreement in cases where a regulatory deadline is approaching. This deadline may be extended in some circumstances if requested by the applicant and approved in writing by the MDAQMD.
- ____ I understand that it is my responsibility to ensure that all technologies are either verified or certified by the California Air Resources Board (CARB) to reduce NOx and/or PM pollutants.
- ____ I understand that any engine/equipment/vehicles being replaced under Carl Moyer Program must be permanently destroyed and rendered useless. Dismantler requirements include, but are not limited to severed frame rails and a hole in the engine block as specified in the current guidelines. This work will be documented by MDAQMD inspection.
- ____ I understand that for engine replacement projects, the engine may not be removed from the vehicle/equipment until the manufacturer's permanently marked serial number is made clearly legible and inspected by MDAQMD personnel. If no serial number is legible, I will make certain that an MDAQMD representative has documented a unique indelible mark on the engine prior to removal that ensures the engine's identity can be verified after removal. Alternatively an MDAQMD representative may witness that the engine has been permanently destroyed and rendered useless before it is removed from the vehicle, equipment, or boat.
- ____ I understand that there will be conditions placed upon receiving a grant and agree to refund the grant (or a pro-rated portion) if it is found that at any time I do not meet those conditions. One such condition is that the amount of future annual operation must be at least 70 percent of the historical level of operation claimed in the grant application. Another condition is that at least 75 percent of the equipment's operation must be in California for the entire term of the Grant Agreement. I understand that I must document compliance with these conditions and submit reports annually.

Initials

_____ I certify that I must disclose to the Grantor/District any and all funding applications directly or indirectly submitted to any other source of funds, including but not limited to federal, state, or local agencies for the same specific equipment as listed in this application.

_____ I understand that I will be prohibited from applying for any form of emission reduction credits for Moyer-funded vehicles/engines, including: Emission Reduction Credit (ERC); Mobile Source Emission Reduction Credit (MSERC) and/or Certificate of Advanced Placement (CAP), for all time, from the MDAQMD, CARB or any other Air Quality Management or Air Pollution Control District.

_____ I understand that disclosure is required of the value of any current or prospective financial incentive or other public financial assistance for the same specific equipment as listed in this application. An applicant that is not a public entity must provide at least 15 percent of a project's eligible cost from non-public sources and I shall obtain additional monies to fund the total cost of the project. The sum of project funding from all sources, including Carl Moyer Program funds shall not exceed the total project cost.

_____ I certify that the requested funding does not include administrative costs. Administrative costs are defined as costs related to project submittal preparation, project administration, monitoring, oversight, data gathering, and report preparation. I will include funds necessary to cover administrative costs and any required matching funds in my budget for the duration of the project.

_____ I will review and accept the terms of the Grant Agreement as proposed prior to signing.

_____ **I have attached records, fuel receipts or logs or mileage or operating hour documentation that can be used to validate the amount of historical operation within MDAQMD boundaries. I understand that if the amount of future annual operation is less than 70 percent of this historical level of operation, I hereby agree to abide by actions taken by the District to ensure emission benefits are realized and captured including refunding the grant, or a pro-rated portion of the grant.**

_____ I understand that engine(s) must be certified to the highest NOx and diesel particulate emission standards according to CARB and/or EPA. For engine replacement projects, an engine with a certification lower than the highest NOx and diesel particulate emission standards will have the Grantor/District approval and include a letter from the equipment manufacturer or vendor specifying the reason(s) the highest could not be made available. All engines must meet the emission standards as described in the current CMP Guidelines.

_____ I understand that all engine replacement and retrofit projects must be certified and/or verified to the current applicable emission standards. If applicable, a VDECS lower than highest level available is to be installed, a letter from the engine manufacturer is attached specifying the highest level of VDECS that can be installed on the engine and will perform in the specific engine application. The costs of this device and associated installation are eligible for funding and may be included in the project grant request. Failure to install an available VDECS will trigger the refund provisions of the Grant Agreement.

_____ I understand that an IRS Form 1099 will be issued to me for each source of funds received. I understand that it is my responsibility to determine the tax liability associated with participating in the Moyer Program.

Initials

- _____ I understand that a Global Positioning System (GPS) unit may be required to be installed on vehicles/equipment. I will submit data as requested and otherwise cooperate with all data reporting requirements.
- _____ I understand that the MDAQMD has the right to conduct unannounced inspections to ensure the project equipment is fully operational and at the activity level committed to in the grant agreement.
- _____ I understand that a tamper proof, non-resettable digital hour meter/odometer must be installed and maintained in operating condition on all vehicles/equipment.
- _____ I understand that all projects must achieve the current cost-effectiveness limit per weighted ton of air pollutants reduced. Pollutants included in the cost-effectiveness calculation are NOx (oxides of nitrogen), ROG (reactive organic gases) and diesel PM (particulate matter). PM is weighted by a factor of 20; (NOx + ROG + 20*PM). AQMD staff will calculate cost effectiveness.
- _____ I understand that for ranking purposes, only emission reductions occurring in the Mojave Desert AQMD will be used to calculate cost-effectiveness.
- _____ I understand that information regarding fleet size and compliance status must be submitted at time of application submittal by providing a copy of either the Diesel Off-Road On-line Reporting System (DOORS) ID and/or the Truck Regulation Upload, Compliance and Reporting System (TRUCRS) of the fleet. All documentation submitted must be signed and dated by the applicant and include language certifying that the fleet list provided is accurate and complete.
- _____ I understand that Moyer projects are not to be used for compliance extension or credit.
- _____ I certify to the best of my knowledge that the information contained in this application is true and accurate.
- _____ I understand that third party contracts are not permitted. A third party may, however complete an application on an owner's behalf. Third parties are required to list how much compensation, if any, they are receiving to prepare the application, and to certify that no Carl Moyer Program funds are being used for this compensation. (see below)

Applicant's Signature

Date

Applicant's Name (please print)

Title

If an entity other than the applicant assisted in the preparation of the application, please provide the information requested below.

Application Preparer's Name and Contact Information (please print)

Compensation received for application preparation: \$ _____

I certify that no Carl Moyer Program funds are the source for this compensation:

Application Preparer's Signature

Date

**MDAQMD
CARL MOYER PROGRAM
FUNDING DISCLOSURE STATEMENT**

Have you applied for or been awarded other grants for any vehicle/equipment/engine listed in this application? <input type="checkbox"/> Yes, complete section below <input type="checkbox"/> No, skip the remaining items in this table and sign below.	
Agency Applied to:	
Date of Application:	
Funding Amount:	
Description of Vehicles/Equipment/Engines Included In This Request (list engine serial numbers):	
Status of Application: <input type="checkbox"/> Cancelled <input type="checkbox"/> Pending <input type="checkbox"/> Funded <input type="checkbox"/> Other, explain:	

(photocopy this page when blank to complete for engines included in separate funding/grant requests)

By signing below, the Applicant hereby certifies the following:

- (1) Applicant has disclosed to the Grantor/District any and all funding applications it has directly or indirectly submitted to any other source of funds, including but not limited to federal, state or local air pollution control districts or air quality management districts for the same specific equipment.
- (2) Applicant agrees to notify the District of any application(s) and agreement(s) made for the purpose of receiving any public financial assistance, incentives or grants from any other source of funds, including but not limited to federal, state or local air pollution control districts or air quality management districts or the California Air Resources Board for a multi-district solicitation. Applicant further agrees and understands that this Grant Agreement shall, at a minimum, be immediately terminated and may result in the Applicant being banned from submitting future applications to any and all Carl Moyer Program administering air pollution control district or air quality management district if it is discovered that the Applicant has submitted multiple applications or signed multiple contracts or grant agreements, not previously disclosed, for the same equipment as set forth in this Grant Agreement.
- (3) Applicant has and will disclose the value of any current or prospective financial incentive or other public financial assistance, for the same equipment.
- (4) Applicant understands that if it is found to be in violation of the terms and conditions of this Grant Agreement and/or this Disclosure Statement, the California Air Resources Board may levee fines and/or seek criminal charges to the fullest extent allowed by law against the Applicant, including but not limited to the Business and Professional Code and California Health and Safety Code Section 43016.

Printed Name of Responsible Party:	Title:
Signature of Responsible Party:	Date:

**MDAQMD
CARL MOYER PROGRAM
REGULATORY COMPLIANCE STATEMENT**

Legal Owner Name:
Company Name:
Mailing Address:
Physical Address (if different than mailing address):
Phone:
E-mail:

As an applicant/participant of the Carl Moyer Program, I declare that the company as listed above:

1. Is in compliance with, and
2. Will remain in compliance with, and
3. Does not have any outstanding/unresolved/unpaid Notices of Violations (NOV) or citations for violations of any federal, state, and local air quality regulations including, but not limited to, the following as may apply:

- Cargo Handling Equipment Regulation
- Drayage Truck Regulation (including dray-off trucks)
- In-Use Off-Road Diesel Vehicle Regulation
- Off-Road Large Spark Ignition Fleet Regulation
- Portable Diesel Airborne Toxic Control Measure
- Public Agency and Utility Rule
- Sleeper Berth Truck Idling Regulation
- Solid Waste Collection Vehicle Regulation
- Statewide Truck and Bus Regulation
- Stationary Engine Airborne Toxic Control Measure
- Transit Fleet Rule

I certify under penalty of perjury that the information provided is accurate.

Authorized Signature:	Date:
Authorized Representative's Printed Name:	Authorized Representative's Title:



Date

Contact
Grantee
Mailing Address
City, CA postal code

Dear Grantee:

Congratulations! On behalf of the Mojave Desert Air Quality Management District (MDAQMD), I am delighted to inform you that the Governing Board has awarded you \$amount in Carl Moyer Program funds to project description.

Please find enclosed for your review the proposed final Agreement and Scope of Work between the Mojave Desert Air Quality Management District and Grantee. Please let us know if you wish to propose any revisions. If you are satisfied with these documents, please assure that both originals receive the appropriate signatures and return them to MDAQMD. If you have any questions, please contact Jorge Camacho at (760) 245-1661, ext. 2020 or jcamacho@mdaqmd.ca.gov

Sincerely,

[MDAQMD Staff]

[MDAQMD Staff Title]

MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT

BRAD POIRIEZ, EXECUTIVE DIRECTOR

14306 Park Avenue, Victorville, CA 92392-2310 • 760.245.1661 • Fax 760.245.2022 • www.MDAQMD.ca.gov • @MDAQMD

MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT

BRAD POIRIEZ, EXECUTIVE DIRECTOR

14306 Park Avenue, Victorville, CA 92392-2310

760.245.1661 • Fax 760.245.2022

Email: grants@mdaqmd.ca.gov

www.MDAQMD.ca.gov • @MDAQMD



Authorization to Pay Vendor Directly

PLEASE TYPE OR PRINT

I, _____ authorize the Mojave Desert Air Quality Management District
NAME OF GRANTEE

to pay _____ on behalf of _____
NAME OF VENDOR/FINANCIER NAME OF GRANTEE ORGANIZATION

By signing this authorization, I also acknowledge that the grant funds must be applied towards the principal of the loan.

PRINTED NAME OF SIGNEE AUTHORIZED SIGNATURE

TITLE DATE SIGNED



MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT

BRAD POIRIEZ, EXECUTIVE DIRECTOR

14306 Park Avenue, Victorville, CA 92392-2310

760.245.1661 • Fax 760.245.2022

Email: jcamacho@mdaqmd.ca.gov (Grants Section)

www.MDAQMD.ca.gov • @MDAQMD



Grants inspection form

PLEASE TYPE OR PRINT

Section 1: Grantee/company information

GRANTEE NAME AND TITLE:		
COMPANY NAME:		
COMPANY ADDRESS:	CITY:	ZIP:
COMPANY PHONE NUMBER:	EMAIL ADDRESS:	

Section 2: Equipment information

EQUIPMENT TYPE:		
ENGINE MAKE:	ENGINE YEAR:	
ENGINE HORSEPOWER:	ENGINE SERIAL NO.:	
EQUIPMENT'S LOCATION (IF DIFFERENT FROM COMPANY ADDRESS):		
DOES THE HOUR METER WORK:	YES (IF YES, ENTER READING BELOW) CURRENT READINGS	NO (EXPLAIN BELOW)
IS THE EQUIPMENT OPERATIONAL?:	YES	NO
ADDITIONAL COMMENTS:		

Section 3: Checklists

EQUIPMENT

Inspection must verify the operational condition of the existing equipment. The inspection must verify, at a minimum, the following items:

- | Yes | No | N/A |
|-----|----|--|
| a. | | Tires in usable condition (<i>able to hold air, sufficient tread or tracks etc.</i>) |
| b. | | Steering wheel operational |
| c. | | Equipment able to start up and move backwards and forwards |
| d. | | Buckets, blades, rollers etc. are working |
| e. | | Undercarriage structurally sound |
| f. | | Fuel tank in usable condition |
| g. | | No parts stripped |
| h. | | Equipment not vandalized |

REQUIRED PHOTOGRAPHS

Clear photographs of the existing equipment must include the following views listed below. MDAQMD will specify the required digital format.

- | Yes | No | N/A |
|-----|----|---|
| 1. | | Right side — hood down |
| 2. | | Front — hood down |
| 3. | | Left side — hood down |
| 4. | | Equipment serial number (<i>this must be clearly shown</i>). Also any other identifying marks. |
| 5. | | Engine serial number — either tag or stamp on block |
| 6. | | Diesel Off-Road Online Reporting System (DOORS) Equipment Identification Number (EIN), (<i>if applicable</i>) |
| 7. | | Rear |
| 8. | | VIN Number (<i>if applicable</i>) |
| 9. | | Hours meter/odometer |

Section 4: Inspector information

NAME

AUTHORIZED SIGNATURE

DATE SIGNED

MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT

PLEASE TYPE OR PRINT

BRAD POIRIEZ, EXECUTIVE DIRECTOR
 14306 Park Avenue, Victorville, CA 92392-2310
 760.245.1661 • Fax 760.245.2022
 Email: jcamacho@mdaqmd.ca.gov (Grants Section)
www.MDAQMD.ca.gov • @MDAQMD

CARL MOYER PROGRAM
Annual report form



PROJECT LIFE: _____

Section 1: Grantee/company information

GRANTEE NAME:			COMPANY PHONE NUMBER:		
COMPANY ADDRESS:	CITY:	ZIP:	EMAIL ADDRESS:		

Section 2: Equipment information

Equipment ID No.	Equipment location (City/Zip)	% of time within MDAQMD boundaries	For ON-ROAD equipment — Use ODOMETER For OFF-ROAD equipment — Use HOUR METER				Calculated usage ENDING — BEGINNING readings
			BEGINNING		ENDING		
			Date	Reading	Date	Reading	
ADDITIONAL COMMENTS:							

Section 3: Certification

I, the undersigned, hereby certify that all information contained herein is true and correct.

_____ NAME

_____ AUTHORIZED SIGNATURE

_____ DATE SIGNED

MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT

BRAD POIRIEZ, EXECUTIVE DIRECTOR

14306 Park Avenue, Victorville, CA 92392-2310

760.245.1661 • Fax 760.245.2699

Email: grants@mdaqmd.ca.gov

www.MDAQMD.ca.gov • @MDAQMD



Carl Moyer Program

Certificate of Destruction

The destruction of the equipment and its engine must be within **30 days** from the date the dismantling facility receives both parts. **This form must be submitted to MDAQMD no later than 10 days from the date the dismantler receives the equipment and its engine.**

Personnel from the dismantling facility must complete this Certificate of Destruction Form and email/fax the form to:

Attn: **Jorge Camacho**

Email: jcamacho@mdaqmd.ca.gov or grants@mdaqmd.ca.gov

Fax: **760.245.2699**

Please type or print all information.

Section 1: Equipment information

APPLICANT/GRANTEE NAME:	
DATE RECEIVED BY DISMANTLER:	DATE OF DESTRUCTION:
EQUIPMENT IDENTIFICATION NO. (EIN):	
ENGINE SERIAL NO. (ESN):	

Section 2: Dismantler information

FACILITY NAME:			
CONTACT NAME:			
ADDRESS:	CITY:	STATE:	ZIP:
PHONE:	FAX:	EMAIL:	

Section 3: Certification statement

I hereby certify that the equipment and engine described above has been received by this facility and will be permanently destroyed for recycling purposes only in accordance with the Carl Moyer Program Destruction Guidelines.

PRINTED NAME OF RESPONSIBLE PARTY:	
TITLE:	DATE:
SIGNATURE OF RESPONSIBLE PARTY:	

Include required photographs with this completed form:

- i. DOORS EIN (if applicable)
- ii. Equipment serial number
- iii. Engine serial number either stamped on the block or on the tag
- iv. Destroyed engine block/equipment

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**Mojave Desert Air Quality Management District
Carl Moyer Program
Grant Agreement**

**Grantee Name
MDMMYY#XX**

Project Approval Date

1 2. Purpose: The purpose of this Agreement is for Grantee to [PROJECT DESCRIPTION].
2 Equipment shall be used a minimum: [ANNUAL REQUIRED USAGE] per year which constitutes 70%
3 of the average usage as provided in project application. 75% of the minimum usage must occur within
4 the State of California for a minimum of [PROJECT LIFETIME (X)] years or the project life as specified
5 in Exhibit A which ever is greater. In the event that Grantee is unable to satisfy the required usage listed
6 above each year for the [PROJECT LIFETIME (X)] project term and provided that the Grantee still owns
7 and operates the Carl Moyer funded equipment, the grantee may request an extension of the terms of this
8 agreement for reporting purposes to capture the required usage, even if the contract extension overlaps the
9 required compliance date. Grantee may also request a waiver, without penalty, for a defined time period
10 to be determined by MDAQMD. If Grantee has sold the Carl Moyer funded equipment, Grantee will be
11 subject to repayment as listed in Section 5(c) of this agreement. Grantee must submit written request for
12 extension or waiver to MDAQMD who will approve such request provided verification of the Carl Moyer
13 funded equipment. This project complies with the Carl Moyer Program Guidelines and criteria and will
14 meet all program requirements for the full contract term.

15 This project complies with the Carl Moyer Program Guidelines, Advisories and criteria and will meet all
16 program requirements for the full contract term.

17 3. Schedule: Grantee shall follow the general schedule specified in Exhibit A.

18 4. Term: This Agreement shall commence on DATE and terminate PROJECT LIFE years following
19 completion of the purchase, repower or retrofit work specified in Exhibit A, or a later date if approved in
20 writing by the MDAQMD. The term of this agreement is the full project life used to determine the cost
21 effectiveness of the project. This Project must be liquidated within 4 years of the contract execution date.
22 During the project life, either the MDAQMD or CARB or both have the authority to inspect the project,
23 enforce the terms of this agreement and pursue refund for any non-compliance with the terms and
24 conditions of this agreement. No work on this project may begin until the grant agreement is signed and
25 dated by both the grantee and the MDAQMD.

26 5. Cost: The total payment to Grantee shall not exceed \$AMOUNT or the incremental cost
27 of DESCRIPTION OF INCREMENT, whichever is less. For the purposes of this agreement, “incremental
28 cost” is defined as the difference between the DESCRIPTION OF INCREMENT. This amount consists

1 of payment for PROJECT SCOPE, which shall not exceed \$AMOUNT. Grantee shall obtain through other
2 sources sufficient additional monies to fund the total cost of the project as outlined in the Scope of Work.
3 In the project Carl Moyer Program Grant Proposal, Grantee has disclosed all other sources of funding to
4 be applied towards this project. Grantee shall include this Carl Moyer Project in its fleet size, and Grantee
5 shall certify and maintain compliance. Additionally upon execution of this agreement, Grantee shall not
6 submit another grant application or sign another grant agreement pertaining to the same specific
7 equipment/engine or use this project for compliance extension or credit. Grantee shall provide written
8 evidence of commitment for such funding to MDAQMD and MDAQMD may not release any funds under
9 this Agreement until it finds such evidence satisfactory. If an existing contract is amended to increase the
10 total Carl Moyer Program funding of the project, MDAQMD must reevaluate eligibility and consider all
11 applicable regulations.

12
13 a. Payments.

14 i. MDAQMD shall not make any advance payment under this Agreement and all
15 payments to Grantee by MDAQMD as provided herein shall be reimbursements of costs
16 already incurred by Grantee.

17 ii. Grantee shall support each claim for reimbursement under this Agreement by
18 proper itemized invoice(s) that set forth the work completed, receipt(s) and/or other
19 documents necessary for the MDAQMD to verify the validity of each claim. Claims for
20 payment must be submitted to MDAQMD, Attention: GRANT ANALYST. Such claims
21 for payment may be submitted on a monthly basis.

22 iii. MDAQMD will pay Grantee for claims in arrears within forty-five (45) calendar
23 days of receipt of proper documentation and verification that the work for which
24 reimbursement is sought has been satisfactorily completed.

25 iv The amount to be paid to Grantee under this Agreement includes all sales and use
26 taxes incurred pursuant to this Agreement, including but not limited to any taxes due on
27 equipment purchased by Grantee. Grantee shall not receive additional funds for
28 reimbursement of such taxes and shall not decrease work to compensate therefore.

1 v. In the event there are any subcontractors, concurrently with the submission of any
2 claim for payment, Grantee shall certify that complete payment has been made to any and
3 all subcontractors. Grantee shall support such certification by appropriate copies of
4 invoices issued, checks, receipts, and similar documents.

5 b. Close-out Period.

6 i. All final claims shall be submitted by Grantee within sixty (60) days following the
7 final month of activities for which payment is claimed. MDAQMD will have no obligation
8 to pay or take any action on claims submitted after the 60-day close-out period.

9 c. Repayment of Grant.

10 i. Grantee agrees to repay MDAQMD if any of the following occur:

11 1. Grantee's annual use of the [PROJECT DESCRIPTION] falls below:

12 a. Unit [NUMBER]: [ANNUAL USAGE] hours annually
13 75% of which must occur within the State of California.
14 Alternatively, in the event that Grantee is unable to satisfy the
15 required usage listed above each year for the [PROJECT LIFE] year
16 project term, Grantee may request to extend the terms of this
17 agreement for reporting purposes or request a waiver without
18 penalty for a defined time period pursuant to the conditions listed in
19 paragraphs (5)(c)(iii)(1)-(5)(c)(iii)(5) below; or

20 2. The [PROJECT DESCRIPTION] specified in Exhibit A are sold and the
21 buyer fails to accept and perform the obligations of this agreement for the
22 remaining project lifetime as set forth in Exhibit A; or

23 3. The [PROJECT DESCRIPTION] specified in Exhibit A are destroyed or
24 otherwise rendered inoperable.

25 ii. The amount of repayment shall be calculated as follows:

26 Repayment amount = $\frac{G}{T} \left(\sum_{i=1}^n |R - A_i| \right)$
27

28 Where:

1 G = "Grant amount" is the amount of money Grantee is reimbursed for each repower
2 and retrofit under this Agreement.

3 n = "project life in years" for the purposes of this calculation, [PROJECT TERM]
4 years

5 R = annual "hours required" is

6 Unit [NUMBER]: [ANNUAL USAGE] hours annually

7 A = "hours used" is the number of hours each [PROJECT DESCRIPTION] is
8 operated annually in conformance with this Agreement.

9 T = "Total hours required per [PROJECT DESCRIPTION]" which is defined as R
10 multiplied by n

11 iii. Alternatively, if Grantee is unable to satisfy the required usage over the [PROJECT
12 LIFE] year project term as specified above, pursuant to Carl Moyer Program
13 Guidelines Advisory 08-006, Grantee is eligible to extend the contract term subject to the
14 following:

15 1. Grantee's off-road fleet is and remains a [FLEET SIZE]small fleet under the
16 In-Use Off-Road Diesel Vehicle Regulation as is in effect as of the date this contract
17 is executed.

18 2. Grantee must provide to the District on or before sixty (60) days of the end of
19 the [PROJECT LIFE] year contract term:

20 a. A written request for extension of reporting or waiver in writing.
21 Request must provide details as to why Grantee was unable to satisfy required
22 hours pursuant to the terms of the agreement;

23 b. A list of current hours operated per unit per year as of the date the
24 extension is requested; and

25 c. A certification that the fleet still meets the criteria for [FLEET
26 SIZE]small fleet pursuant to the In-Use Off-Road Diesel Vehicle Regulation
27 in effect on the date this contract is executed;
28

1 3. Grantee's [FLEET SIZE]small fleet status the first compliance requirements
2 under the regulation begin [DATE REGULATION BEGINS] therefore emission
3 reductions will remain surplus to regulation until [DATE REGULATION BEGINS].

4 4. Grantee shall continue to report usage on the same annual schedule as set forth
5 in Exhibit A until [END OF REPORTING PERIOD] or until its usage obligations are
6 satisfied. After the [PROJECT LIFE] year contract term all hours each unit operated
7 during the first [PROJECT LIFE] years shall be considered in aggregate against the
8 total hours required under the contract.

9 5. If grantee is unable to meet the usage obligation by [END OF REPORTING
10 PERIOD], qualify for an extension or waiver, pro-rated repayment of grant funds
11 will be required.

12 6. Maintenance: Grantee shall operate and maintain the engine(s) pursuant to the engine
13 manufacturer's specifications for the entire project life. Grantee shall not tamper with any engine or
14 retrofit installed pursuant to this grant agreement. This project must not void any existing warranty.
15 Grantee shall maintain a non-resettable hour meter on each engine pursuant to this agreement. If during
16 the project life the meter fails for any reason, the owner shall immediately notify the MDAQMD of the
17 failure and remains responsible for validating any hours not recorded. Grantee must repair or replace the
18 non-operating meter promptly.

19 7. Independent Contractor:

20 a. The relationship of Grantee to MDAQMD under this Agreement is that of an independent
21 contractor. Grantee is to exercise its own discretion as to the method and manner of performing
22 its duties. MDAQMD will not exercise control over Grantee, its employees, agents, or
23 subcontractors, except regarding the result to be obtained and to verify compliance with the terms
24 of this Agreement. Grantee and MDAQMD shall comply with all applicable provisions of law and
25 the rules and regulations, if any, of governmental authorities having jurisdiction over matters the
26 subject thereof.

27 b. Grantee understands that this Agreement does not preclude Grantee from performing
28 services for other projects under the jurisdiction of the MDAQMD as long as such services are not

1 in conflict with this Agreement and as long as such services do not create conflict of interest under
2 applicable laws.

3 c. The Parties further agree that since the status of Grantee is that of an independent
4 contractor, Grantee shall not become entitled to any employment rights or benefits that are
5 available to the employees of MDAQMD. The Parties further agree that Grantee shall be solely
6 responsible for providing to itself, and on behalf of itself, all legally required employment benefits.

7 8. Termination:

8 a. Breach of Agreement: MDAQMD may immediately suspend or terminate this Agreement,
9 in whole or in part, where in the reasonable determination of MDAQMD there is:

- 10 i. An illegal or improper use of funds;
- 11 ii. A breach by Grantee of any material term of this Agreement and failure to cure
12 such breach within thirty (30) days following written notice from MDAQMD; or
- 13 iii. A substantially incorrect or incomplete report submitted to MDAQMD that is not
14 corrected within thirty (30) days following written notice by the MDAQMD of the report
15 deficiencies.
- 16 iv. A breach by sublet, transfer of any rights or obligations, modification or **sale** of the
17 equipment Grantee under this agreement in violation of paragraph 15c or d of this
18 agreement prior to the fulfillment of all obligations under this agreement.

19 In no event shall any reimbursement by MDAQMD constitute a waiver by MDAQMD of any
20 breach of this Agreement or any default which may then exist on the part of Grantee. Neither shall such
21 reimbursement impair or prejudice any remedy available to MDAQMD with respect to the breach or
22 default. MDAQMD shall have the right to demand of Grantee the repayment to MDAQMD of any funds
23 disbursed to Grantee under this Agreement which in the judgment of MDAQMD were not expended in
24 accordance with the terms of this Agreement. Grantee shall promptly refund any such funds upon demand.

25 In addition to immediate suspension or termination, MDAQMD may seek any other remedies
26 available at law, in equity, or otherwise specified in this Agreement.

1 b. Without Cause: In the event of unavailability of funds because of fault or no fault of either
2 party, such party may terminate this Agreement upon giving written notice to the other party at
3 least thirty (30) days before the effective date of such termination.

4 c. For Cause: MDAQMD may terminate this Agreement upon the conviction for any criminal
5 act by Grantee, its agents, officers and employees if such act directly relates to this Agreement.

6 9. Indemnification: Grantee agrees to indemnify, defend and hold harmless MDAQMD and its
7 authorized agents, officers, volunteers and employees against any and all claims or actions arising from
8 Grantee's acts, errors or omissions in performing services pursuant to this Agreement. Grantee agrees to
9 indemnify, defend, and hold harmless MDAQMD, its authorized agents, officers, volunteers and
10 employees against any and all losses sustained due to the use of the [PROJECT DESCRIPTION] pursuant
11 to this agreement. MDAQMD agrees to indemnify, defend and hold harmless Grantee and its authorized
12 agents, officers, volunteers and employees against any and all claims or actions arising from MDAQMD's
13 acts, errors or omissions in performing services pursuant to this Agreement.

14 10. Insurance:

15 a. In order to accomplish the indemnification herein provided for, Grantee shall secure and
16 maintain, throughout the term of the Agreement, the following types of insurance issued by
17 companies reasonably acceptable to MDAQMD. Grantee will procure and maintain insurance as
18 required by law or regulation. At a minimum, Grantee will procure and maintain the following
19 types of insurance:

- 20 i. Workers' compensation insurance in amounts to satisfy applicable state laws;
- 21 ii. Employer's liability insurance in the amount of \$1,000,000;
- 22 iii. Automobile liability insurance in the amount of \$1,000,000 per occurrence;
- 23 iv. General commercial liability insurance for bodily injury, death or loss of or damage
24 to property of third persons in the minimum amount of \$1,000,000 per occurrence and in
25 the aggregate.

26 b. Such insurance policies shall name MDAQMD, its officers, agents, employees,
27 individually and collectively, as additional insured (except workers' compensation insurance), for
28 purposes of the matter covered under this Agreement. The coverage shall contain no special

1 limitations on the scope of protection afforded to the District, its officers, agents, employees,
2 individually and collectively. Such coverage for additional insured shall apply as primary
3 insurance, and any other insurance maintained by MDAQMD, its officers, agents, and employees,
4 shall be excess only and not contributing with insurance provided under Grantee's policies herein.
5 The grantee's insurance shall apply separately to each insured against whom claim is made or suit
6 is brought, except with respect to the limits of the insurer's liability. Any failure to comply with
7 any of the provisions or policies including breach of warranties shall not affect coverage provided
8 to the District, its officers, agents, employees, individually and collectively. Each insurance policy
9 required by this clause shall state or be endorsed to state that coverage shall not be cancelled by
10 either party, except after thirty (30) days, prior written notice by U.S. mail has been given to the
11 District or in the event of non-payment of premium, ten (10) days prior written notice by U.S. mail
12 has been given to the District.

13 c. Prior to the commencement of performing its obligations under this Agreement, Grantee
14 shall provide to MDAQMD appropriate certificates from its insurance carrier or carriers stating
15 that such insurance coverages have been obtained and are in full force; that MDAQMD, its officers,
16 agents and employees will not be responsible for any premiums on the policies; that such insurance
17 names MDAQMD, its officers, agents, and employees, individually and collectively, as additional
18 insureds and stating policy number, dates of expiration, limits of liability thereunder, and special
19 endorsements (except workers' compensation insurance), for purposes of the matter covered under
20 this Agreement; that such coverage for additional insured shall apply as primary insurance and any
21 other insurance maintained by MDAQMD, its officer, agents, and employees, shall be excess only
22 and not contributing with insurance provided under Grantee's policies herein.

23 11. Audits Inspections and Reports:

24 a. During the project life, either or both the MDAQMD and CARB have the authority to
25 inspect projects, enforce terms of this agreement, and pursue refund for any noncompliance with
26 the terms and conditions of this Grant Agreement or applicable state laws or regulations. Grantee
27 shall at any time during regular business hours following reasonable notice from the MDAQMD,
28 and as often as MDAQMD may deem necessary, make available to MDAQMD for examination

1 all of its records and data with respect to the matters covered in this Agreement. Grantee shall,
2 and upon reasonable advance request by MDAQMD, permit MDAQMD, at MDAQMD's cost, to
3 audit and inspect all of such records and data necessary to ensure name's compliance with the
4 terms of this Agreement. In the event it becomes necessary, Grantee shall be subject to an audit to
5 determine if the funds received by Grantee were spent for the incremental cost of cleaner heavy-
6 duty vehicles and equipment as provided in CARB's Carl Moyer Program Guidelines and to
7 determine whether said funds were spent as provided by law and this Agreement. If after audit
8 MDAQMD makes a determination that funds provided to Grantee pursuant to this Agreement were
9 not spent in conformance with this Agreement or the requirements of the Carl Moyer Program or
10 any other applicable provisions of law, and following resolution of any appeal of such
11 determination by Grantee to the Board of the MDAQMD, Grantee agrees to immediately reimburse
12 MDAQMD all funds determined to have been expended not in conformance with said provisions.

13 c. Grantee shall deliver usage reports commencing twelve (12) months after the date each
14 [DESCRIPTION OF PROJECT] is placed back into service and annually thereafter for the project
15 life as specified in Exhibit A.

16 d. Grantee shall retain all records and data for activities performed under this Agreement for
17 at least three (3) years beyond the performance of the final obligation pursuant to this Agreement
18 or until all state and federal audits are completed, whichever is later.

19 12. Notices: The persons and their addresses having authority to give and receive notices under this
20 Agreement are as follows:

21 [Grantee Name]	MDAQMD	MDAQMD
22 [Grantee Contact]	[MDAQMD Employee]	[MDAQMD Employee]
[Grantee Contact Title]	[Employee Title]	[Employee Title]
23 [Grantee Address]	14306 Park Avenue	14306 Park Avenue
[City State Zip]	Victorville, CA 92392	Victorville, CA 92392

24
25 Any and all notices to MDAQMD and Grantee provided for or permitted under this Agreement or
26 by law shall be in writing and shall be deemed duly served when personally delivered, or in lieu of such
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1 personal service, when actually received or when deposited in the United States mail, postage prepaid,
2 addressed to such party.

3 13. Political Activity Prohibited: None of the funds, materials, property, or services provided under
4 this Agreement shall be used for any political activity, or to further the election or defeat
5 of any candidate for public office contrary to federal or state laws, statutes, regulations, rules, or
6 guidelines.

7 14. Lobbying Prohibited: None of the funds provided under this Agreement shall be used for publicity,
8 lobbying, or propaganda purposes designed to support or defeat legislation before the Congress of the
9 United States of America or the Legislature of the State of California.

10 15. Conflict Of Interest: No officer, employee or agent of MDAQMD who exercises any function or
11 responsibility for planning and carrying out the services provided under this Agreement shall have any
12 direct or indirect personal financial interest in this Agreement. Grantee shall comply with all federal, state
13 and local conflict of interest laws, statutes, and regulations.

14 16. Succession:

15 a. Each party and the partners, successors, and legal representatives of each party, and to the
16 extent permitted herein the assigns of each party, are hereby bound to the other party and
17 to the partners, successors, legal representatives and assigns, of such other party, in respect
18 to all covenants, agreements and obligations of this Agreement.

19 b. Neither Party will assign, sublet or transfer any rights or obligations under this Agreement
20 without the written consent of the other. However, Grantee is authorized to use employees
21 of or assign this Agreement to an affiliate as it may deem appropriate to assist in the
22 performance of services or as a result of an internal reorganization.

23 c. Grantee shall not sublet, transfer any rights or obligations, pertaining to the
24 [DESCRIPTION OF PROJECT] under this agreement, for the full term of the agreement
25 without prior written authorization from the MDAQMD.

26 d. Grantee shall not sell or otherwise modify the [DESCRIPTION OF PROJECT] under this
27 agreement, for the full term of the agreement without prior written authorization from the
28 MDAQMD.

1 17. Time is of Essence: Time is of the essence in completion of the services in this Agreement.

2 18. Benefit to Parties: Nothing contained in this Agreement will be construed to give any rights or
3 benefits to any person other than the Parties, and all duties and responsibilities undertaken pursuant to this
4 Agreement will be for the sole and exclusive benefit of the Parties and not for the benefit of any other
5 person.

6 19. Change in Scope of Work: Changes or amendments to the project application as it exists at the
7 time the Governing Board makes the grant award and or Scope of Work contained in this Agreement,
8 including any increase or decrease in the amount of program funds awarded, and changes in the terms of
9 this Agreement, shall be mutually agreed upon in writing by and between MDAQMD and Grantee, and
10 shall only be effective by duly executed written amendments to this Agreement.

11 20. Severability: In the event that any word, phrase, clause, sentence, paragraph, section, article or
12 provision contained in this Agreement is held to be unenforceable for any reason by a court of competent
13 jurisdiction, such holding shall not affect the remaining portions of this Agreement, and the Agreement
14 shall then be construed as if such unenforceable provisions are not a part hereof.

15 21. Captions: The paragraph captions of this Agreement shall have no effect on its interpretations.

16 22. Entire Agreement: This Agreement, together with the project application and Exhibit A,
17 constitutes the entire Agreement between the Parties and will supersede all prior written or oral
18 understandings. This Agreement and its Exhibits may only be amended, supplemented, modified or
19 canceled by a duly executed written instrument signed by the Parties.

20 23. Rights to Emission Reductions: Projects funded via the Carl Moyer Program cannot generate
21 Emission Reduction Credits (ERCs) pursuant to MDAQMD Regulation XIV or be used for offsets
22 pursuant to Regulation XIII.

23 24. Governing Law: This Agreement shall be interpreted under the laws of the State of California.
24 Venue for any action arising out of this Agreement shall only be in San Bernardino or Riverside County,
25 California. This Agreement was entered into in Victorville, California.

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1 MOJAVE DESERT AIR QUALITY
2 MANAGEMENT DISTRICT

GRANTEE

3
4 _____
5 BRAD POIRIEZ
6 Executive Director

[AUTHORIZED SIGNATORY NAME]
[TITLE]

7 Dated: _____

Dated: _____

8
9 Approved as to legal form:
10
11
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13 _____
14 KAREN K. NOWAK
15 District Counsel

16 Dated: _____

17 END OF CONTRACT.
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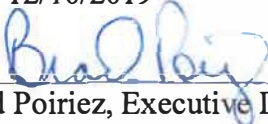
*Mojave Desert
Air Quality Management District*

STANDARD PRACTICE

4-5

Effective Date: 03/01/1996

Revision Date: 12/10/2019

Approved: 
Brad Poiriez, Executive Director/APCO

Applicability: All

SUBJECT: RECORDS RETENTION

PRACTICE:

It is the standard practice of the Mojave Desert Air Quality Management District (District) to ensure an orderly system for the retention and destruction of records, to retain certain records for various periods of time prior to their disposal or destruction.

AMPLIFICATION OF PRACTICE:

A. General

This Standard Practice establishes the records retention policies, procedures and guidelines for categorization, use and disposition of public records of the District in accordance with their administrative, legal, fiscal, and/or historical value. All officers, employees, and members of District Boards or committees are required to comply with the provisions of Governing Board Policy 93-2, this Standard Practice and any Protocols established pursuant to same.

This Standard Practice is designed to enable the District to comply with the applicable provisions law regarding document retention including but not limited to, the California Public Records Act (Government Code §§6250 et seq.); provisions regarding the destruction of records of special districts (Government Code §§60200 et seq.); retention provisions contained in Division 26 of the Health & Safety Code (Health & Safety Code §§39000 et seq.) and other applicable provisions of State and Federal law.

The District has several different methods and programs for preserving records. “Questys” is the recognized electronic content system for the majority of the public records of the District. “Accufund” contains the financial, timekeeping and payroll system. “CAPS” is the primary repository for active permitting and enforcement information. Non-confidential, non-working information contained in Accufund and CAPS is eventually transferred into Questys. Ethics information and Form 700 filings are contained in Disclosure Docs. Air Quality data is retained in Air Vision. Confidential files and information as well as oversized documents such as blueprints are retained in hard copy. In general, files and communications which are being

STANDARD PRACTICE
of the
Mojave Desert Air Quality Management District

actively worked are retained on the server either as single files or as part of the E-Mail server and will eventually be retained pursuant to this Standard Practice.

Attached to and incorporated in this Standard Practice are the following:

- Exhibit A – Retention of Official Documents
- Exhibit B – Storage, QA/QC and Disposition of Copies
- Records Retention Flow Chart

B. Record Types, Categorization of Records

1. What is a Record?

Most every document created or retained by the District in whatever form (hard copy, electronic, e-mail) is considered a “Record” and must be dealt with according to this Standard Practice. While some documents may be transitory in nature (For example: drafts, logistical information) and may be destroyed relatively quickly when they are no longer useful other documents rise to the level of “Public Records” and must be retained for certain periods of time before they may be destroyed. This Standard Practice is intended to assist in sorting and determining the appropriate time period after which a Record may be destroyed.

The California Public Records Act, specifically in Government Code §6252(e) defines a “Public Record” as any writing containing information relating to the conduct of the public’s business prepared, owned, used or retained by any state or local agency regardless of physical form or characteristics. Writings include, but are not limited to documents which are handwritten, typewritten, photographs, photocopies, e-mails, facsimiles regardless of the method by which it was created or stored. District custody of a writing is not in and of itself sufficient for it to be considered a Public Record. Such writing must also be necessary and/or convenient to the discharge of official duties. Generally, most anything that is used in connection with District business will be considered a Public Record.

Public Records can include items contained in personal cell phone, e-mail, voice mail and/or social media accounts *City of San Jose v. Superior Court* (2017) 2 Cal 5th 608. These records may be required to be produced under the California Public Records Act if they substantially relate to the District’s business and are not copied over or otherwise preserved in the District’s records. (See Standard Practice 4-16 *Cell Phones*)

Despite the above, there are some records which are exempt from disclosure under the California Public Records Act for various purposes. Some of these records are required to be kept confidential. Please see Standard Practice 4-12 – Public Records or consult District Counsel for assistance regarding whether a particular record may be disclosed .

STANDARD PRACTICE
of the
Mojave Desert Air Quality Management District

2. Categorization of Records.

Records will generally fall into one of two categories upon being created or coming into the possession of the District: *Preserve Immediately* or *Working*.

Preserve Immediately records are those which the District is required to keep by law. These include but are not limited to: Air Quality Permit Applications, Permit issuance documents, Tests & Reports, Requests for Variances, some financial documents, and a variety of documents contained in Personnel files.

Working records are those which belong to a project or other District function and are necessary to complete the project or function. These include but are not limited to rule development documents, draft versions of permits, draft versions of engineering evaluations, communications between the District and a source, document related to NOV's or NTCs.

C. Initial Disposition of Records

1. *Preserve Immediately*

Records which are to be preserved immediately upon initial receipt/production shall be placed into Questys or other appropriate place pursuant to the applicable protocol for the document type involved. For example: items belonging in a Personnel File will be placed in that file; Items such as Form 700 filings will be placed in the Disclosure Docs program; Financial records would be placed in Accufund; and Tests and Reports would be placed in the appropriate Facility File in Questys.

2. Records which are *Working* Files

Records which are part of the working files on a project may be kept until the project or function is complete. Once the project or function is complete unneeded records should be purged from the file and the remainder be placed into Questys (or other appropriate place) pursuant to the applicable protocol.

Purging files involves removing extraneous material that is not required by law to be kept. Such material includes but is not limited to items such as logistical e-mails, drafts of documents (except publically released drafts), certified mail receipts, and post it notes. Exactly what items can be purged from a file will depend upon the type of project or function. For example, Rule Development Files will have different items needing to be retained than closed NOV/NTC files. Please consult the applicable Protocol for the specific project/file type or consult District Counsel if questions arise.

STANDARD PRACTICE
of the
Mojave Desert Air Quality Management District

D. Official District Records

1. Official Records in Questys

Once a record has been scanned or otherwise placed in Questys and the initial QA/QC Protocol has been performed the copy of the document in Questys is presumed to be the Official District Record. The original becomes an “extra” copy and is either destroyed or placed in the appropriate storage for later destruction pursuant to the QA/QC Protocol. The only exception to the above paragraph is official meeting documents of the District (Governing Board, Hearing Board, and Brown Act Committees). In this case the initial input copy is retained indefinitely and has dual status with the copy in Questys as the Official District Record.

Any record placed in Questys is presumed to be a public record. Any confidential records need to be labeled as such and placed in the appropriate file with a placeholder note being scanned into Questys. This includes information such as confidential/trade secret facility related information. In the alternative if the amount of confidential information is small the information may be redacted before scanning or otherwise placing in Questys and the original unredacted copy shall be placed in the appropriate hard copy file.

2. Official Records Elsewhere (Hard Copy/Confidential/Other Electronic Systems)

Official records may also be found in hard copy (eg. Personnel Files); Financial electronic records (Accufund); electronic Form 700 filings (Disclosure Docs); and electronically collected air monitoring data (AirVision). The official status of any particular record and whether or not it is disclosable under the Public Records Act will vary depending upon the type of record and its status in the particular program. Please consult District Counsel if necessary before releasing such records.

3. Official Status of Working Files

Working files in progress have a unique status under the Public Records Act. Specific documents may be considered Public Records and may be subject to disclosure. Please consult District Counsel if such records are requested.

E. Retention Periods and Disposition of Official District Records

1. Official Records located in Quesyts and/or Confidential Files

The retention time period for specific types of Official District Records are as listed in Exhibit “A”.

Any Official District Record type not listed in Exhibit “A” shall be retained for at least the minimum time period required by State or Federal law, order, rule or regulation.

STANDARD PRACTICE
of the
Mojave Desert Air Quality Management District

Any Official District Record type not listed in Exhibit “A” and not required to be retained by State or Federal law, order, rule or regulation for a different period of time shall be retained for at least two (2) years.

Any specific Official District Record of a type listed in Exhibit “A” which is otherwise required to be retained by State or Federal law, order, rule or regulation shall not be destroyed or otherwise disposed of until after the expiration of the longest time period specified.

Any Official District Record subject to a Litigation Hold shall not be destroyed or otherwise disposed of until after the Litigation Hold has been removed (by District Counsel or appropriate litigation counsel) regardless of the applicable retention period.

Preliminary drafts, notes, or interagency or intra-agency correspondence which are not retained or required to be retained by the District pursuant to state or federal law, order, rule or regulation may be destroyed if such records are no longer necessary.

Duplicate records may be destroyed or otherwise disposed of as long as the original or a permanent copy is retained in another file maintained by the District. Hard copies, where the official record is otherwise stored, may be destroyed pursuant to the Questys QA/QC Protocol, the applicable protocol for the subject matter, or as indicated in Exhibit “B”.

Records required by law to be kept by another agency or entity may be destroyed or otherwise disposed of if such records are no longer necessary.

2. Official Records Not Yet in Questys, Located Elsewhere

Official Records may be maintained outside of Questys and the Confidential files (Working Files). However, employees are required to submit such records for inclusion into Questys once the project or function to which they relate is complete. Certain records may be stored in other District programs or in hard copy. These records may be disposed of as listed in subsection 1 above unless otherwise noted in Exhibit “A”

3. Final Disposition/Destruction of Official Records

Official Records contained in Questys, the Confidential files or other District files shall be reviewed for potential destruction upon the expiration of the applicable retention period. If the record is not required to be kept for another purpose then it may be removed from Questys pursuant to the Questys Removal Protocol. Records kept in other District programs may be destroyed as listed in Exhibit “A” or in some cases migrated into Questys then destroyed pursuant to the Questys Removal Protocol.

The District’s Record Manager or other person designated to destroy records under the applicable protocol will keep a destruction log indicating the general nature/type of

**STANDARD PRACTICE
of the
Mojave Desert Air Quality Management District**

records destroyed, the method of destruction (Shred/delete/purge) and the date upon which the destruction occurred.

4. Retention of Records for Longer Periods

Nothing in this standard practice requires the destruction of any record after the period specified in Exhibit "A" or as required by state or federal law, order, rule or regulation. The APCO or department supervisor may require the retention of any record for a longer period of time for the convenience of the District

F. Litigation Hold

When litigation is reasonably foreseeable District Counsel will issue a "litigation hold" on all records related to the subject matter of the litigation. Such litigation hold will be issued by memo to the employee or employees directly responsible for the information in question with copies to their immediate supervisor and the Air Pollution Control Officer. Written instructions will be provided in hard-copy and delivered personally to the affected persons. Employees are required to retain all hard-copy and electronic data as indicated in the written instructions.

In addition, District Counsel may request that restrictions designed to preserve information be placed on District technological resources such as particular computers, databases, servers, folders, and/or e-mail boxes. In such a case a separate "litigation hold" memo will be issued to the appropriate persons detailing the location, scope and types of information to be preserved from destruction. A copy of this memo will be provided to the Air Pollution Control Officer. Memos will be provided in hard-copy and delivered personally to the persons in positions most likely able to implement a litigation hold on electronic data.

Once litigation has been settled, completed or the litigation hold is no longer necessary District Counsel will remove the litigation hold by issuing written instructions to the persons notified in the initial memos.

Approved to as Legal Form:



Karen K. Nowak
District Counsel

EXHIBIT "A"
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Citations	Questys Retention Code	Responsible Department
CCP = Code of Civil Procedure	#Y = Number of years from document date	AD = Administration
CCR = California Code of Regulations (Administrative Code)	#E = Number of years from expiration, superseded, or cancellation date of document	AM = Air Monitoring
CFR = Code of Federal Regulations	#F = Number of years from Facility expiration or cancellation of all permits	C = Compliance
GC = Government Code	I = Indefinite	CRE = Community Relations & Education
H&S Code = Health & Safety Code	X = Keep indefinitely for useful or historical purposes	E = Executive Offices
LC = Labor Code		HR = Human Resources
PC = Penal Code		O = Operations
R&T Code = Rev & Tax Code		ODC = Office of District Counsel
USC = US Code		P = Permit Engineering
		R = Rulemaking & Planning
		RM = Records Management

Destruction of any record must be authorized by the legislative body of the District (Gov. Code §§60200-60204)

Record Type/Description	MDAQMD Official Document ¹ Minimum Retention Period ²	Citation ³	Retention Code/ Location	Responsible Dept.
AB2766 (Motor Vehicle Registration Fee surcharge subvention records from DMV)	7 years after receipt of funds ⁴		7E	AD
Accident/Illness Report (Includes Medical Records, Exposure to toxic substances records & MSDS Sheets. Excludes Health insurance claims, 1 time medical treatment, records for employees working less than 1 year if records provided to employee)	Non Public Record in HR Files. 30 years after termination/separation from employment.	GC 6254(c) 8 CCR 2304(d)(1)(A-B)	HR Files; Personnel File	HR

¹ Official Documents are primarily stored in Questys. Certain official records are stored electronically in other programs. Non-public/exempt Records stored as indicated either by document type or protocol.

² Periods specified are MINIMUM retention periods. Documents may be kept longer if they remain useful (See Section E.4. above.)

³ Citations are provided primarily for reference. A particular citation may not be directly applicable by its terms to Special Districts such as the MDAQMD.

⁴ Retention period set to be consistent with other financial records.

EXHIBIT "A"
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
Accident Reports (Damage to District Property)	10 years	CCP 337.15 GC 34090	10Y	AD
Accounting (General Ledger)	7 years ⁵	CCP 337 GC 34090	7Y	AD
Accounting (Permanent Account Books per IRS regulations)	Permanent	26 CFR 1.6001-1(c) & (e)	I	AD
Accounts Payable (Journals, statements, account posting, vouchers, invoices, billings, purchase orders, check requests, checks, voided/canceled checks, credit card statements expense reimbursements, per diem etc.)	7 years ⁶	CCP 337 GC 60201(d)(12) 26 CFR 31.6001-1(e)(2)	7Y	AD
Accounts Receivable (Deposit receipts, receipt books, records of payments etc.)	7 years ⁷	CCP 337 26 CFR 31.6001-1(e)(2)	7Y	AD
Air Monitoring/Air Quality Records (Excluding physical samples)	2 years after QA/QC by oversight agency.		2E	AM
Air Monitoring Filters & Samples	5 years after date of collection	40 CFR 58	5Y	AM
Air Toxics "Hot Spots" Records/Reports	2 years after expiration of all permits held by facility.		2E	C and P
Agenda & Meeting Related (Agendas, staff reports, background documentation, notices, proof of publication etc. for Governing Board, Hearing Board, and any Brown Act committee.)	Life of agency	GC 34090 GC 60201(d)(1-3)	I	E

⁵ Statutory minimum = Audit + 4 years. Retention period set to be consistent with other financial records.

⁶ Statutory minimum = Audit +4 years for general, payment date +7 for reimbursements. Retention period set to be consistent with other financial records.

⁷ Statutory minimum = Audit +4 years. Retention period set to be consistent with other financial records.

EXHIBIT “A”
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
Annual Financial Report⁸	Audit +7 Years	GC 34090	7E	AD
Appraisals (For real property owned by District)	Not a public record until real estate transaction complete then 2 years.	GC 6254(h) 34090	2E	AD
Asbestos Notices – Facility (See Facility Related)	N/A	N/A	N/A	N/A
Asbestos Notices – Non Facility (Notices of demolition/renovation not related to permitted facility.)	2 years from date of document.		2E	C
Audio Files (Tapes/electronic audio files of official meetings)	30 days after approval of minutes of meeting.		N/A	E
Audit Reports (Includes backup, development documents and correspondence) ⁹	7 years ¹⁰	GC 34090	7Y	AD
Bank Records (Deposits/Reconciliations)	7 years ¹¹	GC 34090	7Y	AD
Bids – Successful (Includes plans, specifications, requests for proposals etc.)	4 years	CCP 337, 337.1 GC 34090	4Y	AD
Bids – Unsuccessful (Bid packages only)	2 years	GC 34090, 60201	2Y	AD
Billings (See Accounts payable)	N/A	N/A	N/A	N/A
Blueprints/Drawings – Facility Related (Usually held in hardcopy. See Facility Files)	N/A	N/A	N/A	N/A
Blueprints/Drawings – Non-Facility Related (Usually held in hardcopy)	2 years		2Y	C and P
Brochures/Publications (May retain longer if historical value)	2 years	GC 34090	2Y	CRE

⁸ Financial Reports and Audits appear on Agenda and therefore will be retained under that category.

⁹ Final documents appear on Governing Board Agenda and therefore retained under that category.

¹⁰ Statutory minimum = Current +4 years. Retention period set to be consistent with other financial records.

¹¹ Statutory minimum = 4 years. Retention period set to be consistent with other financial records.

EXHIBIT “A”
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
Budget (Includes backup, development documents and correspondence) ¹²	Audit + 2 years	GC 34090	2E	AD
Capital Improvement Documents (Includes planning, design, construction, conversion modification of government owned facilities, structures and systems)	10 years after completion of project	GC 34090 H&S 19805	I	AD
CARB/EPA Correspondence – Non-Facility Related (See Correspondence.)	N/A	N/A	N/A	N/A
CEQA – For District Actions (See Agenda Related)	N/A	N/A	N/A	N/A
CEQA – Participation in Other Agency Actions (See Correspondence)	N/A	N/A	N/A	N/A
Cell Phone -Personal; Voice Mails/E-mails/Texts - Personal (If information is “public” AND not already in a district resource, employees are required to forward to district resource per Standard Practice 4-16. See also Correspondence and/or E-mail.)	N/A	N/A	N/A	N/A
Checks (See Accounts Payable)	N/A	N/A	N/A	N/A
Citizen Feedback (See Correspondence unless Facility Related or Rule Development Related)	N/A	N/A	N/A	N/A
Claims Against District¹³	Until settled + 2 years	GC 60201(d)(4) GC 34090	2E	ODC
Complaints –Facility (See Facility Related)	N/A	N/A	N/A	N/A

¹² Final documents appear on Governing Board Agenda and therefore retained under that category.

¹³ Most claims will be retained by insurance carrier. Approval/denial of claim will be on Governing Board Agenda; Payments will be with Financial information and therefore retained under those categories.

EXHIBIT “A”
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
Complaints – Non-Facility (See Correspondence)	N/A	N/A	N/A	N/A
Conflict of Interest Code	Life of Agency	GC 87300 et seq.	I	E and ODC
Contracts (Including those involving or using State or Federal Funds but excluding real property design/development contracts)	7 years after termination/completion ¹⁴	CCP 337 CCP 337.2 CCP 343	7E	AD
Contract – Real Property (Includes development, design specifications, surveying, planning, supervision, testing etc of construction or improvement and may include releases, retentions, withholdings and change orders)	10 years after termination/completion	CCP 337.15	10E	AD
Copies of documents Scanned/Imported into Questys (By document type. Treated as copies pursuant to specific document type protocol and/or Questys QA/QC protocol. See also Exhibit “B” as attached)	See Exhibit “B”	Internal protocols	Storage	RM
Correspondence (Only applies to correspondence not related to another category. See also Facility Related; Rule Development Related, E-Mail or other category with longer retention period.)	2 years	GC 34090	2Y	Creating or Receiving Department
Credit Cards (See Accounts Payable)	N/A	N/A	N/A	N/A
Deeds (See Real Property related)	N/A	N/A	N/A	N/A
Demographics and Statistical Data	2 years after superseded	GC 34090	2E	AD

¹⁴ Statutory minimum =4 years from completion. However, most contracts grant/pass through funds require longer retention. Retention period set to be consistent with other financial records.

EXHIBIT "A"
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
DMV Information of Employees (NOT A PUBLIC RECORD See also Personnel Records)	When superseded	GC 34090 CG 6254(c)	N/A	HR
E-Mail (Only applies to E-mail not related to another category. See also Facility Related; Rule Development Related, Correspondence, or other category with longer retention period. See also E-Mail Standard Practice for documents retained in active E-mail boxes.)	See E-Mail Standard Practice (To be developed/maybe include in SP 4-10)	N/A	N/A	N/A
EEOC Records (See Personnel – EEOC/FEHA Compliance)	N/A	N/A	N/A	N/A
Emission Reduction Credit Related (Special Rules apply. Certain records may need to be attached to purchasing/using Facility as well as creating facility. See also Facility Related)	Special rules apply. See protocol for ERCs.	N/A	N/A	N/A
Employee Medical/Exposure to toxic/harmful substances (NOT A PUBLIC RECORD. Includes OSHA injury reports. See also Personnel – Employee Records ¹⁵)	Length of Employment +30 years	GC 6254(c) 29 CFR 1910.1020 8 CCR 2304(d)(1)(A-B)	HR, Personnel Files	HR and AD
Employee Related Files (NOT A PUBLIC RECORD See Personnel – Attendance/Leave, Personnel – Employee Records; Personnel-Wages and Other Payments; Payroll)	N/A	N/A	HR Personnel Files Accufund	HR and AD

¹⁵ Includes all medical record pertaining to employees exposed to toxic substances or harmful physical agents. Does not include one-time first aid treatment on site by non-physician, minor injuries (burns, scratches, splinters etc.) that do not involve loss of consciousness, restriction of work/motion or transfer to another job. If employee involved is less than 1 year no need to retain records if records given to employee upon separation.

EXHIBIT “A”
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
Ethics Records (Includes filed Form 700’s, Ethics training records per AB 1234 of 2006, Sexual harassment training per AB 1825)	Variable ¹⁶	GC 53235.2 GC 81009(e-g)	Disclosure Docs	E
Facility Related (Special rules may apply for ERC related documents. See Emissions Reduction Credits.)	2 years after expiration/cancellation of all permits held by Facility		2F	C and P
Financial Records (Anything else financially related not listed elsewhere. See also Accounting)	7 years ¹⁷		7Y	AD
Fixed Assets (Includes Inventories, purchase dates, costs, disposal of, bid sales, Vehicle ownership, Vehicle title etc.)	Audit +7 years ¹⁸	GC 34090 CCP 337 VC 9900 et. seq	4E	AD
Forms	Until superseded	N/A	Server	Creating Department
Gifts to District (See Agenda Related) ¹⁹	N/A	N/A	N/A	N/A
Grant Related (See also Accounting and Contracts)	7 years after termination/completion ²⁰	CCP 337 CCP 337.2 CCP 343	7E	AD

¹⁶ These records are not kept in Questys but are found in Southtech systems Disclosure Docs program. Elected Officials & APCO Form 700 records are kept by FPPC. Employee Records are kept by District. AB1234 and AB1825 records are kept by District in the appropriate Personnel/Training files.

¹⁷ Statutory minimum = audit +2 or audit +4 years. Record period set to be consistent with other Financial information..

¹⁸ Statutory minimums shorter for purchase records and inventories. Vehicle title transfers upon sale. Longer period used to avoid confusion.

¹⁹ Gifts to agency require Governing Board approval. Records will be included under Agenda Related.

²⁰ Statutory minimum =4 years from completion. However, most contracts grant/pass through funds require longer retention. Retention period set to be consistent with other financial records. Grant program implementation documentations should be retained at least 7 years after last grant issued under program has been terminated/completed.

EXHIBIT "A"
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
Insurance Related (Non-Personnel. Federal OSHA Forms, loss analysis, safety reports etc. which are NOT kept by carrier)	Current +7 Years ²¹	GC 34090 29 CFR 1904.44	7E	AD
Meeting Related (Brown act meetings, See Agenda Related)	N/A	N/A	N/A	N/A
Legal Opinions (NOT PUBLIC RECORD)	Superseded +2	GC 34090	ODC	ODC
Litigation – Enforcement Actions (See Facility Related)	N/A	N/A	N/A	N/A
Litigation – Other²²	Final Settlement/Adjudication +2 years	GC 34090	ODC 2E	ODC
Newsletters, Publications & Marketing materials (Dated promotional/SWAG not subject to retention)	2 years ²³	GC 34090	2Y	CRE
Notices (See Proof of Publication/Legal Notices)	N/A	N/A	N/A	N/A
OSHA – CAL and Federal (Personnel logs, filed records, annual summaries, injury reports etc)	5 years	LC 6410 8 CCR 14307	HR Personnel Files	HR and AD
Payroll Related (INCLUDES SOME NON-PUBLIC RECORDS. Consists of payment records, employee information, time cards, registers, Federal/State reports etc.)	Current +7 years ²⁴	GC 60201 CCP 337 29 CFR 516.5, 516.6(c) LC 1174 8 ccr 11000 et seq	Accufund Personnel Files	AD

²¹ Statutory minimums = 2 years for State required reports, 5 years for Federal Reports. Longer period used to conform with other Financial records.

²² Files may be retained by outside counsel.

²³ May want to retain longer for historical reference.

²⁴ Some statutory requirements less. Longest period used to avoid confusion.

EXHIBIT "A"
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
Permit Billing Related (See Financial Records unless document in Facility Related file)	N/A	N/A	N/A	N/A
Personnel – EEOC/DFEH Compliance (Includes documents showing compliance with State and Federal equal employment requirements)	3 years	29 CFR 1602.30	3Y	HR
Personnel – Employee Benefit Plans & Programs (Includes final copies of plans such as: cafeteria, health insurance, COBRA, extension of benefits, insurance policies, EAP, Deferred compensation 457/401(a) etc.)	Life of plan +7 years after last employee covered by plan provisions separates ²⁵	29 USC 1027 29 CFR 1627.3(b)(2) GC 34090 GC 12946 28 CCR 1300.85.1 11 CCR 560	6E	HR and AD
Personnel – Employee Records (INCLUDES SOME NON-PUBLIC RECORD. Including but not limited to General personal information, Demographic information, Benefit Plan Selections, Employment Agreements, Applications, Verifications, Job description, Performance Evaluations, Physical Examination Results, Disciplinary actions, Separation/Termination Documents, training documentation, fingerprints, ID cards.)	3 years after separation/termination ²⁶	8 USC 1324a (b)(3) GC 12946 GC 6254(C) LC 1174 29 CFR 1627.3 2 CCR 7287(a), (c)(2)	HR Personnel Files	HR

²⁵ Statutory minimum = 2-6 years after plan expiration depending on plan. Longer period used to conform with other financial information.

²⁶ Statutory requirements range from a minimum of 2 years to 3 years after separation/termination. Since these records are all contained in the same file the longest term was used to avoid confusion. See also Employee Medical/Exposure to toxic/harmful substances for longer retention period.

EXHIBIT "A"
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
Personnel – Labor Agreements (MOU, ECP etc, Also included negotiation related documents however such negotiation documents may be retained as non-public records in hard copy format.)	3 years after last employee covered by provisions separates .	29 CFR 516.5	3E	AD
Personnel – Organization (Includes but is not limited to officially published/released organizational charts, classification plan, wage rates etc.)	2 years ²⁷	GC 12946 GC 34090 29 CFR 516.6	2Y	AD
Personnel – Policies and Procedures (Including PPP, FMLA/CFRA policies etc)	3 years after last employee covered by provisions separates	29 CFR 516.6 29 CFR 1627.3(a)	3E	E
Personnel – Recruitment (INCLUDES SOME NON-PUBLIC INFORMATION). Includes but is not limited to: Recruitment lists, ethnicity disclosure, examination materials, answer sheets, job advertisement and announcements, applications of persons not hired, information regarding non-hire of applicant(s)	2 years after recruitment complete or list expires.	GC 34090 GC 12946 29 CFR 1602.31, 1627.2(b)(1)(i). 1627.3	HR	HR
Personnel – Wages and Other Payments (INCLUDES SOME NON-PUBLIC. See Payroll Related)	N/A	N/A	N/A	N/A

²⁷ Note that most of these items will be otherwise included as part of the Governing Board Agendas and thus will be retained for the life of the agency per Agenda Related category.

EXHIBIT "A"
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
Plans & Plan Development Documents (Official Air Quality, Grant, and other plans/program documentation required by State or Federal Law – See Rule & Plan Development Related; Accounting and Contracts)	Variable ²⁸		Variable	Variable
Policies, Procedures and Standard Practices – Non-personnel	3 years after supersession ²⁹		3E	E
Press Releases	2 years ³⁰	GC 34090	2Y	CRE
Proof of Publication/Legal Notices (See underlying document type such as Rule Archive, Agenda Related, Facility File etc.)	N/A	N/A	N/A	N/A
Public Records Act Requests³¹ (Requests which are given a number per Standard Practice 4-12)	2 years	GC 34090	2Y	RM
Purchasing Related (See Accounting and Financial Related)	N/A	N/A	N/A	N/A
Recordings – For Preparation of Minutes	30 days after minutes approved by appropriate body	GC 34090 64 OAG 317	Server	E
Recordings – Other Events (considered duplicate if other record, minutes are kept)	90 days after event	GC 34090 GC 34090.7	Server	E

²⁸ Air Quality Rule and Plan Documents are permanent, Grant and other programs will depend on the underlying program but generally 7 years after expiration of the last project/grant under the program would be appropriate.

²⁹ Technically only 2 years but retained for longer to match personnel related policies/practices.

³⁰ May want to retain permanently for historical reference.

³¹ Numbers of records processed in a given year are retained longer for historical purposes.

EXHIBIT “A”
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
Recording – Routine Surveillance (Video of specific “incidents” segregated pursuant to direction.)	1 year unless claim or pending litigation involved.	GC 34090 GC 34090.6	Server	E
Records & Document Types not otherwise listed.	2 years		2Y	Creating Department
Records Management Disposition/ Destruction Records (Records/spreadsheets indicating general description of documents and disposition/destruction date when the underlying document(s)/media have been dealt with)	Permanent	GC 34090	Server	RM
Real Property Related (Includes deeds, easements, leases etc See also Capital Improvements and Contracts – Real Property).	Permanent	GC 34090 GC 60201(d) CCP 337 CCP 337.2 CCP 343	I	AD
Rule & Plan Development Related	Permanent ³²	H&S 40725 et seq.	I	R
Tax Records-Federal/State (Includes 1096, 1099, W4 and W2, ³³ Reports, Filings etc.)	Current +7 ³⁴	26 CFR 31.6001.1-4 26 CFR 31.6001-1e 29 CFR 516.5-516.6 R&T 19530, 19704	7E	HR and AD
Tests and Reports – Facility Related (See Facility Related)	N/A	N/A	N/A	N/A

³² Statutory minimum = 2 years after rule/plan superseded for all purposes. Adoption documents on Governing Board agenda and retained under Agenda Related category. Longer period applied for historical and consistency purposes.

³³ These are often included in the Employee personnel file and thus are retained pursuant to that provision.

³⁴ Statutory minimum = Current +4 for employee related forms; 6 years for reports filed with State.

EXHIBIT “A”
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
Unemployment Insurance Related (See Financial Records – Other and Personnel)	N/A	N/A	N/A	N/A
Video Monitoring - Building Security Cameras	14 days unless an incident occurs. If incident occurs video will be downloaded and kept in a separate location. Retain for 2 years after incident closed.	N/A	2E	AD
Voice Mail (Only applies to Voice Mail required to be kept – most is draft or working and thus not required to be kept. Only applies to voice mail not related to another category. See also Facility Related; Rule Development Related, Correspondence, or other category with longer retention period.)	Transcribe to E-mail or save as audio file and retain per appropriate category.	N/A	N/A	N/A
Workers Compensation Files³⁵ (INCLUDES SOME NON-PUBLIC INFORMATION)	Settled/Closed +5 years	8 CCR 10102 8 CCR 15400.2	HR Personnel Files	HR

³⁵ Only if originals are not kept by risk management agency. Retention period set to be consistent with other financial records.

EXHIBIT "A"
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

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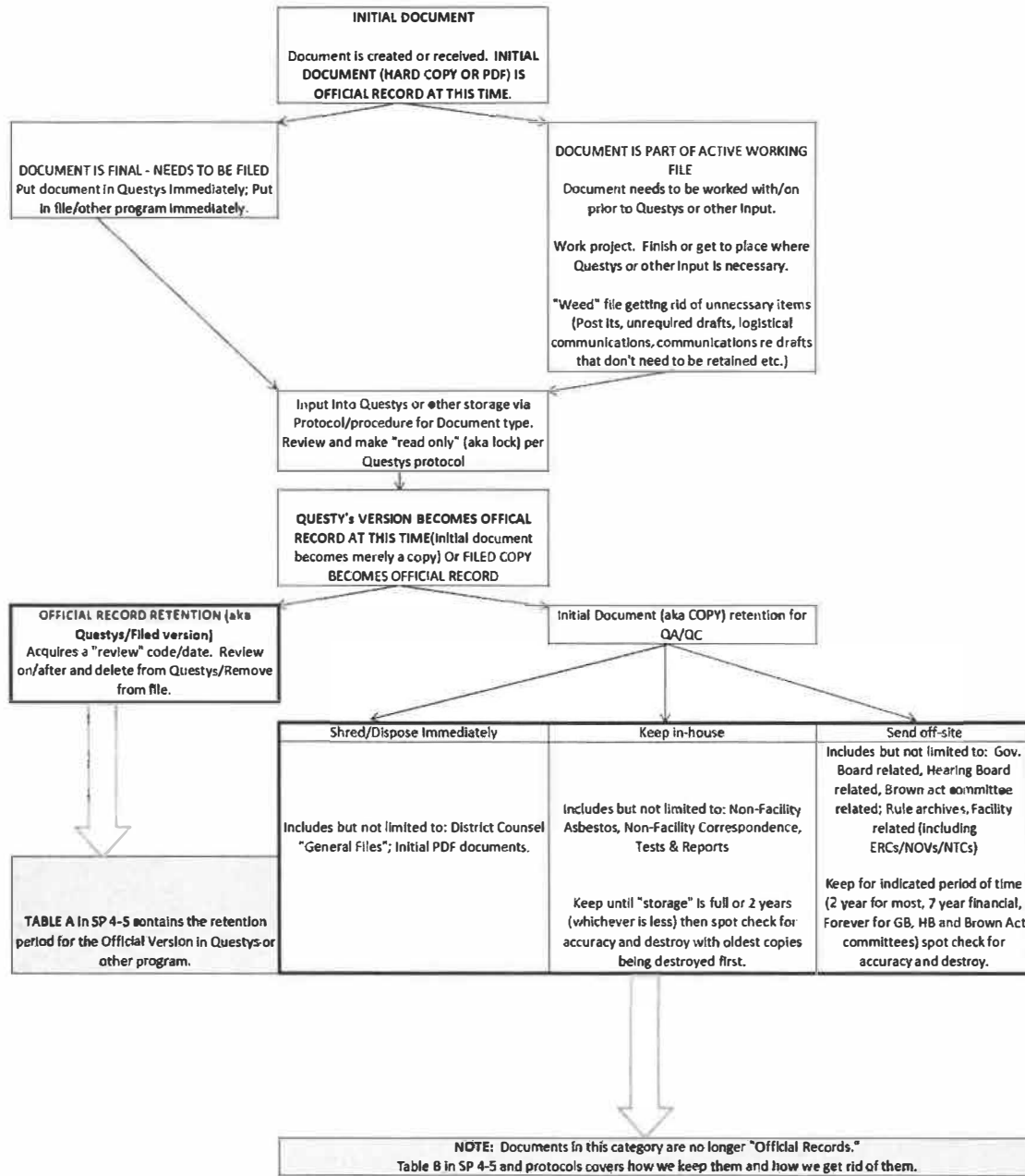
EXHIBIT “B”
Storage, QA/QC and Disposition of Copies
(Use When Official Document is stored electronically)
 (Standard Practice 4-5)

Type of Document	Holding Period for Copy	Disposition of Copy	Reference
Agenda & Meeting Related (Brown act meetings)	Permanent	Iron Mountain	Questys QA/QC Protocol
Air Monitoring/Air Quality Data (As stored in database, excluding physical samples)	After acceptance and QA/QC by CARB/EPA, then may be removed per normal database maintenance.	Archive/Purge from database.	
Contracts (fully executed)	Termination of contract +2 years then QA/QC and destroy.	Shred	Questys QA/QC Protocol
Documents/Records in Accufund (After export of “official” information to Questys)	Current +7 years then may be removed per normal database maintenance.	Archive/Purge from database.	26 CFR 1.6001 AICPA
Documents/Records in CAPS (After export of “official” to Questys)	After transfer to Questys, may be removed per normal database maintenance.	Archive/Purge from database	Operations Practice
Facility Related (Non test & Reports)	2 years then QA/QC and destroy.	Shred/Recycle May keep final Word versions on server for future use.	Questys QA/QC
Facility Related – Received in PDF and imported. (If created by us see Facility Related)	May be deleted after QA/QC and “lock.”	Delete PDF	Questys QA/QC Protocol
Facility Related – Tests and Reports	Hold “in house” until storage area is full. QA/QC “oldest files” then destroy	Shred after QA/QC	Questys QA/QC Protocol
Financial Records (after export of official information to Questys)	Current +7 years then may be removed per normal database maintenance.	Archive/Purge from database	26 CFR 1.6001 AICPA
Non-Facility NOV/NTC	Hold 2 years, QA/QC then destroy.	Shred after QA/QC	Questys QA/QC Protocol

EXHIBIT "B"
Storage, QA/QC and Disposition of Copies
(Use When Official Document is stored electronically)
 (Standard Practice 4-5)

Type of Document	Holding Period for Copy	Disposition of Copy	Reference
Non-Facility Related (Including correspondence, PERP, Asbestos notices)	Hold "in house" until storage area is full, QA/QC "oldest files" then destroy	Shred after QA/QC	Questys QA/QC Protocol
Official/Original document required by law to be kept by other agency	Hold "in house" until storage area is full, QA/QC "oldest files" then destroy.	Shred after QA/QC	Questys QA/QC Protocol
Payroll Related	Hold any "hard copies" in house for 2 years after scanning, QA/QC then destroy.	Shred after QA/QC	Admin Practice
Rule & Plan Development Related	Hold 2 years, QA/QC then destroy.	Recycle after QA/QC Keep Word versions of Board package on server for future use	Questys QA/QC Protocol
Office of District Counsel General Files	Lock files then destroy	Recycle	ODC direction

Records Retention Flow Chart



Mojave Desert Air Quality Management District

Brad Poiriez, Executive Director

14306 Park Avenue, Victorville, CA 92392-2310

760.245.1661 • Fax 760.245.2699

www.MDAQMD.ca.gov • @MDAQMD

Exhibit B



APPENDIX A Sample Documents

1. Sample Call for Projects
2. Sample Project Application
3. Sample Award Letter
4. Sample Pay Vendor Direct Authorization Form
5. Sample Inspection Forms
6. Sample Annual Reporting Form
7. Sample Certification of Destruction Form
8. Sample Grant Agreement
9. Standard Practice 4-5

The Carl Moyer Standards Attainment Program

Call for Projects

Beginning in June 2009, the Mojave Desert Air Quality Management District (MDAQMD) began accepting applications for grants from owners of heavy-duty diesel-powered equipment. The grant funds would help owners of heavy-duty diesel vehicles, mobile equipment, marine vessels, locomotives, and agriculture pumps reduce air pollution by partially paying for the cost of upgrading their equipment with cleaner technology. The program is named after the late Dr. Carl Moyer, in recognition of his work in the air quality field and his efforts in bringing about this incentive program. Approximately \$amount is available to fund projects within the MDAQMD this year, the eleventh year of the program.

The program is first come, first served unless requests for funding exceed funding available. The MDAQMD evaluates all applications for eligibility and ranks the projects based on cost effectiveness. The proposals that reduce the largest amount of air pollution for the lowest amount of funding have the best chance of receiving grant awards. The 2017 Carl Moyer Program Guidelines spell out eligibility criteria, cost effectiveness calculations, and conditions that equipment owners must agree to, including future operating requirements and restrictions. The 2017 Guidelines are available at the following website: <https://ww2.arb.ca.gov/guidelines-carl-moyer>.

Applicants are required to submit all information necessary to determine eligibility and calculate emission reductions and cost effectiveness such as hours of operation, fuel use, details about the existing engine(s) and the proposed new engine(s), and cost quotes from vendors. MDAQMD staff will assist applicants at no cost with the development and submittal of proposals. Application forms, additional information, and assistance, are available by request from Jorge Camacho, Grants Analyst, at 760-245-1661 ext. 2020 (jcamacho@mdaqmd.ca.gov or grants@mdaqmd.ca.gov).

Details for all project categories are contained in the state 2017 CMP Guidelines.

Special Note: Projects funded via the Carl Moyer Program cannot generate Emission Reduction Credits (ERCs) pursuant to MDAQMD Regulation XIV or be used for offsets pursuant to Regulation XIII.

III. SCHEDULE

<u>DATE</u>	<u>EVENT</u>
Open	Call for Projects available
Open	Applications received; applications may be subject to competitive review.

APPLICATION REVIEW/AWARD PROCESS	
Ongoing	Competitive application review (if needed). Staff reviews applications and prepares recommendations to the Governing Board.
Ongoing	Governing Board approves or rejects recommendations
30-60 Days	Contract preparation & execution

<p>ONGOING (if funding available exceeds eligible requests for funding)</p>	Staff reviews applications and prepares recommendations to Governing Board for projects until all available funds have been awarded.
--	---

IV. ELIGIBLE PROJECTS/SELECTION CRITERIA

Applications will be subject to the criteria in CARB’s Guidelines. The complete Carl Moyer Program guidelines are available at <https://ww2.arb.ca.gov/guidelines-carl-moyer>.

V. APPLICATION SUBMITTAL REQUIREMENTS

Applicants must complete the appropriate application forms, a disclosure statement and an application statement. These forms may be accessed on MDAQMD’s website at https://ww2.arb.ca.gov/sites/default/files/classic/msprog/moyer/guidelines/2017/2017_cmpgl.pdf. All applications must follow the directions below and all requested information must be supplied:

- ◆ Proposals should be directed to:

Grants Section

Mojave Desert Air Quality Management District
14306 Park Avenue
Victorville, CA 92392

Disposition of Proposals - MDAQMD reserves the right to reject any or all proposals. All proposals become the property of the MDAQMD. Proposals are valid only during the current funding cycle that the proposals are submitted.

Modification or Withdrawal - Once submitted, additional information and/or proposal revisions will be considered only at the discretion of MDAQMD. Project proponents should inform MDAQMD immediately if there is need to withdraw a proposal.

Grounds for Rejection - A proposal may be rejected if:

- It is received outside the exact time frames set for receipt of proposals.
- It is not received at the specified location.
- It is not signed by a responsible representative of the proposer.
- The proposal does not meet the criteria set forth in CARB's guidelines.
- MDAQMD staff determines that the project is ineligible.

VI. FUNDING LIMITS

The Carl Moyer Program is intended to fund the **differential cost** only between existing technology and low emission technology. In no case will the amount funded have a cost effectiveness ratio that exceeds \$30,000/weighted ton of pollutants reduced. No administrative costs will be funded.

VII. CONTRACT PREPARATION AND FUNDS DISTRIBUTION

Those projects that are chosen for funding will be required to complete a contract with the MDAQMD in order to receive funds. Contract preparation for Carl Moyer Program projects will begin immediately upon approval of projects by the MDAQMD Governing Board and will be reviewed by District Counsel.

Once a contract has been executed, the MDAQMD will provide the grantee with one final copy of the signed contract and written instructions on how to request funds. Funds awarded will be released on a reimbursement basis.

The contract will require the applicant to perform adequate record keeping substantiating the emission reductions associated with the project. The scope and duration of necessary record keeping will vary depending upon the nature of the project, but will be based upon the engine life identified in the application. The contract will also include requirements for monitoring and reporting by the proposer. The MDAQMD reserves the right to conduct a fiscal audit to ensure appropriate expenditure of the Carl Moyer funds.

Proprietary Rights - Applicants wishing to propose the use of proprietary data developed solely at their own expense should clearly identify such data and the restrictions on its use in their proposals.

VIII. AUDIT PROCEDURES

Any entity that receives funds from the Carl Moyer Program may be subject to an audit of each project funded. The audit may be conducted by MDAQMD staff or by an independent auditor selected by MDAQMD. The purpose of the audit will be to determine if the funds were used in a manner consistent with the Carl Moyer Guidelines and contract terms.

If MDAQMD determines that the funds were expended in a manner contrary to law or not in accordance with contract provisions, MDAQMD will notify the contractor of the determination, and the MDAQMD Governing Board will hold a public hearing at which the contractor may present information related to the expenditure of funds. After the hearing, if the Governing Board determines that the contractor has expended the funds in a manner that is contrary to law or not in accordance with contract provisions, MDAQMD shall withhold monies from the contractor in an amount equal to the amount that was inappropriately expended. MDAQMD may instead choose to seek repayment of funds inappropriately expended.

IX. IF YOU NEED HELP

MDAQMD staff members are available to answer questions during the application preparation period. Please direct inquiries to Jorge Camacho, Grants Analyst, at (760) 245-1661, ext. 2020.

MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT

BRAD POIRIEZ, EXECUTIVE DIRECTOR

14306 Park Avenue, Victorville, CA 92392-2310

760.245.1661 • Fax 760.245.2699

Email: grants@mdaqmd.ca.gov

www.MDAQMD.ca.gov • @MDAQMD

Carl Moyer Program

Heavy duty diesel emissions reduction program application

All applicants must complete this form.



Please type or print all information on this and any attached applications.

Section 1: Applicant information

COMPANY NAME:											
TYPE OF BUSINESS:											
CONTACT PERSON:											
MAILING ADDRESS:											
CITY:								STATE:		ZIP:	
PHONE:				FAX:				EMAIL:			
PHYSICAL ADDRESS (IF DIFFERENT FROM MAILING):											
PHYSICAL CITY:										ZIP:	
NAME OF SIGNEE:											
TITLE OF SIGNEE:											
TAX ID (Check one)	<input type="checkbox"/>	FEDERAL EMPLOYERS ID #	<input type="checkbox"/>								
	<input type="checkbox"/>	INDIVIDUAL/SOLE PROPRIETOR									

Section 2: Engine vendor/salesperson information

COMPANY NAME:											
CONTACT PERSON:											
ADDRESS:											
CITY:								STATE:		ZIP:	
PHONE:				FAX:				EMAIL:			

Section 3: Application statement

All information provided in this application will be used by the Mojave Desert Air Quality Management District to evaluate the eligibility of this application to receive incentive funds. MDAQMD staff reserves the right to request additional information of the applicant and can deny the application if such information is not provided.

- I certify to the best of my knowledge that the information contained in this application is true and correct.
- I have the legal authority to apply for incentive funding for the entity described in this application.

PRINTED NAME OF RESPONSIBLE PARTY:											
TITLE:										DATE:	
SIGNATURE OF RESPONSIBLE PARTY:											

Section 4: Third-party application preparation

PREPARATION FEE:	SOURCE OF FUNDING:
PRINTED NAME OF RESPONSIBLE PARTY:	
COMPANY:	TITLE:
SIGNATURE OF RESPONSIBLE PARTY:	DATE:

Section 5: Deliverables

All applicants must provide the information specified on this form.

Provide the information detailed below. Attach additional pages if necessary.

- A program schedule, with project milestones and dates clearly identified:

- Record-keeping for the life of the funded project: Please list steps taken to ensure information is available to provide at a minimum of the following reports:
 - 1. Quarterly status reports** until the equipment purchase has been accomplished. These reports shall include a discussion of any problems encountered and how they were resolved, any changes in the schedule, and recommendations for completion of the project. These progress reports are required before payment will be made.
 - 2. An annual report**, for the duration of the project life used to determine cost-effectiveness, which provides the annual hours of operation, amount and type of fuel used, and operational maintenance issues encountered and how they were resolved. All equipment will be required to have a non-resettable hour meter or odometer installed. MDAQMD reserves the right to verify the information provided.

- Refueling (alternative fuels only: Describe how and where equipment will be refueled (on-site, existing facility, mobile equipment, etc.):

Section 6: Vehicle/equipment information

PRIMARY FUNCTION OF VEHICLE:	
PRINTED NAME OF RESPONSIBLE PARTY:	
COMPANY:	TITLE:
EQUIPMENT TYPE (Check one):	
Off Road NEW	Off Road REPOWER
Off Road RETROFIT	On Road NEW
On Road RETROFIT	On Road REPOWER
Locomotive	Agricultural
Forklift	Auxiliary Power Unit
GSE	Other

ANNUAL VEHICLE USAGE

OPERATION WITHIN CALIFORNIA (%):	OPERATION WITHIN MDAQMD BOUNDARIES (%):
ESTIMATED ANNUAL USAGE (HOURS, MILES AND/OR FUEL):	

PROJECT INFORMATION

PROJECT TYPE (select one): Replacement of one (1) existing engine/piece of equipment for one (1) new engine/piece of equipment Replacement of multiple existing engines/pieces of equipment for one (1) new engine/piece of equipment. Number of existing engines being replaced: _____	
METHOD OF VEHICLE/EQUIPMENT PURCHASE (Please note: This grant is designed as a reimbursement after purchase) (select one): Purchase in full Use of short-term financing (PO account, Net 30 terms, etc.) Use of long-term financing (the grant amount must immediately go toward principal)	
IS THE EQUIPMENT REGISTERED, DOMICILED OR OPERATED A MAJORITY OF THE TIME (check all that apply): Within the boundaries of a disadvantaged community census tract , as defined by SB 535 Within the boundaries of a low-income community census tract , as defined by AB 1550 Outside of a disadvantaged community, but within 1/2-mile of an SB 535 disadvantaged community and within an AB 1550 low-income community census tract Within the boundaries of a low-income household	
TOTAL PROJECT COST:	TOTAL FUNDING AMOUNT REQUESTED: Maximum eligible Other: \$ _____

EXISTING (BASELINE) EQUIPMENT INFORMATION

EQUIPMENT TYPE:		EQUIPMENT IS: MOBILE PORTABLE STATIONARY		
EQUIPMENT MAKE:	EQUIPMENT MODEL:	EQUIPMENT YEAR:		
EQUIPMENT SERIAL NUMBER:				
NUMBER OF MAIN ENGINES ON THIS EQUIPMENT:				
ENGINE FAMILY (for controlled engines only):		ENGINE TIER (for controlled engines only):		
ENGINE MAKE:	ENGINE MODEL:	ENGINE YEAR:		
ENGINE HORSEPOWER:		ENGINE FUEL TYPE:		
ENGINE SERIAL NUMBER:				

REPLACEMENT (NEW) EQUIPMENT INFORMATION

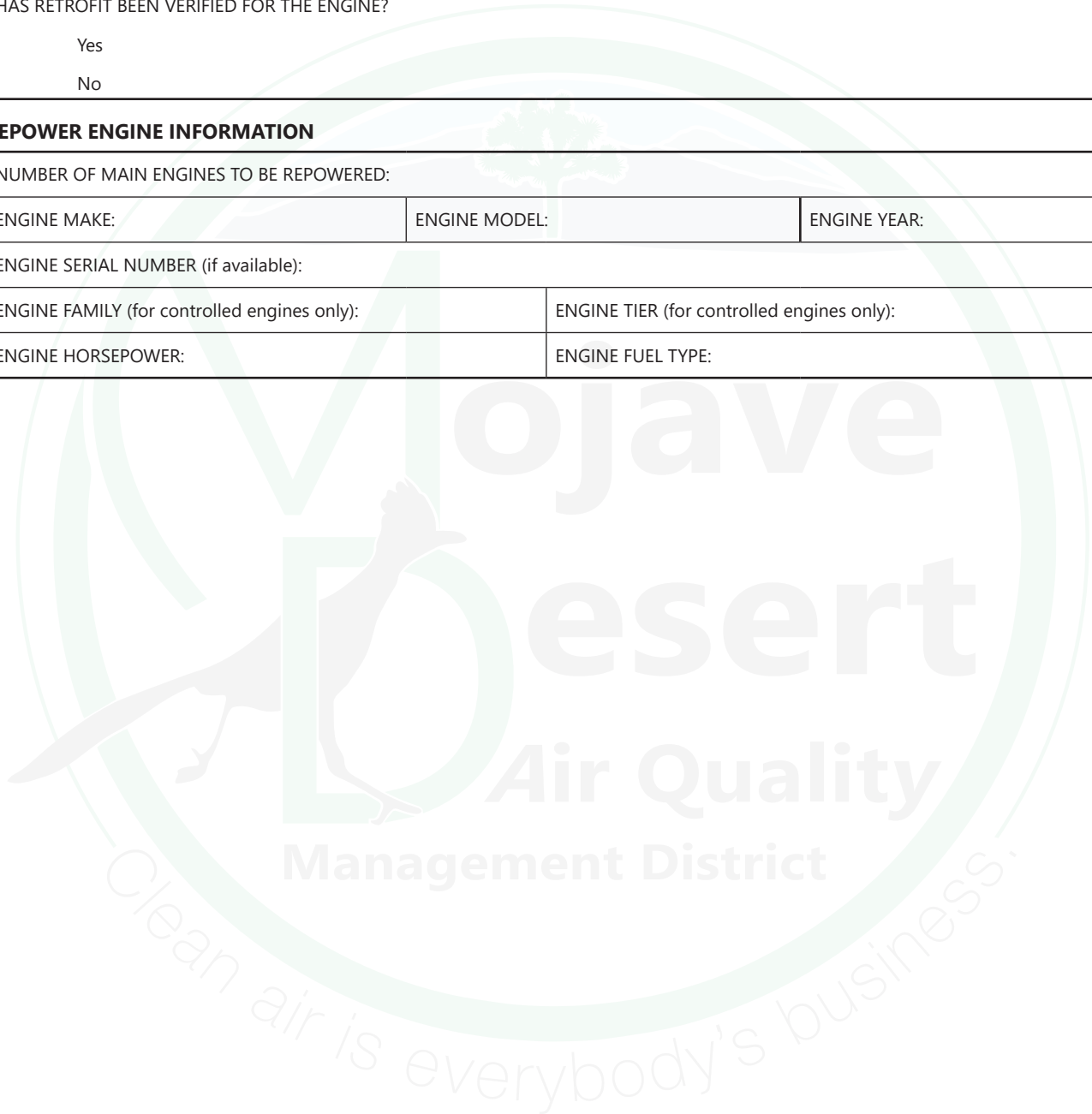
REPLACEMENT EQUIPMENT TYPE:				
EQUIPMENT MAKE:	EQUIPMENT MODEL:	EQUIPMENT YEAR:		
EQUIPMENT SERIAL NUMBER:				
NUMBER OF MAIN ENGINES ON THIS EQUIPMENT:				
ENGINE FAMILY:		ENGINE TIER:		
ENGINE MAKE:	ENGINE MODEL:	ENGINE YEAR:		
ENGINE HORSEPOWER:		ENGINE FUEL TYPE:		

RETROFIT PROJECT INFORMATION

ARB-verified RETROFIT DEVICE MANUFACTURER:	
RETROFIT DEVICE MAKE:	RETROFIT DEVICE MODEL:
RETROFIT DEVICE ARB EXECUTIVE ORDER NUMBER:	
RETROFIT DEVICE SERIAL NUMBER (if available):	
ARB-verified PM REDUCTION (%):	ARB-verified NOx REDUCTION (%):
HAS RETROFIT BEEN VERIFIED FOR THE ENGINE?	
Yes	
No	

REPOWER ENGINE INFORMATION

NUMBER OF MAIN ENGINES TO BE REPOWERED:		
ENGINE MAKE:	ENGINE MODEL:	ENGINE YEAR:
ENGINE SERIAL NUMBER (if available):		
ENGINE FAMILY (for controlled engines only):	ENGINE TIER (for controlled engines only):	
ENGINE HORSEPOWER:	ENGINE FUEL TYPE:	



Application requirements checklist

	<p>COMPLETED APPLICATION: If the owner, partner or corporate officer will not be signing the Grant Agreement, please provide a letter naming and authorizing another individual to sign the grant agreement and other documents on behalf of the business.</p>
	<p>W-9 FORM: Complete and submit IRS form W-9, included as Page 6 of this packet. MDAQMD will issue form 1099 as required by law.</p>
	<p><u>PARTICIPATING DEALER QUOTE & SUPPORTING DOCUMENTS FOR NEW EQUIPMENT:</u> New equipment must be purchased from a District approved dealer. (Equipment and parts are eligible for funding only if they are required to ensure the effective installation and functionality of the equipment/engine.)</p> <p>Quote for the new equipment, itemizing all standard equipment and options, including tax and delivery.</p> <p>Evidence of warranty with minimum parts and labor coverage on engine and drive train for 1 year, 1600 hours. Warranty costs are not eligible for grant funding.</p> <p>Optional: An itemized quote of the parts and labor necessary to install the highest level ARB verified retrofit device available on the new engine.</p> <p>Copy of ARB Emissions Executive Order for new engine and/or retrofit device.</p> <p>Manufacturer's specification sheet for the new equipment, engine, and/or retrofit device.</p>
	<p>ANNUAL USAGE: Include documentation of the equipment usage for at least the twenty-four (24) month period immediately prior to the application date. More than 24 months' usage can be considered if the average over that period is more indicative of future usage. Engine hour documentation is preferred. Please provide at least one of the following types of usage documentation:</p> <p>Hour meter reading log collected at minimum of once per year from an installed and fully functioning hour meter, or;</p> <p>Historical fuel usage documentation specific to the old equipment. Documentation must include fuel logs, purchase receipts, or ledger entries, or;</p> <p>At least two items from the following list:</p> <ul style="list-style-type: none"> • Revenue and usage records that identify operational, standby, and down hours for the equipment; • Employee timesheets linked to specific equipment use; • Preventative maintenance records tied to specific hours of equipment use; • Repair work orders specific to the equipment; • Six months of tracking normal equipment usage with a functional, tamper proof hour meter with prior District approval <p>Limited usage documentation or other circumstances will be considered on a case-by-case basis. Prior to contracting, the District will conduct a pre-inspection of the old equipment to verify its operational status.</p>
	<p>MDAQMD INSPECTION OF EXISTING EQUIPMENT: Arrange with the District an on-site inspection of the existing equipment.</p>

	<p>PROOF OF EXISTING EQUIPMENT OWNERSHIP AND RESIDENCY IN CALIFORNIA (2 YEARS):</p> <p>Bill of sale for existing equipment; and</p> <ul style="list-style-type: none"> • One of the following: • Tax depreciation logs • Property tax records • Equipment insurance records • Bank appraisal for equipment • Maintenance/service records • General ledgers • Fuel records specific to existing equipment • Other: <p>If no bill of sale, must provide 2 items from list above</p>
	<p>TRUCRS REPORT: Attach report from ARB On-Road Heavy-Duty Diesel Reporting system, if required.</p>
	<p>DOORS REPORT: Attach report from ARB Diesel Off-road, On-line Reporting system, if required.</p>
	<p>CERTIFICATES OF INSURANCE: Provide current certificates of insurance with your application as evidence of coverage for General Liability and Worker's Compensation*. * If the Applicant is exempt from the requirement of maintaining workers compensation insurance, provide evidence of such exemption.</p>
	<p>CERTIFICATES OF INSURANCE: Funded projects will be required to provide certificates of insurance endorsing the District as additionally insured for this project for General Liability and Property Insurance that covers the replacement cost of the new equipment. When these policies, as well as your Worker's Compensation policy are renewed or changed, updated certificates must be submitted to the APCD until the Grant Agreement expires.</p>
	<p>FINANCING DOCUMENTATION: If the Grantee obtains financing to assist in the purchase of replacement equipment, full documentation of financing must be provided to the APCD. No more than the Grantee's share of the cost of the equipment may be financed.</p>

LOAN ASSISTANCE: Loan assistance may be available for equipment replacement through the California Capital Access Program (CalCAP). Contact your lender for eligibility requirements and to see if they participate in CalCAP. Additional information on CalCAP loans is available from the ARB at: www.arb.ca.gov/ba/loan/off-road/off-road.htm or at 866-6-DIESEL, and from the California Pollution Control Financing Authority at: www.treasurer.ca.gov/cpcf/calcap.asp For a list of participating lenders, see: www.treasurer.ca.gov/cpcf/calcap/institutions.pdf

After replacement equipment is delivered

	<p>MDAQMD INSPECTION OF NEW EQUIPMENT: Arrange with the District an on-site inspection of the new equipment.</p>
	<p>SALVAGE CERTIFICATION FORM: Salvage yard must be a District approved salvage yard. Submit this form to the District within 30 days of receiving new equipment.</p>
	<p>FINAL INVOICE FROM DEALERSHIP: The applicant cannot finance more than their portion of the cost of the new equipment</p>

Request for Taxpayer Identification Number and Certification

**Give Form to the
 requester. Do not
 send to the IRS.**

▶ Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type. See Specific Instructions on page 3.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
	2 Business name/disregarded entity name, if different from above	
	3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):
	<input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate	Exempt payee code (if any) _____
	<input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____ Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.	Exemption from FATCA reporting code (if any) _____
	<input type="checkbox"/> Other (see instructions) ▶ _____	<small>(Applies to accounts maintained outside the U.S.)</small>
	5 Address (number, street, and apt. or suite no.) See instructions.	Requester's name and address (optional)
6 City, state, and ZIP code		
7 List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number						
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> <td style="width: 5%; text-align: center;">-</td> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> <td style="width: 5%; text-align: center;">-</td> <td style="width: 20%; border: 1px solid black; height: 20px;"></td> </tr> </table>			-		-	
		-		-		
or						
Employer identification number						
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> <td style="width: 5%; text-align: center;">-</td> <td style="width: 25%; border: 1px solid black; height: 20px;"></td> <td style="width: 5%; border: 1px solid black; height: 20px;"></td> <td style="width: 20%; border: 1px solid black; height: 20px;"></td> </tr> </table>			-			
		-				

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here

Signature of U.S. person ▶

Date ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

Mojave Desert Air Quality Management District
Carl Moyer Program - Application Statement

Please initial each item to signify that you understand and agree with each statement. If you have questions on any of the statements, please call 760-245-1661, ext. 2020 or email grantsBofcsdf.ca.gov.

Initials

_____ I have legal authority to apply for grant funding for the entity described in this application.

_____ The proposed project is not required to be implemented by any local, state, and/or federal rule, regulation, or other legally binding requirement.

_____ No replacement engine/equipment/vehicles have been purchased and no work on this project has begun or will begin until the Grant Agreement is approved by the Board and signed by the Executive Director.

_____ I understand that I must complete the purchase, repower, or retrofit work specified in the application no later than 18 months after approval of the Grant Agreement and will be required to submit a progress report until that work is complete. This deadline may be earlier than 18 months after approval of the Grant Agreement in cases where a regulatory deadline is approaching. This deadline may be extended in some circumstances if requested by the applicant and approved in writing by the MDAQMD.

_____ I understand that it is my responsibility to ensure that all technologies are either verified or certified by the California Air Resources Board (CARB) to reduce NOx and/or PM pollutants.

_____ I understand that any engine/equipment/vehicles being replaced under Carl Moyer Program must be permanently destroyed and rendered useless. Dismantler requirements include, but are not limited to severed frame rails and a hole in the engine block as specified in the current guidelines. This work will be documented by MDAQMD inspection.

_____ I understand that for engine replacement projects, the engine may not be removed from the vehicle/equipment until the manufacturer's permanently marked serial number is made clearly legible and inspected by MDAQMD personnel. If no serial number is legible, I will make certain that an MDAQMD representative has documented a unique indelible mark on the engine prior to removal that ensures the engine's identity can be verified after removal. Alternatively an MDAQMD representative may witness that the engine has been permanently destroyed and rendered useless before it is removed from the vehicle, equipment, or boat.

_____ I understand that there will be conditions placed upon receiving a grant and agree to refund the grant (or a pro-rated portion) if it is found that at any time I do not meet those conditions. One such condition is that the amount of future annual operation must be at least 70 percent of the historical level of operation claimed in the grant application. Another condition is that at least 75 percent of the equipment's operation must be in California for the entire term of the Grant Agreement. I understand that I must document compliance with these conditions and submit reports annually.

Initials

- _____ I certify that I must disclose to the Grantor/District any and all funding applications directly or indirectly submitted to any other source of funds, including but not limited to federal, state, or local agencies for the same specific equipment as listed in this application.
- _____ I understand that I will be prohibited from applying for any form of emission reduction credits for Moyer-funded vehicles/engines, including: Emission Reduction Credit (ERC); Mobile Source Emission Reduction Credit (MSERC) and/or Certificate of Advanced Placement (CAP), for all time, from the MDAQMD, CARB or any other Air Quality Management or Air Pollution Control District.
- _____ I understand that disclosure is required of the value of any current or prospective financial incentive or other public financial assistance for the same specific equipment as listed in this application. An applicant that is not a public entity must provide at least 15 percent of a project's eligible cost from non-public sources and I shall obtain additional monies to fund the total cost of the project. The sum of project funding from all sources, including Carl Moyer Program funds shall not exceed the total project cost.
- _____ I certify that the requested funding does not include administrative costs. Administrative costs are defined as costs related to project submittal preparation, project administration, monitoring, oversight, data gathering, and report preparation. I will include funds necessary to cover administrative costs and any required matching funds in my budget for the duration of the project.
- _____ I will review and accept the terms of the Grant Agreement as proposed prior to signing.
- _____ **I have attached records, fuel receipts or logs or mileage or operating hour documentation that can be used to validate the amount of historical operation within MDAQMD boundaries. I understand that if the amount of future annual operation is less than 70 percent of this historical level of operation, I hereby agree to abide by actions taken by the District to ensure emission benefits are realized and captured including refunding the grant, or a pro-rated portion of the grant.**
- _____ I understand that engine(s) must be certified to the highest NOx and diesel particulate emission standards according to CARB and/or EPA. For engine replacement projects, an engine with a certification lower than the highest NOx and diesel particulate emission standards will have the Grantor/District approval and include a letter from the equipment manufacturer or vendor specifying the reason(s) the highest could not be made available. All engines must meet the emission standards as described in the current CMP Guidelines.
- _____ I understand that all engine replacement and retrofit projects must be certified and/or verified to the current applicable emission standards. If applicable, a VDECS lower than highest level available is to be installed, a letter from the engine manufacturer is attached specifying the highest level of VDECS that can be installed on the engine and will perform in the specific engine application. The costs of this device and associated installation are eligible for funding and may be included in the project grant request. Failure to install an available VDECS will trigger the refund provisions of the Grant Agreement.
- _____ I understand that an IRS Form 1099 will be issued to me for each source of funds received. I understand that it is my responsibility to determine the tax liability associated with participating in the Moyer Program.

Initials

- _____ I understand that a Global Positioning System (GPS) unit may be required to be installed on vehicles/equipment. I will submit data as requested and otherwise cooperate with all data reporting requirements.
- _____ I understand that the MDAQMD has the right to conduct unannounced inspections to ensure the project equipment is fully operational and at the activity level committed to in the grant agreement.
- _____ I understand that a tamper proof, non-resettable digital hour meter/odometer must be installed and maintained in operating condition on all vehicles/equipment.
- _____ I understand that all projects must achieve the current cost-effectiveness limit per weighted ton of air pollutants reduced. Pollutants included in the cost-effectiveness calculation are NOx (oxides of nitrogen), ROG (reactive organic gases) and diesel PM (particulate matter). PM is weighted by a factor of 20; (NOx + ROG + 20*PM). AQMD staff will calculate cost effectiveness.
- _____ I understand that for ranking purposes, only emission reductions occurring in the Mojave Desert AQMD will be used to calculate cost-effectiveness.
- _____ I understand that information regarding fleet size and compliance status must be submitted at time of application submittal by providing a copy of either the Diesel Off-Road On-line Reporting System (DOORS) ID and/or the Truck Regulation Upload, Compliance and Reporting System (TRUCRS) of the fleet. All documentation submitted must be signed and dated by the applicant and include language certifying that the fleet list provided is accurate and complete.
- _____ I understand that Moyer projects are not to be used for compliance extension or credit.
- _____ I certify to the best of my knowledge that the information contained in this application is true and accurate.
- _____ I understand that third party contracts are not permitted. A third party may, however complete an application on an owner's behalf. Third parties are required to list how much compensation, if any, they are receiving to prepare the application, and to certify that no Carl Moyer Program funds are being used for this compensation. (see below)

Applicant's Signature

Date

Applicant's Name (please print)

Title

If an entity other than the applicant assisted in the preparation of the application, please provide the information requested below.

Application Preparer's Name and Contact Information (please print)

Compensation received for application preparation: \$ _____

I certify that no Carl Moyer Program funds are the source for this compensation:

Application Preparer's Signature

Date

**MDAQMD
CARL MOYER PROGRAM
FUNDING DISCLOSURE STATEMENT**

Have you applied for or been awarded other grants for any vehicle/equipment/engine listed in this application? <input type="checkbox"/> Yes, complete section below <input type="checkbox"/> No, skip the remaining items in this table and sign below.
Agency Applied to:
Date of Application:
Funding Amount:
Description of Vehicles/Equipment/Engines Included In This Request (list engine serial numbers):
Status of Application: <input type="checkbox"/> Cancelled <input type="checkbox"/> Pending <input type="checkbox"/> Funded <input type="checkbox"/> Other, explain:

(photocopy this page when blank to complete for engines included in separate funding/grant requests)

By signing below, the Applicant hereby certifies the following:

- (1) Applicant has disclosed to the Grantor/District any and all funding applications it has directly or indirectly submitted to any other source of funds, including but not limited to federal, state or local air pollution control districts or air quality management districts for the same specific equipment.
- (2) Applicant agrees to notify the District of any application(s) and agreement(s) made for the purpose of receiving any public financial assistance, incentives or grants from any other source of funds, including but not limited to federal, state or local air pollution control districts or air quality management districts or the California Air Resources Board for a multi-district solicitation. Applicant further agrees and understands that this Grant Agreement shall, at a minimum, be immediately terminated and may result in the Applicant being banned from submitting future applications to any and all Carl Moyer Program administering air pollution control district or air quality management district if it is discovered that the Applicant has submitted multiple applications or signed multiple contracts or grant agreements, not previously disclosed, for the same equipment as set forth in this Grant Agreement.
- (3) Applicant has and will disclose the value of any current or prospective financial incentive or other public financial assistance, for the same equipment.
- (4) Applicant understands that if it is found to be in violation of the terms and conditions of this Grant Agreement and/or this Disclosure Statement, the California Air Resources Board may levee fines and/or seek criminal charges to the fullest extent allowed by law against the Applicant, including but not limited to the Business and Professional Code and California Health and Safety Code Section 43016.

Printed Name of Responsible Party:	Title:
Signature of Responsible Party:	Date:

**MDAQMD
CARL MOYER PROGRAM
REGULATORY COMPLIANCE STATEMENT**

Legal Owner Name:
Company Name:
Mailing Address:
Physical Address (if different than mailing address):
Phone:
E-mail:

As an applicant/participant of the Carl Moyer Program, I declare that the company as listed above:

1. Is in compliance with, and
2. Will remain in compliance with, and
3. Does not have any outstanding/unresolved/unpaid Notices of Violations (NOV) or citations for violations of any federal, state, and local air quality regulations including, but not limited to, the following as may apply:

- Cargo Handling Equipment Regulation
- Drayage Truck Regulation (including dray-off trucks)
- In-Use Off-Road Diesel Vehicle Regulation
- Off-Road Large Spark Ignition Fleet Regulation
- Portable Diesel Airborne Toxic Control Measure
- Public Agency and Utility Rule
- Sleeper Berth Truck Idling Regulation
- Solid Waste Collection Vehicle Regulation
- Statewide Truck and Bus Regulation
- Stationary Engine Airborne Toxic Control Measure
- Transit Fleet Rule

I certify under penalty of perjury that the information provided is accurate.

Authorized Signature:	Date:
Authorized Representative's Printed Name:	Authorized Representative's Title:



Date

Contact
Grantee
Mailing Address
City, CA postal code

Dear Grantee:

Congratulations! On behalf of the Mojave Desert Air Quality Management District (MDAQMD), I am delighted to inform you that the Governing Board has awarded you \$amount in Carl Moyer Program funds to project description.

Please find enclosed for your review the proposed final Agreement and Scope of Work between the Mojave Desert Air Quality Management District and Grantee. Please let us know if you wish to propose any revisions. If you are satisfied with these documents, please assure that both originals receive the appropriate signatures and return them to MDAQMD. If you have any questions, please contact Jorge Camacho at (760) 245-1661, ext. 2020 or jcamacho@mdaqmd.ca.gov

Sincerely,

[MDAQMD Staff]

[MDAQMD Staff Title]

MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT

BRAD POIRIEZ, EXECUTIVE DIRECTOR

14306 Park Avenue, Victorville, CA 92392-2310 • 760.245.1661 • Fax 760.245.2022 • www.MDAQMD.ca.gov • @MDAQMD

MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT

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Authorization to Pay Vendor Directly

PLEASE TYPE OR PRINT

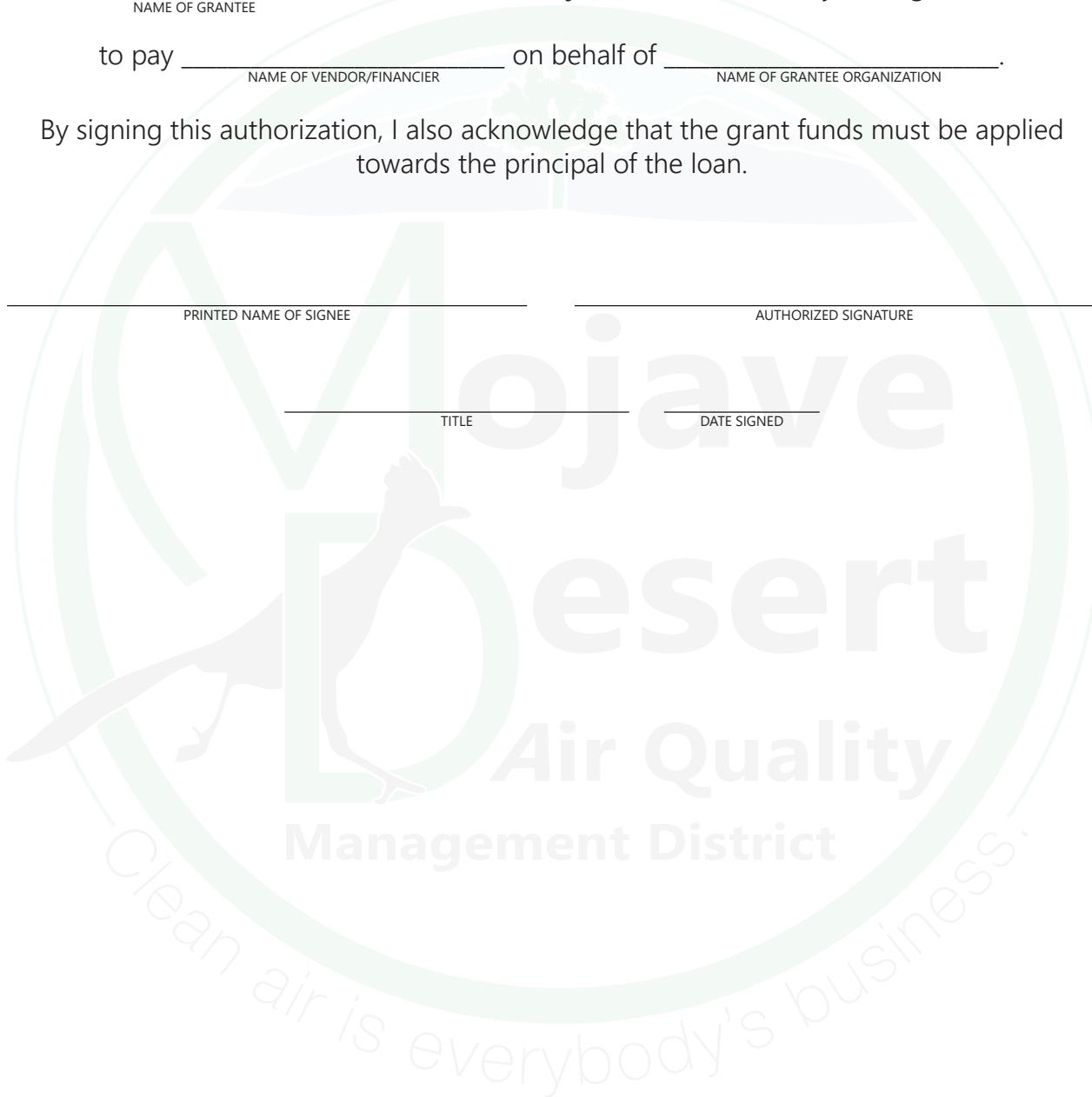
I, _____ authorize the Mojave Desert Air Quality Management District
NAME OF GRANTEE

to pay _____ on behalf of _____
NAME OF VENDOR/FINANCIER NAME OF GRANTEE ORGANIZATION

By signing this authorization, I also acknowledge that the grant funds must be applied towards the principal of the loan.

PRINTED NAME OF SIGNEE AUTHORIZED SIGNATURE

TITLE DATE SIGNED



MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT

BRAD POIRIEZ, EXECUTIVE DIRECTOR

14306 Park Avenue, Victorville, CA 92392-2310

760.245.1661 • Fax 760.245.2022

Email: jcamacho@mdaqmd.ca.gov (Grants Section)

www.MDAQMD.ca.gov • @MDAQMD



Grants inspection form

PLEASE TYPE OR PRINT

Section 1: Grantee/company information

GRANTEE NAME AND TITLE:		
COMPANY NAME:		
COMPANY ADDRESS:	CITY:	ZIP:
COMPANY PHONE NUMBER:	EMAIL ADDRESS:	

Section 2: Equipment information

EQUIPMENT TYPE:		
ENGINE MAKE:	ENGINE YEAR:	
ENGINE HORSEPOWER:	ENGINE SERIAL NO.:	
EQUIPMENT'S LOCATION (IF DIFFERENT FROM COMPANY ADDRESS):		
DOES THE HOUR METER WORK:	YES (IF YES, ENTER READING BELOW) CURRENT READINGS	NO (EXPLAIN BELOW)
IS THE EQUIPMENT OPERATIONAL?:	YES	NO
ADDITIONAL COMMENTS:		

Section 3: Checklists

EQUIPMENT

Inspection must verify the operational condition of the existing equipment. The inspection must verify, at a minimum, the following items:

- | Yes | No | N/A |
|-----|----|--|
| a. | | Tires in usable condition (<i>able to hold air, sufficient tread or tracks etc.</i>) |
| b. | | Steering wheel operational |
| c. | | Equipment able to start up and move backwards and forwards |
| d. | | Buckets, blades, rollers etc. are working |
| e. | | Undercarriage structurally sound |
| f. | | Fuel tank in usable condition |
| g. | | No parts stripped |
| h. | | Equipment not vandalized |

REQUIRED PHOTOGRAPHS

Clear photographs of the existing equipment must include the following views listed below. MDAQMD will specify the required digital format.

- | Yes | No | N/A |
|-----|----|---|
| 1. | | Right side — hood down |
| 2. | | Front — hood down |
| 3. | | Left side — hood down |
| 4. | | Equipment serial number (<i>this must be clearly shown</i>). Also any other identifying marks. |
| 5. | | Engine serial number — either tag or stamp on block |
| 6. | | Diesel Off-Road Online Reporting System (DOORS) Equipment Identification Number (EIN), (<i>if applicable</i>) |
| 7. | | Rear |
| 8. | | VIN Number (<i>if applicable</i>) |
| 9. | | Hours meter/odometer |

Section 4: Inspector information

NAME

AUTHORIZED SIGNATURE

DATE SIGNED

MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT

PLEASE TYPE OR PRINT

BRAD POIRIEZ, EXECUTIVE DIRECTOR
 14306 Park Avenue, Victorville, CA 92392-2310
 760.245.1661 • Fax 760.245.2022
 Email: jcamacho@mdaqmd.ca.gov (Grants Section)
www.MDAQMD.ca.gov • @MDAQMD

CARL MOYER PROGRAM
Annual report form



PROJECT LIFE: _____

Section 1: Grantee/company information

GRANTEE NAME:			COMPANY PHONE NUMBER:		
COMPANY ADDRESS:	CITY:	ZIP:	EMAIL ADDRESS:		

Section 2: Equipment information

Equipment ID No.	Equipment location (City/Zip)	% of time within MDAQMD boundaries	For ON-ROAD equipment — Use ODOMETER For OFF-ROAD equipment — Use HOUR METER				Calculated usage ENDING — BEGINNING readings
			BEGINNING		ENDING		
			Date	Reading	Date	Reading	
ADDITIONAL COMMENTS:							

Section 3: Certification

I, the undersigned, hereby certify that all information contained herein is true and correct.

 NAME

 AUTHORIZED SIGNATURE

 DATE SIGNED

MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT

BRAD POIRIEZ, EXECUTIVE DIRECTOR

14306 Park Avenue, Victorville, CA 92392-2310

760.245.1661 • Fax 760.245.2699

Email: grants@mdaqmd.ca.gov

www.MDAQMD.ca.gov • @MDAQMD



Carl Moyer Program

Certificate of Destruction

The destruction of the equipment and its engine must be within **30 days** from the date the dismantling facility receives both parts. **This form must be submitted to MDAQMD no later than 10 days from the date the dismantler receives the equipment and its engine.**

Personnel from the dismantling facility must complete this Certificate of Destruction Form and email/fax the form to:

Attn: **Jorge Camacho**

Email: jcamacho@mdaqmd.ca.gov or grants@mdaqmd.ca.gov

Fax: **760.245.2699**

Please type or print all information.

Section 1: Equipment information

APPLICANT/GRANTEE NAME:	
DATE RECEIVED BY DISMANTLER:	DATE OF DESTRUCTION:
EQUIPMENT IDENTIFICATION NO. (EIN):	
ENGINE SERIAL NO. (ESN):	

Section 2: Dismantler information

FACILITY NAME:			
CONTACT NAME:			
ADDRESS:	CITY:	STATE:	ZIP:
PHONE:	FAX:	EMAIL:	

Section 3: Certification statement

I hereby certify that the equipment and engine described above has been received by this facility and will be permanently destroyed for recycling purposes only in accordance with the Carl Moyer Program Destruction Guidelines.

PRINTED NAME OF RESPONSIBLE PARTY:	
TITLE:	DATE:
SIGNATURE OF RESPONSIBLE PARTY:	

Include required photographs with this completed form:

- i. DOORS EIN (if applicable)
- ii. Equipment serial number
- iii. Engine serial number either stamped on the block or on the tag
- iv. Destroyed engine block/equipment

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**Mojave Desert Air Quality Management District
Carl Moyer Program
Grant Agreement**

**Grantee Name
MDMMYY#XX**

Project Approval Date

1 **GRANT AGREEMENT BETWEEN GRANTEE FULL NAME**

2 **AND**

3 **MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT**

4 This Agreement MDMMYY#YY is made this of , 20XX between the Mojave Desert Air Quality
5 Management District (hereinafter “MDAQMD”) and GRANTEE FULL NAME, (hereinafter “Grantee”),
6 Grantee and MDAQMD are hereafter collectively referred to as "the Parties".

7 **WITNESSETH:**

8 WHEREAS, the purpose of the Carl Moyer Program is to reduce emissions by providing grants
9 for the incremental cost of cleaner than required heavy-duty vehicles, engines and equipment; and

10 WHEREAS, the California Air Resources Board (CARB) as the original source of the monies used
11 to fund this grant, will be able to audit and enforce this agreement pursuant to the terms of the underlying
12 Carl Moyer Program Guidelines; and

13 WHEREAS, the MDAQMD is authorized to award grant funds to offset the incremental cost of
14 projects that reduce air pollution pursuant to the Carl Moyer Program Guidelines; and

15 WHEREAS, Grantee submitted a proposal requesting funding to PROJECT DESCRIPTION; and

16 WHEREAS, the MDAQMD Governing Board approved the PROJECT DESCRIPTION project
17 which was proposed by Grantee; and

18 WHEREAS, The MDAQMD Governing Board’s funding approval is contingent upon Grantee
19 signing this Grant Agreement and fulfilling the grant terms and conditions.

20 WHEREAS, Grantee is qualified and experienced in its professional field and is able to perform
21 the activities described in the Carl Moyer Program Grant Proposal submitted by Grantee and the project
22 scope of work hereafter referred to as “Exhibit A” Scope of Work, both attached hereto and incorporated
23 herein.

24 NOW THEREFORE, in consideration of mutual covenants and conditions listed below, the Parties
25 agree as follows:

26 **GRANT TERMS AND CONDITIONS**

27 1. Due Diligence: Upon the commencement of the term of this Agreement, Grantee agrees to proceed
28 with due diligence to perform as described in Exhibit A.

1 2. Purpose: The purpose of this Agreement is for Grantee to [PROJECT DESCRIPTION].
2 Equipment shall be used a minimum: [ANNUAL REQUIRED USAGE] per year which constitutes 70%
3 of the average usage as provided in project application. 75% of the minimum usage must occur within
4 the State of California for a minimum of [PROJECT LIFETIME (X)] years or the project life as specified
5 in Exhibit A which ever is greater. In the event that Grantee is unable to satisfy the required usage listed
6 above each year for the [PROJECT LIFETIME (X)] project term and provided that the Grantee still owns
7 and operates the Carl Moyer funded equipment, the grantee may request an extension of the terms of this
8 agreement for reporting purposes to capture the required usage, even if the contract extension overlaps the
9 required compliance date. Grantee may also request a waiver, without penalty, for a defined time period
10 to be determined by MDAQMD. If Grantee has sold the Carl Moyer funded equipment, Grantee will be
11 subject to repayment as listed in Section 5(c) of this agreement. Grantee must submit written request for
12 extension or waiver to MDAQMD who will approve such request provided verification of the Carl Moyer
13 funded equipment. This project complies with the Carl Moyer Program Guidelines and criteria and will
14 meet all program requirements for the full contract term.

15 This project complies with the Carl Moyer Program Guidelines, Advisories and criteria and will meet all
16 program requirements for the full contract term.

17 3. Schedule: Grantee shall follow the general schedule specified in Exhibit A.

18 4. Term: This Agreement shall commence on DATE and terminate PROJECT LIFE years following
19 completion of the purchase, repower or retrofit work specified in Exhibit A, or a later date if approved in
20 writing by the MDAQMD. The term of this agreement is the full project life used to determine the cost
21 effectiveness of the project. This Project must be liquidated within 4 years of the contract execution date.
22 During the project life, either the MDAQMD or CARB or both have the authority to inspect the project,
23 enforce the terms of this agreement and pursue refund for any non-compliance with the terms and
24 conditions of this agreement. No work on this project may begin until the grant agreement is signed and
25 dated by both the grantee and the MDAQMD.

26 5. Cost: The total payment to Grantee shall not exceed \$AMOUNT or the incremental cost
27 of DESCRIPTION OF INCREMENT, whichever is less. For the purposes of this agreement, “incremental
28 cost” is defined as the difference between the DESCRIPTION OF INCREMENT. This amount consists

1 of payment for PROJECT SCOPE, which shall not exceed \$AMOUNT. Grantee shall obtain through other
2 sources sufficient additional monies to fund the total cost of the project as outlined in the Scope of Work.
3 In the project Carl Moyer Program Grant Proposal, Grantee has disclosed all other sources of funding to
4 be applied towards this project. Grantee shall include this Carl Moyer Project in its fleet size, and Grantee
5 shall certify and maintain compliance. Additionally upon execution of this agreement, Grantee shall not
6 submit another grant application or sign another grant agreement pertaining to the same specific
7 equipment/engine or use this project for compliance extension or credit. Grantee shall provide written
8 evidence of commitment for such funding to MDAQMD and MDAQMD may not release any funds under
9 this Agreement until it finds such evidence satisfactory. If an existing contract is amended to increase the
10 total Carl Moyer Program funding of the project, MDAQMD must reevaluate eligibility and consider all
11 applicable regulations.

12
13 a. Payments.

14 i. MDAQMD shall not make any advance payment under this Agreement and all
15 payments to Grantee by MDAQMD as provided herein shall be reimbursements of costs
16 already incurred by Grantee.

17 ii. Grantee shall support each claim for reimbursement under this Agreement by
18 proper itemized invoice(s) that set forth the work completed, receipt(s) and/or other
19 documents necessary for the MDAQMD to verify the validity of each claim. Claims for
20 payment must be submitted to MDAQMD, Attention: GRANT ANALYST. Such claims
21 for payment may be submitted on a monthly basis.

22 iii. MDAQMD will pay Grantee for claims in arrears within forty-five (45) calendar
23 days of receipt of proper documentation and verification that the work for which
24 reimbursement is sought has been satisfactorily completed.

25 iv The amount to be paid to Grantee under this Agreement includes all sales and use
26 taxes incurred pursuant to this Agreement, including but not limited to any taxes due on
27 equipment purchased by Grantee. Grantee shall not receive additional funds for
28 reimbursement of such taxes and shall not decrease work to compensate therefore.

1 v. In the event there are any subcontractors, concurrently with the submission of any
2 claim for payment, Grantee shall certify that complete payment has been made to any and
3 all subcontractors. Grantee shall support such certification by appropriate copies of
4 invoices issued, checks, receipts, and similar documents.

5 b. Close-out Period.

6 i. All final claims shall be submitted by Grantee within sixty (60) days following the
7 final month of activities for which payment is claimed. MDAQMD will have no obligation
8 to pay or take any action on claims submitted after the 60-day close-out period.

9 c. Repayment of Grant.

10 i. Grantee agrees to repay MDAQMD if any of the following occur:

11 1. Grantee's annual use of the [PROJECT DESCRIPTION] falls below:

12 a. Unit [NUMBER]: [ANNUAL USAGE] hours annually
13 75% of which must occur within the State of California.
14 Alternatively, in the event that Grantee is unable to satisfy the
15 required usage listed above each year for the [PROJECT LIFE] year
16 project term, Grantee may request to extend the terms of this
17 agreement for reporting purposes or request a waiver without
18 penalty for a defined time period pursuant to the conditions listed in
19 paragraphs (5)(c)(iii)(1)-(5)(c)(iii)(5) below; or

20 2. The [PROJECT DESCRIPTION] specified in Exhibit A are sold and the
21 buyer fails to accept and perform the obligations of this agreement for the
22 remaining project lifetime as set forth in Exhibit A; or

23 3. The [PROJECT DESCRIPTION] specified in Exhibit A are destroyed or
24 otherwise rendered inoperable.

25 ii. The amount of repayment shall be calculated as follows:

26 Repayment amount = $\frac{G}{T} \left(\sum_{i=1}^n |R - A_i| \right)$

27
28 Where:

1 G = "Grant amount" is the amount of money Grantee is reimbursed for each repower
2 and retrofit under this Agreement.

3 n = "project life in years" for the purposes of this calculation, [PROJECT TERM]
4 years

5 R = annual "hours required" is

6 Unit [NUMBER]: [ANNUAL USAGE] hours annually

7 A = "hours used" is the number of hours each [PROJECT DESCRIPTION] is
8 operated annually in conformance with this Agreement.

9 T = "Total hours required per [PROJECT DESCRIPTION]" which is defined as R
10 multiplied by n

11 iii. Alternatively, if Grantee is unable to satisfy the required usage over the [PROJECT
12 LIFE] year project term as specified above, pursuant to Carl Moyer Program
13 Guidelines Advisory 08-006, Grantee is eligible to extend the contract term subject to the
14 following:

15 1. Grantee's off-road fleet is and remains a [FLEET SIZE]small fleet under the
16 In-Use Off-Road Diesel Vehicle Regulation as is in effect as of the date this contract
17 is executed.

18 2. Grantee must provide to the District on or before sixty (60) days of the end of
19 the [PROJECT LIFE] year contract term:

20 a. A written request for extension of reporting or waiver in writing.
21 Request must provide details as to why Grantee was unable to satisfy required
22 hours pursuant to the terms of the agreement;

23 b. A list of current hours operated per unit per year as of the date the
24 extension is requested; and

25 c. A certification that the fleet still meets the criteria for [FLEET
26 SIZE]small fleet pursuant to the In-Use Off-Road Diesel Vehicle Regulation
27 in effect on the date this contract is executed;
28

1 3. Grantee's [FLEET SIZE]small fleet status the first compliance requirements
2 under the regulation begin [DATE REGULATION BEGINS] therefore emission
3 reductions will remain surplus to regulation until [DATE REGULATION BEGINS].

4 4. Grantee shall continue to report usage on the same annual schedule as set forth
5 in Exhibit A until [END OF REPORTING PERIOD] or until its usage obligations are
6 satisfied. After the [PROJECT LIFE] year contract term all hours each unit operated
7 during the first [PROJECT LIFE] years shall be considered in aggregate against the
8 total hours required under the contract.

9 5. If grantee is unable to meet the usage obligation by [END OF REPORTING
10 PERIOD], qualify for an extension or waiver, pro-rated repayment of grant funds
11 will be required.

12 6. Maintenance: Grantee shall operate and maintain the engine(s) pursuant to the engine
13 manufacturer's specifications for the entire project life. Grantee shall not tamper with any engine or
14 retrofit installed pursuant to this grant agreement. This project must not void any existing warranty.
15 Grantee shall maintain a non-resettable hour meter on each engine pursuant to this agreement. If during
16 the project life the meter fails for any reason, the owner shall immediately notify the MDAQMD of the
17 failure and remains responsible for validating any hours not recorded. Grantee must repair or replace the
18 non-operating meter promptly.

19 7. Independent Contractor:

20 a. The relationship of Grantee to MDAQMD under this Agreement is that of an independent
21 contractor. Grantee is to exercise its own discretion as to the method and manner of performing
22 its duties. MDAQMD will not exercise control over Grantee, its employees, agents, or
23 subcontractors, except regarding the result to be obtained and to verify compliance with the terms
24 of this Agreement. Grantee and MDAQMD shall comply with all applicable provisions of law and
25 the rules and regulations, if any, of governmental authorities having jurisdiction over matters the
26 subject thereof.

27 b. Grantee understands that this Agreement does not preclude Grantee from performing
28 services for other projects under the jurisdiction of the MDAQMD as long as such services are not

1 in conflict with this Agreement and as long as such services do not create conflict of interest under
2 applicable laws.

3 c. The Parties further agree that since the status of Grantee is that of an independent
4 contractor, Grantee shall not become entitled to any employment rights or benefits that are
5 available to the employees of MDAQMD. The Parties further agree that Grantee shall be solely
6 responsible for providing to itself, and on behalf of itself, all legally required employment benefits.

7 8. Termination:

8 a. Breach of Agreement: MDAQMD may immediately suspend or terminate this Agreement,
9 in whole or in part, where in the reasonable determination of MDAQMD there is:

- 10 i. An illegal or improper use of funds;
- 11 ii. A breach by Grantee of any material term of this Agreement and failure to cure
12 such breach within thirty (30) days following written notice from MDAQMD; or
- 13 iii. A substantially incorrect or incomplete report submitted to MDAQMD that is not
14 corrected within thirty (30) days following written notice by the MDAQMD of the report
15 deficiencies.
- 16 iv. A breach by sublet, transfer of any rights or obligations, modification or **sale** of the
17 equipment Grantee under this agreement in violation of paragraph 15c or d of this
18 agreement prior to the fulfillment of all obligations under this agreement.

19 In no event shall any reimbursement by MDAQMD constitute a waiver by MDAQMD of any
20 breach of this Agreement or any default which may then exist on the part of Grantee. Neither shall such
21 reimbursement impair or prejudice any remedy available to MDAQMD with respect to the breach or
22 default. MDAQMD shall have the right to demand of Grantee the repayment to MDAQMD of any funds
23 disbursed to Grantee under this Agreement which in the judgment of MDAQMD were not expended in
24 accordance with the terms of this Agreement. Grantee shall promptly refund any such funds upon demand.

25 In addition to immediate suspension or termination, MDAQMD may seek any other remedies
26 available at law, in equity, or otherwise specified in this Agreement.

1 b. Without Cause: In the event of unavailability of funds because of fault or no fault of either
2 party, such party may terminate this Agreement upon giving written notice to the other party at
3 least thirty (30) days before the effective date of such termination.

4 c. For Cause: MDAQMD may terminate this Agreement upon the conviction for any criminal
5 act by Grantee, its agents, officers and employees if such act directly relates to this Agreement.

6 9. Indemnification: Grantee agrees to indemnify, defend and hold harmless MDAQMD and its
7 authorized agents, officers, volunteers and employees against any and all claims or actions arising from
8 Grantee's acts, errors or omissions in performing services pursuant to this Agreement. Grantee agrees to
9 indemnify, defend, and hold harmless MDAQMD, its authorized agents, officers, volunteers and
10 employees against any and all losses sustained due to the use of the [PROJECT DESCRIPTION] pursuant
11 to this agreement. MDAQMD agrees to indemnify, defend and hold harmless Grantee and its authorized
12 agents, officers, volunteers and employees against any and all claims or actions arising from MDAQMD's
13 acts, errors or omissions in performing services pursuant to this Agreement.

14 10. Insurance:

15 a. In order to accomplish the indemnification herein provided for, Grantee shall secure and
16 maintain, throughout the term of the Agreement, the following types of insurance issued by
17 companies reasonably acceptable to MDAQMD. Grantee will procure and maintain insurance as
18 required by law or regulation. At a minimum, Grantee will procure and maintain the following
19 types of insurance:

- 20 i. Workers' compensation insurance in amounts to satisfy applicable state laws;
- 21 ii. Employer's liability insurance in the amount of \$1,000,000;
- 22 iii. Automobile liability insurance in the amount of \$1,000,000 per occurrence;
- 23 iv. General commercial liability insurance for bodily injury, death or loss of or damage
24 to property of third persons in the minimum amount of \$1,000,000 per occurrence and in
25 the aggregate.

26 b. Such insurance policies shall name MDAQMD, its officers, agents, employees,
27 individually and collectively, as additional insured (except workers' compensation insurance), for
28 purposes of the matter covered under this Agreement. The coverage shall contain no special

1 limitations on the scope of protection afforded to the District, its officers, agents, employees,
2 individually and collectively. Such coverage for additional insured shall apply as primary
3 insurance, and any other insurance maintained by MDAQMD, its officers, agents, and employees,
4 shall be excess only and not contributing with insurance provided under Grantee's policies herein.
5 The grantee's insurance shall apply separately to each insured against whom claim is made or suit
6 is brought, except with respect to the limits of the insurer's liability. Any failure to comply with
7 any of the provisions or policies including breach of warranties shall not affect coverage provided
8 to the District, its officers, agents, employees, individually and collectively. Each insurance policy
9 required by this clause shall state or be endorsed to state that coverage shall not be cancelled by
10 either party, except after thirty (30) days, prior written notice by U.S. mail has been given to the
11 District or in the event of non-payment of premium, ten (10) days prior written notice by U.S. mail
12 has been given to the District.

13 c. Prior to the commencement of performing its obligations under this Agreement, Grantee
14 shall provide to MDAQMD appropriate certificates from its insurance carrier or carriers stating
15 that such insurance coverages have been obtained and are in full force; that MDAQMD, its officers,
16 agents and employees will not be responsible for any premiums on the policies; that such insurance
17 names MDAQMD, its officers, agents, and employees, individually and collectively, as additional
18 insureds and stating policy number, dates of expiration, limits of liability thereunder, and special
19 endorsements (except workers' compensation insurance), for purposes of the matter covered under
20 this Agreement; that such coverage for additional insured shall apply as primary insurance and any
21 other insurance maintained by MDAQMD, its officer, agents, and employees, shall be excess only
22 and not contributing with insurance provided under Grantee's policies herein.

23 11. Audits Inspections and Reports:

24 a. During the project life, either or both the MDAQMD and CARB have the authority to
25 inspect projects, enforce terms of this agreement, and pursue refund for any noncompliance with
26 the terms and conditions of this Grant Agreement or applicable state laws or regulations. Grantee
27 shall at any time during regular business hours following reasonable notice from the MDAQMD,
28 and as often as MDAQMD may deem necessary, make available to MDAQMD for examination

1 all of its records and data with respect to the matters covered in this Agreement. Grantee shall,
2 and upon reasonable advance request by MDAQMD, permit MDAQMD, at MDAQMD's cost, to
3 audit and inspect all of such records and data necessary to ensure name's compliance with the
4 terms of this Agreement. In the event it becomes necessary, Grantee shall be subject to an audit to
5 determine if the funds received by Grantee were spent for the incremental cost of cleaner heavy-
6 duty vehicles and equipment as provided in CARB's Carl Moyer Program Guidelines and to
7 determine whether said funds were spent as provided by law and this Agreement. If after audit
8 MDAQMD makes a determination that funds provided to Grantee pursuant to this Agreement were
9 not spent in conformance with this Agreement or the requirements of the Carl Moyer Program or
10 any other applicable provisions of law, and following resolution of any appeal of such
11 determination by Grantee to the Board of the MDAQMD, Grantee agrees to immediately reimburse
12 MDAQMD all funds determined to have been expended not in conformance with said provisions.

13 c. Grantee shall deliver usage reports commencing twelve (12) months after the date each
14 [DESCRIPTION OF PROJECT] is placed back into service and annually thereafter for the project
15 life as specified in Exhibit A.

16 d. Grantee shall retain all records and data for activities performed under this Agreement for
17 at least three (3) years beyond the performance of the final obligation pursuant to this Agreement
18 or until all state and federal audits are completed, whichever is later.

19 12. Notices: The persons and their addresses having authority to give and receive notices under this
20 Agreement are as follows:

21 [Grantee Name]	MDAQMD	MDAQMD
22 [Grantee Contact]	[MDAQMD Employee]	[MDAQMD Employee]
[Grantee Contact Title]	[Employee Title]	[Employee Title]
23 [Grantee Address]	14306 Park Avenue	14306 Park Avenue
[City State Zip]	Victorville, CA 92392	Victorville, CA 92392

24
25 Any and all notices to MDAQMD and Grantee provided for or permitted under this Agreement or
26 by law shall be in writing and shall be deemed duly served when personally delivered, or in lieu of such
27
28

1 personal service, when actually received or when deposited in the United States mail, postage prepaid,
2 addressed to such party.

3 13. Political Activity Prohibited: None of the funds, materials, property, or services provided under
4 this Agreement shall be used for any political activity, or to further the election or defeat
5 of any candidate for public office contrary to federal or state laws, statutes, regulations, rules, or
6 guidelines.

7 14. Lobbying Prohibited: None of the funds provided under this Agreement shall be used for publicity,
8 lobbying, or propaganda purposes designed to support or defeat legislation before the Congress of the
9 United States of America or the Legislature of the State of California.

10 15. Conflict Of Interest: No officer, employee or agent of MDAQMD who exercises any function or
11 responsibility for planning and carrying out the services provided under this Agreement shall have any
12 direct or indirect personal financial interest in this Agreement. Grantee shall comply with all federal, state
13 and local conflict of interest laws, statutes, and regulations.

14 16. Succession:

15 a. Each party and the partners, successors, and legal representatives of each party, and to the
16 extent permitted herein the assigns of each party, are hereby bound to the other party and
17 to the partners, successors, legal representatives and assigns, of such other party, in respect
18 to all covenants, agreements and obligations of this Agreement.

19 b. Neither Party will assign, sublet or transfer any rights or obligations under this Agreement
20 without the written consent of the other. However, Grantee is authorized to use employees
21 of or assign this Agreement to an affiliate as it may deem appropriate to assist in the
22 performance of services or as a result of an internal reorganization.

23 c. Grantee shall not sublet, transfer any rights or obligations, pertaining to the
24 [DESCRIPTION OF PROJECT] under this agreement, for the full term of the agreement
25 without prior written authorization from the MDAQMD.

26 d. Grantee shall not sell or otherwise modify the [DESCRIPTION OF PROJECT] under this
27 agreement, for the full term of the agreement without prior written authorization from the
28 MDAQMD.

1 17. Time is of Essence: Time is of the essence in completion of the services in this Agreement.

2 18. Benefit to Parties: Nothing contained in this Agreement will be construed to give any rights or
3 benefits to any person other than the Parties, and all duties and responsibilities undertaken pursuant to this
4 Agreement will be for the sole and exclusive benefit of the Parties and not for the benefit of any other
5 person.

6 19. Change in Scope of Work: Changes or amendments to the project application as it exists at the
7 time the Governing Board makes the grant award and or Scope of Work contained in this Agreement,
8 including any increase or decrease in the amount of program funds awarded, and changes in the terms of
9 this Agreement, shall be mutually agreed upon in writing by and between MDAQMD and Grantee, and
10 shall only be effective by duly executed written amendments to this Agreement.

11 20. Severability: In the event that any word, phrase, clause, sentence, paragraph, section, article or
12 provision contained in this Agreement is held to be unenforceable for any reason by a court of competent
13 jurisdiction, such holding shall not affect the remaining portions of this Agreement, and the Agreement
14 shall then be construed as if such unenforceable provisions are not a part hereof.

15 21. Captions: The paragraph captions of this Agreement shall have no effect on its interpretations.

16 22. Entire Agreement: This Agreement, together with the project application and Exhibit A,
17 constitutes the entire Agreement between the Parties and will supersede all prior written or oral
18 understandings. This Agreement and its Exhibits may only be amended, supplemented, modified or
19 canceled by a duly executed written instrument signed by the Parties.

20 23. Rights to Emission Reductions: Projects funded via the Carl Moyer Program cannot generate
21 Emission Reduction Credits (ERCs) pursuant to MDAQMD Regulation XIV or be used for offsets
22 pursuant to Regulation XIII.

23 24. Governing Law: This Agreement shall be interpreted under the laws of the State of California.
24 Venue for any action arising out of this Agreement shall only be in San Bernardino or Riverside County,
25 California. This Agreement was entered into in Victorville, California.

26

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28

1 MOJAVE DESERT AIR QUALITY
2 MANAGEMENT DISTRICT

GRANTEE

3
4 _____
5 BRAD POIRIEZ
6 Executive Director

[AUTHORIZED SIGNATORY NAME]
[TITLE]

7 Dated: _____

Dated: _____

8
9 Approved as to legal form:
10
11
12

13 _____
14 KAREN K. NOWAK
15 District Counsel

16 Dated: _____

17 END OF CONTRACT.
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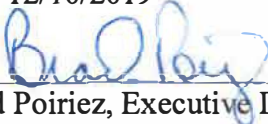
*Mojave Desert
Air Quality Management District*

STANDARD PRACTICE

4-5

Effective Date: 03/01/1996

Revision Date: 12/10/2019

Approved: 
Brad Poiriez, Executive Director/APCO

Applicability: All

SUBJECT: RECORDS RETENTION

PRACTICE:

It is the standard practice of the Mojave Desert Air Quality Management District (District) to ensure an orderly system for the retention and destruction of records, to retain certain records for various periods of time prior to their disposal or destruction.

AMPLIFICATION OF PRACTICE:

A. General

This Standard Practice establishes the records retention policies, procedures and guidelines for categorization, use and disposition of public records of the District in accordance with their administrative, legal, fiscal, and/or historical value. All officers, employees, and members of District Boards or committees are required to comply with the provisions of Governing Board Policy 93-2, this Standard Practice and any Protocols established pursuant to same.

This Standard Practice is designed to enable the District to comply with the applicable provisions law regarding document retention including but not limited to, the California Public Records Act (Government Code §§6250 et seq.); provisions regarding the destruction of records of special districts (Government Code §§60200 et seq.); retention provisions contained in Division 26 of the Health & Safety Code (Health & Safety Code §§39000 et seq.) and other applicable provisions of State and Federal law.

The District has several different methods and programs for preserving records. “Questys” is the recognized electronic content system for the majority of the public records of the District. “Accufund” contains the financial, timekeeping and payroll system. “CAPS” is the primary repository for active permitting and enforcement information. Non-confidential, non-working information contained in Accufund and CAPS is eventually transferred into Questys. Ethics information and Form 700 filings are contained in Disclosure Docs. Air Quality data is retained in Air Vision. Confidential files and information as well as oversized documents such as blueprints are retained in hard copy. In general, files and communications which are being

STANDARD PRACTICE
of the
Mojave Desert Air Quality Management District

actively worked are retained on the server either as single files or as part of the E-Mail server and will eventually be retained pursuant to this Standard Practice.

Attached to and incorporated in this Standard Practice are the following:

- Exhibit A – Retention of Official Documents
- Exhibit B – Storage, QA/QC and Disposition of Copies
- Records Retention Flow Chart

B. Record Types, Categorization of Records

1. What is a Record?

Most every document created or retained by the District in whatever form (hard copy, electronic, e-mail) is considered a “Record” and must be dealt with according to this Standard Practice. While some documents may be transitory in nature (For example: drafts, logistical information) and may be destroyed relatively quickly when they are no longer useful other documents rise to the level of “Public Records” and must be retained for certain periods of time before they may be destroyed. This Standard Practice is intended to assist in sorting and determining the appropriate time period after which a Record may be destroyed.

The California Public Records Act, specifically in Government Code §6252(e) defines a “Public Record” as any writing containing information relating to the conduct of the public’s business prepared, owned, used or retained by any state or local agency regardless of physical form or characteristics. Writings include, but are not limited to documents which are handwritten, typewritten, photographs, photocopies, e-mails, facsimiles regardless of the method by which it was created or stored. District custody of a writing is not in and of itself sufficient for it to be considered a Public Record. Such writing must also be necessary and/or convenient to the discharge of official duties. Generally, most anything that is used in connection with District business will be considered a Public Record.

Public Records can include items contained in personal cell phone, e-mail, voice mail and/or social media accounts *City of San Jose v. Superior Court* (2017) 2 Cal 5th 608. These records may be required to be produced under the California Public Records Act if they substantially relate to the District’s business and are not copied over or otherwise preserved in the District’s records. (See Standard Practice 4-16 *Cell Phones*)

Despite the above, there are some records which are exempt from disclosure under the California Public Records Act for various purposes. Some of these records are required to be kept confidential. Please see Standard Practice 4-12 – Public Records or consult District Counsel for assistance regarding whether a particular record may be disclosed .

STANDARD PRACTICE
of the
Mojave Desert Air Quality Management District

2. Categorization of Records.

Records will generally fall into one of two categories upon being created or coming into the possession of the District: *Preserve Immediately* or *Working*.

Preserve Immediately records are those which the District is required to keep by law. These include but are not limited to: Air Quality Permit Applications, Permit issuance documents, Tests & Reports, Requests for Variances, some financial documents, and a variety of documents contained in Personnel files.

Working records are those which belong to a project or other District function and are necessary to complete the project or function. These include but are not limited to rule development documents, draft versions of permits, draft versions of engineering evaluations, communications between the District and a source, document related to NOV's or NTCs.

C. Initial Disposition of Records

1. *Preserve Immediately*

Records which are to be preserved immediately upon initial receipt/production shall be placed into Questys or other appropriate place pursuant to the applicable protocol for the document type involved. For example: items belonging in a Personnel File will be placed in that file; Items such as Form 700 filings will be placed in the Disclosure Docs program; Financial records would be placed in Accufund; and Tests and Reports would be placed in the appropriate Facility File in Questys.

2. Records which are *Working* Files

Records which are part of the working files on a project may be kept until the project or function is complete. Once the project or function is complete unneeded records should be purged from the file and the remainder be placed into Questys (or other appropriate place) pursuant to the applicable protocol.

Purging files involves removing extraneous material that is not required by law to be kept. Such material includes but is not limited to items such as logistical e-mails, drafts of documents (except publically released drafts), certified mail receipts, and post it notes. Exactly what items can be purged from a file will depend upon the type of project or function. For example, Rule Development Files will have different items needing to be retained than closed NOV/NTC files. Please consult the applicable Protocol for the specific project/file type or consult District Counsel if questions arise.

**STANDARD PRACTICE
of the
Mojave Desert Air Quality Management District**

D. Official District Records

1. Official Records in Questys

Once a record has been scanned or otherwise placed in Questys and the initial QA/QC Protocol has been performed the copy of the document in Questys is presumed to be the Official District Record. The original becomes an “extra” copy and is either destroyed or placed in the appropriate storage for later destruction pursuant to the QA/QC Protocol. The only exception to the above paragraph is official meeting documents of the District (Governing Board, Hearing Board, and Brown Act Committees). In this case the initial input copy is retained indefinitely and has dual status with the copy in Questys as the Official District Record.

Any record placed in Questys is presumed to be a public record. Any confidential records need to be labeled as such and placed in the appropriate file with a placeholder note being scanned into Questys. This includes information such as confidential/trade secret facility related information. In the alternative if the amount of confidential information is small the information may be redacted before scanning or otherwise placing in Questys and the original unredacted copy shall be placed in the appropriate hard copy file.

2. Official Records Elsewhere (Hard Copy/Confidential/Other Electronic Systems)

Official records may also be found in hard copy (eg. Personnel Files); Financial electronic records (Accufund); electronic Form 700 filings (Disclosure Docs); and electronically collected air monitoring data (AirVision). The official status of any particular record and whether or not it is disclosable under the Public Records Act will vary depending upon the type of record and its status in the particular program. Please consult District Counsel if necessary before releasing such records.

3. Official Status of Working Files

Working files in progress have a unique status under the Public Records Act. Specific documents may be considered Public Records and may be subject to disclosure. Please consult District Counsel if such records are requested.

E. Retention Periods and Disposition of Official District Records

1. Official Records located in Questys and/or Confidential Files

The retention time period for specific types of Official District Records are as listed in Exhibit “A”.

Any Official District Record type not listed in Exhibit “A” shall be retained for at least the minimum time period required by State or Federal law, order, rule or regulation.

STANDARD PRACTICE
of the
Mojave Desert Air Quality Management District

Any Official District Record type not listed in Exhibit “A” and not required to be retained by State or Federal law, order, rule or regulation for a different period of time shall be retained for at least two (2) years.

Any specific Official District Record of a type listed in Exhibit “A” which is otherwise required to be retained by State or Federal law, order, rule or regulation shall not be destroyed or otherwise disposed of until after the expiration of the longest time period specified.

Any Official District Record subject to a Litigation Hold shall not be destroyed or otherwise disposed of until after the Litigation Hold has been removed (by District Counsel or appropriate litigation counsel) regardless of the applicable retention period.

Preliminary drafts, notes, or interagency or intra-agency correspondence which are not retained or required to be retained by the District pursuant to state or federal law, order, rule or regulation may be destroyed if such records are no longer necessary.

Duplicate records may be destroyed or otherwise disposed of as long as the original or a permanent copy is retained in another file maintained by the District. Hard copies, where the official record is otherwise stored, may be destroyed pursuant to the Questys QA/QC Protocol, the applicable protocol for the subject matter, or as indicated in Exhibit “B”.

Records required by law to be kept by another agency or entity may be destroyed or otherwise disposed of if such records are no longer necessary.

2. Official Records Not Yet in Questys, Located Elsewhere

Official Records may be maintained outside of Questys and the Confidential files (Working Files). However, employees are required to submit such records for inclusion into Questys once the project or function to which they relate is complete. Certain records may be stored in other District programs or in hard copy. These records may be disposed of as listed in subsection 1 above unless otherwise noted in Exhibit “A”

3. Final Disposition/Destruction of Official Records

Official Records contained in Questys, the Confidential files or other District files shall be reviewed for potential destruction upon the expiration of the applicable retention period. If the record is not required to be kept for another purpose then it may be removed from Questys pursuant to the Questys Removal Protocol. Records kept in other District programs may be destroyed as listed in Exhibit “A” or in some cases migrated into Questys then destroyed pursuant to the Questys Removal Protocol.

The District’s Record Manager or other person designated to destroy records under the applicable protocol will keep a destruction log indicating the general nature/type of

STANDARD PRACTICE
of the
Mojave Desert Air Quality Management District

records destroyed, the method of destruction (Shred/delete/purge) and the date upon which the destruction occurred.

4. Retention of Records for Longer Periods

Nothing in this standard practice requires the destruction of any record after the period specified in Exhibit "A" or as required by state or federal law, order, rule or regulation. The APCO or department supervisor may require the retention of any record for a longer period of time for the convenience of the District

F. Litigation Hold

When litigation is reasonably foreseeable District Counsel will issue a "litigation hold" on all records related to the subject matter of the litigation. Such litigation hold will be issued by memo to the employee or employees directly responsible for the information in question with copies to their immediate supervisor and the Air Pollution Control Officer. Written instructions will be provided in hard-copy and delivered personally to the affected persons. Employees are required to retain all hard-copy and electronic data as indicated in the written instructions.

In addition, District Counsel may request that restrictions designed to preserve information be placed on District technological resources such as particular computers, databases, servers, folders, and/or e-mail boxes. In such a case a separate "litigation hold" memo will be issued to the appropriate persons detailing the location, scope and types of information to be preserved from destruction. A copy of this memo will be provided to the Air Pollution Control Officer. Memos will be provided in hard-copy and delivered personally to the persons in positions most likely able to implement a litigation hold on electronic data.

Once litigation has been settled, completed or the litigation hold is no longer necessary District Counsel will remove the litigation hold by issuing written instructions to the persons notified in the initial memos.

Approved to as Legal Form:



Karen K. Nowak
District Counsel

EXHIBIT "A"
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Citations	Questys Retention Code	Responsible Department
CCP = Code of Civil Procedure	#Y = Number of years from document date	AD = Administration
CCR = California Code of Regulations (Administrative Code)	#E = Number of years from expiration, superseded, or cancellation date of document	AM = Air Monitoring
CFR = Code of Federal Regulations	#F = Number of years from Facility expiration or cancellation of all permits	C = Compliance
GC = Government Code	I = Indefinite	CRE = Community Relations & Education
H&S Code = Health & Safety Code	X = Keep indefinitely for useful or historical purposes	E = Executive Offices
LC = Labor Code		HR = Human Resources
PC = Penal Code		O = Operations
R&T Code = Rev & Tax Code		ODC = Office of District Counsel
USC = US Code		P = Permit Engineering
		R = Rulemaking & Planning
		RM = Records Management

Destruction of any record must be authorized by the legislative body of the District (Gov. Code §§60200-60204)

Record Type/Description	MDAQMD Official Document ¹ Minimum Retention Period ²	Citation ³	Retention Code/ Location	Responsible Dept.
AB2766 (Motor Vehicle Registration Fee surcharge subvention records from DMV)	7 years after receipt of funds ⁴		7E	AD
Accident/Illness Report (Includes Medical Records, Exposure to toxic substances records & MSDS Sheets. Excludes Health insurance claims, 1 time medical treatment, records for employees working less than 1 year if records provided to employee)	Non Public Record in HR Files. 30 years after termination/separation from employment.	GC 6254(c) 8 CCR 2304(d)(1)(A-B)	HR Files; Personnel File	HR

¹ Official Documents are primarily stored in Questys. Certain official records are stored electronically in other programs. Non-public/exempt Records stored as indicated either by document type or protocol.

² Periods specified are MINIMUM retention periods. Documents may be kept longer if they remain useful (See Section E.4. above.)

³ Citations are provided primarily for reference. A particular citation may not be directly applicable by its terms to Special Districts such as the MDAQMD.

⁴ Retention period set to be consistent with other financial records.

EXHIBIT "A"
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
Accident Reports (Damage to District Property)	10 years	CCP 337.15 GC 34090	10Y	AD
Accounting (General Ledger)	7 years ⁵	CCP 337 GC 34090	7Y	AD
Accounting (Permanent Account Books per IRS regulations)	Permanent	26 CFR 1.6001-1(c) & (e)	I	AD
Accounts Payable (Journals, statements, account posting, vouchers, invoices, billings, purchase orders, check requests, checks, voided/canceled checks, credit card statements expense reimbursements, per diem etc.)	7 years ⁶	CCP 337 GC 60201(d)(12) 26 CFR 31.6001-1(e)(2)	7Y	AD
Accounts Receivable (Deposit receipts, receipt books, records of payments etc.)	7 years ⁷	CCP 337 26 CFR 31.6001-1(e)(2)	7Y	AD
Air Monitoring/Air Quality Records (Excluding physical samples)	2 years after QA/QC by oversight agency.		2E	AM
Air Monitoring Filters & Samples	5 years after date of collection	40 CFR 58	5Y	AM
Air Toxics "Hot Spots" Records/Reports	2 years after expiration of all permits held by facility.		2E	C and P
Agenda & Meeting Related (Agendas, staff reports, background documentation, notices, proof of publication etc. for Governing Board, Hearing Board, and any Brown Act committee.)	Life of agency	GC 34090 GC 60201(d)(1-3)	I	E

⁵ Statutory minimum = Audit + 4 years. Retention period set to be consistent with other financial records.

⁶ Statutory minimum = Audit +4 years for general, payment date +7 for reimbursements. Retention period set to be consistent with other financial records.

⁷ Statutory minimum = Audit +4 years. Retention period set to be consistent with other financial records.

EXHIBIT “A”
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
Annual Financial Report⁸	Audit +7 Years	GC 34090	7E	AD
Appraisals (For real property owned by District)	Not a public record until real estate transaction complete then 2 years.	GC 6254(h) 34090	2E	AD
Asbestos Notices – Facility (See Facility Related)	N/A	N/A	N/A	N/A
Asbestos Notices – Non Facility (Notices of demolition/renovation not related to permitted facility.)	2 years from date of document.		2E	C
Audio Files (Tapes/electronic audio files of official meetings)	30 days after approval of minutes of meeting.		N/A	E
Audit Reports (Includes backup, development documents and correspondence) ⁹	7 years ¹⁰	GC 34090	7Y	AD
Bank Records (Deposits/Reconciliations)	7 years ¹¹	GC 34090	7Y	AD
Bids – Successful (Includes plans, specifications, requests for proposals etc.)	4 years	CCP 337, 337.1 GC 34090	4Y	AD
Bids – Unsuccessful (Bid packages only)	2 years	GC 34090, 60201	2Y	AD
Billings (See Accounts payable)	N/A	N/A	N/A	N/A
Blueprints/Drawings – Facility Related (Usually held in hardcopy. See Facility Files)	N/A	N/A	N/A	N/A
Blueprints/Drawings – Non-Facility Related (Usually held in hardcopy)	2 years		2Y	C and P
Brochures/Publications (May retain longer if historical value)	2 years	GC 34090	2Y	CRE

⁸ Financial Reports and Audits appear on Agenda and therefore will be retained under that category.

⁹ Final documents appear on Governing Board Agenda and therefore retained under that category.

¹⁰ Statutory minimum = Current +4 years. Retention period set to be consistent with other financial records.

¹¹ Statutory minimum = 4 years. Retention period set to be consistent with other financial records.

EXHIBIT “A”
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
Budget (Includes backup, development documents and correspondence) ¹²	Audit + 2 years	GC 34090	2E	AD
Capital Improvement Documents (Includes planning, design, construction, conversion modification of government owned facilities, structures and systems)	10 years after completion of project	GC 34090 H&S 19805	I	AD
CARB/EPA Correspondence – Non-Facility Related (See Correspondence.)	N/A	N/A	N/A	N/A
CEQA – For District Actions (See Agenda Related)	N/A	N/A	N/A	N/A
CEQA – Participation in Other Agency Actions (See Correspondence)	N/A	N/A	N/A	N/A
Cell Phone -Personal; Voice Mails/E-mails/Texts - Personal (If information is “public” AND not already in a district resource, employees are required to forward to district resource per Standard Practice 4-16. See also Correspondence and/or E-mail.)	N/A	N/A	N/A	N/A
Checks (See Accounts Payable)	N/A	N/A	N/A	N/A
Citizen Feedback (See Correspondence unless Facility Related or Rule Development Related)	N/A	N/A	N/A	N/A
Claims Against District¹³	Until settled + 2 years	GC 60201(d)(4) GC 34090	2E	ODC
Complaints –Facility (See Facility Related)	N/A	N/A	N/A	N/A

¹² Final documents appear on Governing Board Agenda and therefore retained under that category.

¹³ Most claims will be retained by insurance carrier. Approval/denial of claim will be on Governing Board Agenda; Payments will be with Financial information and therefore retained under those categories.

EXHIBIT “A”
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
Complaints – Non-Facility (See Correspondence)	N/A	N/A	N/A	N/A
Conflict of Interest Code	Life of Agency	GC 87300 et seq.	I	E and ODC
Contracts (Including those involving or using State or Federal Funds but excluding real property design/development contracts)	7 years after termination/completion ¹⁴	CCP 337 CCP 337.2 CCP 343	7E	AD
Contract – Real Property (Includes development, design specifications, surveying, planning, supervision, testing etc of construction or improvement and may include releases, retentions, withholdings and change orders)	10 years after termination/completion	CCP 337.15	10E	AD
Copies of documents Scanned/Imported into Questys (By document type. Treated as copies pursuant to specific document type protocol and/or Questys QA/QC protocol. See also Exhibit “B” as attached)	See Exhibit “B”	Internal protocols	Storage	RM
Correspondence (Only applies to correspondence not related to another category. See also Facility Related; Rule Development Related, E-Mail or other category with longer retention period.)	2 years	GC 34090	2Y	Creating or Receiving Department
Credit Cards (See Accounts Payable)	N/A	N/A	N/A	N/A
Deeds (See Real Property related)	N/A	N/A	N/A	N/A
Demographics and Statistical Data	2 years after superseded	GC 34090	2E	AD

¹⁴ Statutory minimum =4 years from completion. However, most contracts grant/pass through funds require longer retention. Retention period set to be consistent with other financial records.

EXHIBIT "A"
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
DMV Information of Employees (NOT A PUBLIC RECORD See also Personnel Records)	When superseded	GC 34090 CG 6254(c)	N/A	HR
E-Mail (Only applies to E-mail not related to another category. See also Facility Related; Rule Development Related, Correspondence, or other category with longer retention period. See also E-Mail Standard Practice for documents retained in active E-mail boxes.)	See E-Mail Standard Practice (To be developed/maybe include in SP 4-10)	N/A	N/A	N/A
EEOC Records (See Personnel – EEOC/FEHA Compliance)	N/A	N/A	N/A	N/A
Emission Reduction Credit Related (Special Rules apply. Certain records may need to be attached to purchasing/using Facility as well as creating facility. See also Facility Related)	Special rules apply. See protocol for ERCs.	N/A	N/A	N/A
Employee Medical/Exposure to toxic/harmful substances (NOT A PUBLIC RECORD. Includes OSHA injury reports. See also Personnel – Employee Records ¹⁵)	Length of Employment +30 years	GC 6254(c) 29 CFR 1910.1020 8 CCR 2304(d)(1)(A-B)	HR, Personnel Files	HR and AD
Employee Related Files (NOT A PUBLIC RECORD See Personnel – Attendance/Leave, Personnel – Employee Records; Personnel-Wages and Other Payments; Payroll)	N/A	N/A	HR Personnel Files Accufund	HR and AD

¹⁵ Includes all medical record pertaining to employees exposed to toxic substances or harmful physical agents. Does not include one-time first aid treatment on site by non-physician, minor injuries (burns, scratches, splinters etc.) that do not involve loss of consciousness, restriction of work/motion or transfer to another job. If employee involved is less than 1 year no need to retain records if records given to employee upon separation.

EXHIBIT “A”
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
Ethics Records (Includes filed Form 700’s, Ethics training records per AB 1234 of 2006, Sexual harassment training per AB 1825)	Variable ¹⁶	GC 53235.2 GC 81009(e-g)	Disclosure Docs	E
Facility Related (Special rules may apply for ERC related documents. See Emissions Reduction Credits.)	2 years after expiration/cancellation of all permits held by Facility		2F	C and P
Financial Records (Anything else financially related not listed elsewhere. See also Accounting)	7 years ¹⁷		7Y	AD
Fixed Assets (Includes Inventories, purchase dates, costs, disposal of, bid sales, Vehicle ownership, Vehicle title etc.)	Audit +7 years ¹⁸	GC 34090 CCP 337 VC 9900 et. seq	4E	AD
Forms	Until superseded	N/A	Server	Creating Department
Gifts to District (See Agenda Related) ¹⁹	N/A	N/A	N/A	N/A
Grant Related (See also Accounting and Contracts)	7 years after termination/completion ²⁰	CCP 337 CCP 337.2 CCP 343	7E	AD

¹⁶ These records are not kept in Questys but are found in Southtech systems Disclosure Docs program. Elected Officials & APCO Form 700 records are kept by FPPC. Employee Records are kept by District. AB1234 and AB1825 records are kept by District in the appropriate Personnel/Training files.

¹⁷ Statutory minimum = audit +2 or audit +4 years. Record period set to be consistent with other Financial information..

¹⁸ Statutory minimums shorter for purchase records and inventories. Vehicle title transfers upon sale. Longer period used to avoid confusion.

¹⁹ Gifts to agency require Governing Board approval. Records will be included under Agenda Related.

²⁰ Statutory minimum =4 years from completion. However, most contracts grant/pass through funds require longer retention. Retention period set to be consistent with other financial records. Grant program implementation documentations should be retained at least 7 years after last grant issued under program has been terminated/completed.

EXHIBIT "A"
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
Insurance Related (Non-Personnel. Federal OSHA Forms, loss analysis, safety reports etc. which are NOT kept by carrier)	Current +7 Years ²¹	GC 34090 29 CFR 1904.44	7E	AD
Meeting Related (Brown act meetings, See Agenda Related)	N/A	N/A	N/A	N/A
Legal Opinions (NOT PUBLIC RECORD)	Superseded +2	GC 34090	ODC	ODC
Litigation – Enforcement Actions (See Facility Related)	N/A	N/A	N/A	N/A
Litigation – Other²²	Final Settlement/Adjudication +2 years	GC 34090	ODC 2E	ODC
Newsletters, Publications & Marketing materials (Dated promotional/SWAG not subject to retention)	2 years ²³	GC 34090	2Y	CRE
Notices (See Proof of Publication/Legal Notices)	N/A	N/A	N/A	N/A
OSHA – CAL and Federal (Personnel logs, filed records, annual summaries, injury reports etc)	5 years	LC 6410 8 CCR 14307	HR Personnel Files	HR and AD
Payroll Related (INCLUDES SOME NON-PUBLIC RECORDS. Consists of payment records, employee information, time cards, registers, Federal/State reports etc.)	Current +7 years ²⁴	GC 60201 CCP 337 29 CFR 516.5, 516.6(c) LC 1174 8 ccr 11000 et seq	Accufund Personnel Files	AD

²¹ Statutory minimums = 2 years for State required reports, 5 years for Federal Reports. Longer period used to conform with other Financial records.

²² Files may be retained by outside counsel.

²³ May want to retain longer for historical reference.

²⁴ Some statutory requirements less. Longest period used to avoid confusion.

EXHIBIT "A"
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
Permit Billing Related (See Financial Records unless document in Facility Related file)	N/A	N/A	N/A	N/A
Personnel – EEOC/DFEH Compliance (Includes documents showing compliance with State and Federal equal employment requirements)	3 years	29 CFR 1602.30	3Y	HR
Personnel – Employee Benefit Plans & Programs (Includes final copies of plans such as: cafeteria, health insurance, COBRA, extension of benefits, insurance policies, EAP, Deferred compensation 457/401(a) etc.)	Life of plan +7 years after last employee covered by plan provisions separates ²⁵	29 USC 1027 29 CFR 1627.3(b)(2) GC 34090 GC 12946 28 CCR 1300.85.1 11 CCR 560	6E	HR and AD
Personnel – Employee Records (INCLUDES SOME NON-PUBLIC RECORD. Including but not limited to General personal information, Demographic information, Benefit Plan Selections, Employment Agreements, Applications, Verifications, Job description, Performance Evaluations, Physical Examination Results, Disciplinary actions, Separation/Termination Documents, training documentation, fingerprints, ID cards.)	3 years after separation/termination ²⁶	8 USC 1324a (b)(3) GC 12946 GC 6254(C) LC 1174 29 CFR 1627.3 2 CCR 7287(a), (c)(2)	HR Personnel Files	HR

²⁵ Statutory minimum = 2-6 years after plan expiration depending on plan. Longer period used to conform with other financial information.

²⁶ Statutory requirements range from a minimum of 2 years to 3 years after separation/termination. Since these records are all contained in the same file the longest term was used to avoid confusion. See also Employee Medical/Exposure to toxic/harmful substances for longer retention period.

EXHIBIT "A"
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
Personnel – Labor Agreements (MOU, ECP etc, Also included negotiation related documents however such negotiation documents may be retained as non-public records in hard copy format.)	3 years after last employee covered by provisions separates .	29 CFR 516.5	3E	AD
Personnel – Organization (Includes but is not limited to officially published/released organizational charts, classification plan, wage rates etc.)	2 years ²⁷	GC 12946 GC 34090 29 CFR 516.6	2Y	AD
Personnel – Policies and Procedures (Including PPP, FMLA/CFRA policies etc)	3 years after last employee covered by provisions separates	29 CFR 516.6 29 CFR 1627.3(a)	3E	E
Personnel – Recruitment (INCLUDES SOME NON-PUBLIC INFORMATION). Includes but is not limited to: Recruitment lists, ethnicity disclosure, examination materials, answer sheets, job advertisement and announcements, applications of persons not hired, information regarding non-hire of applicant(s)	2 years after recruitment complete or list expires.	GC 34090 GC 12946 29 CFR 1602.31, 1627.2(b)(1)(i). 1627.3	HR	HR
Personnel – Wages and Other Payments (INCLUDES SOME NON-PUBLIC. See Payroll Related)	N/A	N/A	N/A	N/A

²⁷ Note that most of these items will be otherwise included as part of the Governing Board Agendas and thus will be retained for the life of the agency per Agenda Related category.

EXHIBIT "A"
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
Plans & Plan Development Documents (Official Air Quality, Grant, and other plans/program documentation required by State or Federal Law – See Rule & Plan Development Related; Accounting and Contracts)	Variable ²⁸		Variable	Variable
Policies, Procedures and Standard Practices – Non-personnel	3 years after supersession ²⁹		3E	E
Press Releases	2 years ³⁰	GC 34090	2Y	CRE
Proof of Publication/Legal Notices (See underlying document type such as Rule Archive, Agenda Related, Facility File etc.)	N/A	N/A	N/A	N/A
Public Records Act Requests³¹ (Requests which are given a number per Standard Practice 4-12)	2 years	GC 34090	2Y	RM
Purchasing Related (See Accounting and Financial Related)	N/A	N/A	N/A	N/A
Recordings – For Preparation of Minutes	30 days after minutes approved by appropriate body	GC 34090 64 OAG 317	Server	E
Recordings – Other Events (considered duplicate if other record, minutes are kept)	90 days after event	GC 34090 GC 34090.7	Server	E

²⁸ Air Quality Rule and Plan Documents are permanent, Grant and other programs will depend on the underlying program but generally 7 years after expiration of the last project/grant under the program would be appropriate.

²⁹ Technically only 2 years but retained for longer to match personnel related policies/practices.

³⁰ May want to retain permanently for historical reference.

³¹ Numbers of records processed in a given year are retained longer for historical purposes.

EXHIBIT “A”
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
Recording – Routine Surveillance (Video of specific “incidents” segregated pursuant to direction.)	1 year unless claim or pending litigation involved.	GC 34090 GC 34090.6	Server	E
Records & Document Types not otherwise listed.	2 years		2Y	Creating Department
Records Management Disposition/ Destruction Records (Records/spreadsheets indicating general description of documents and disposition/destruction date when the underlying document(s)/media have been dealt with)	Permanent	GC 34090	Server	RM
Real Property Related (Includes deeds, easements, leases etc See also Capital Improvements and Contracts – Real Property).	Permanent	GC 34090 GC 60201(d) CCP 337 CCP 337.2 CCP 343	I	AD
Rule & Plan Development Related	Permanent ³²	H&S 40725 et seq.	I	R
Tax Records-Federal/State (Includes 1096, 1099, W4 and W2, ³³ Reports, Filings etc.)	Current +7 ³⁴	26 CFR 31.6001.1-4 26 CFR 31.6001-1e 29 CFR 516.5-516.6 R&T 19530, 19704	7E	HR and AD
Tests and Reports – Facility Related (See Facility Related)	N/A	N/A	N/A	N/A

³² Statutory minimum = 2 years after rule/plan superseded for all purposes. Adoption documents on Governing Board agenda and retained under Agenda Related category. Longer period applied for historical and consistency purposes.

³³ These are often included in the Employee personnel file and thus are retained pursuant to that provision.

³⁴ Statutory minimum = Current +4 for employee related forms; 6 years for reports filed with State.

EXHIBIT “A”
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

Record Type/Description	MDAQMD Official Document¹ Minimum Retention Period²	Citation³	Retention Code/ Location	Responsible Dept.
Unemployment Insurance Related (See Financial Records – Other and Personnel)	N/A	N/A	N/A	N/A
Video Monitoring - Building Security Cameras	14 days unless an incident occurs. If incident occurs video will be downloaded and kept in a separate location. Retain for 2 years after incident closed.	N/A	2E	AD
Voice Mail (Only applies to Voice Mail required to be kept – most is draft or working and thus not required to be kept. Only applies to voice mail not related to another category. See also Facility Related; Rule Development Related, Correspondence, or other category with longer retention period.)	Transcribe to E-mail or save as audio file and retain per appropriate category.	N/A	N/A	N/A
Workers Compensation Files³⁵ (INCLUDES SOME NON-PUBLIC INFORMATION)	Settled/Closed +5 years	8 CCR 10102 8 CCR 15400.2	HR Personnel Files	HR

³⁵ Only if originals are not kept by risk management agency. Retention period set to be consistent with other financial records.

EXHIBIT "A"
Retention of Official Documents – Types & Codes¹
(Standard Practice 4-5)

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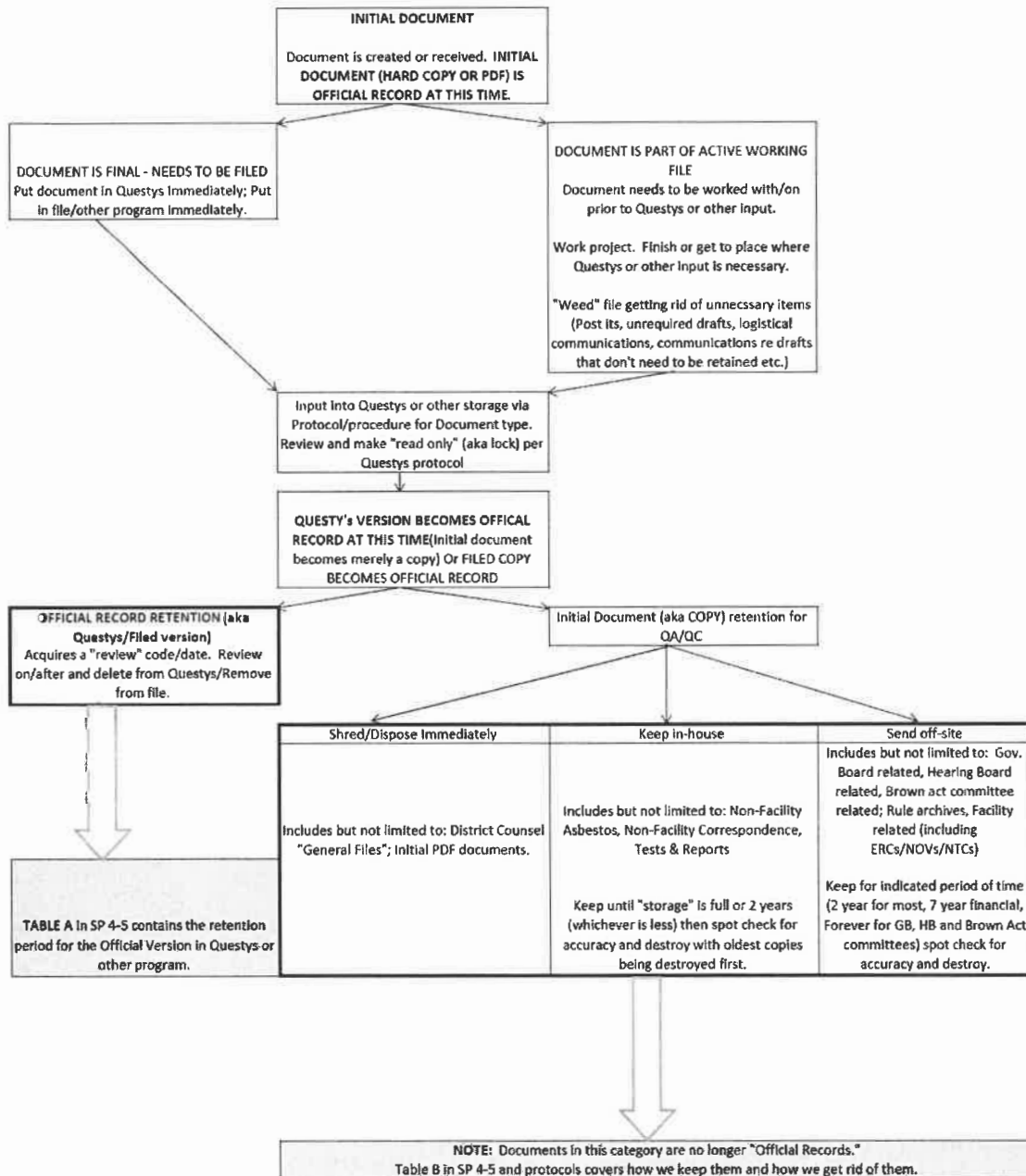
EXHIBIT “B”
Storage, QA/QC and Disposition of Copies
(Use When Official Document is stored electronically)
 (Standard Practice 4-5)

Type of Document	Holding Period for Copy	Disposition of Copy	Reference
Agenda & Meeting Related (Brown act meetings)	Permanent	Iron Mountain	Questys QA/QC Protocol
Air Monitoring/Air Quality Data (As stored in database, excluding physical samples)	After acceptance and QA/QC by CARB/EPA, then may be removed per normal database maintenance.	Archive/Purge from database.	
Contracts (fully executed)	Termination of contract +2 years then QA/QC and destroy.	Shred	Questys QA/QC Protocol
Documents/Records in Accufund (After export of “official” information to Questys)	Current +7 years then may be removed per normal database maintenance.	Archive/Purge from database.	26 CFR 1.6001 AICPA
Documents/Records in CAPS (After export of “official” to Questys)	After transfer to Questys, may be removed per normal database maintenance.	Archive/Purge from database	Operations Practice
Facility Related (Non test & Reports)	2 years then QA/QC and destroy.	Shred/Recycle May keep final Word versions on server for future use.	Questys QA/QC
Facility Related – Received in PDF and imported. (If created by us see Facility Related)	May be deleted after QA/QC and “lock.”	Delete PDF	Questys QA/QC Protocol
Facility Related – Tests and Reports	Hold “in house” until storage area is full. QA/QC “oldest files” then destroy	Shred after QA/QC	Questys QA/QC Protocol
Financial Records (after export of official information to Questys)	Current +7 years then may be removed per normal database maintenance.	Archive/Purge from database	26 CFR 1.6001 AICPA
Non-Facility NOV/NTC	Hold 2 years, QA/QC then destroy.	Shred after QA/QC	Questys QA/QC Protocol

EXHIBIT “B”
Storage, QA/QC and Disposition of Copies
(Use When Official Document is stored electronically)
 (Standard Practice 4-5)

Type of Document	Holding Period for Copy	Disposition of Copy	Reference
Non-Facility Related (Including correspondence, PERP, Asbestos notices)	Hold “in house” until storage area is full, QA/QC “oldest files” then destroy	Shred after QA/QC	Questys QA/QC Protocol
Official/Original document required by law to be kept by other agency	Hold “in house” until storage area is full, QA/QC “oldest files” then destroy.	Shred after QA/QC	Questys QA/QC Protocol
Payroll Related	Hold any “hard copies” in house for 2 years after scanning, QA/QC then destroy.	Shred after QA/QC	Admin Practice
Rule & Plan Development Related	Hold 2 years, QA/QC then destroy.	Recycle after QA/QC Keep Word versions of Board package on server for future use	Questys QA/QC Protocol
Office of District Counsel General Files	Lock files then destroy	Recycle	ODC direction

Records Retention Flow Chart



NOTE: Documents in this category are no longer "Official Records."
Table B in SP 4-5 and protocols covers how we keep them and how we get rid of them.

APPENDIX B
Residential Lawn and Garden Equipment Replacement Program

The Mojave Desert Air Quality Management District (MDAQMD) is sponsoring a Residential/ Homeowner Battery Powered Lawn & Garden Equipment Exchange Program (Program) for eligible residents in the District's jurisdiction. The purpose of this Program is to incentivize and accelerate the replacement of older gasoline lawn & garden equipment with the latest zero-emission battery operated equipment. Through this program eligible contractors will provide select zero-emission lawn mowers, blowers, and grass trimmers, for sale at a discounted rate to eligible residents/homeowners who reside in the MDAQMD district. The MDAQMD has authorized up to \$150,000 toward this Program. This amount includes the subsidy for each piece of equipment. Costs associated with marketing and promotions are allowable subject to prior approval by the MDAQMD.

The MDAQMD program officially start April 1st of every year and runs until the program funds are exhausted but no further than June 30th.

CONTRACTOR shall perform the following tasks when participating in the program:

Task(s)

- 1.1 CONTRACTOR shall make the qualifying models of lawn & garden equipment available at CONTRACTOR's authorized dealers during normal business hours.
- 1.2 CONTRACTOR shall ensure that its dealers sell the qualifying models of lawn & garden equipment to eligible participants, together with equipment information, to participants who reside within the geographical boundaries of the MDAQMD.
- 1.3 CONTRACTOR shall furnish the MDAQMD names, addresses and contact information of all the participants, including the product type, make, model, serial numbers (where applicable) of both the "trade in" units and new battery powered operated replacements for all units exchanged. See Section 1.5 and 1.10 below for additional invoice procedures.
- 1.4 CONTRACTOR shall provide its limited warranty and aftermarket service for residential / homeowner use to purchasers against defects in materials or workmanship as defined by the terms and conditions listed in the product warranty for a three-year term. CONTRACTOR shall be solely responsible for any and all costs related to repair or replacement of the equipment pursuant to the warranty.
- 1.5 CONTRACTOR shall invoice, on a monthly basis, the MDAQMD for the actual number of units sold at its authorized dealers. The invoiced amount per unit shall not exceed the subsidy ("MDAQMD Cost") per unit. The total amount invoiced over the term of the contract to the MDAQMD shall not exceed the allocated amount. The invoice will include the appropriate documentation of the program participants (customers) per section 1.3 above and 1.10 below.
- 1.6 CONTRACTOR's limited warranty shall include the following:
 - A. Warrantor
 - B. Persons covered by the warranty.
 1. The original purchaser.
 - C. Duties of the customers.

APPENDIX B
Residential Lawn and Garden Equipment Replacement Program

1. Use reasonable care in the maintenance, operation, and storage of the product as explained in the instruction manual.
- D. Duties of the Warrantor.
1. Any defective product or component covered by this warranty will be repaired or replaced at the option of the warrantor, solely at Warrantor's expense through an authorized Dealer.
- 1.7 CONTRACTOR, through its Dealers, shall obtain all required permits from State and local authorities and comply with all applicable sales tax requirements.
- 1.8 CONTRACTOR, through its Dealers, and in conjunction with the MDAQMD will organize kick-off events to encourage participation in the program. Cost of advertising can be billed to MDAQMD as part of the grant. Prior approval by the MDAQMD is required before the cost is committed or incurred.
- 1.9 CONTRACTOR, through its Dealers, shall obtain *gas equipment release* forms from the participants relinquishing all rights, ownership and interest from their gas equipment in exchange for discounted prices on new quieter, zero-emission battery-powered lawn tools.
- 1.10 CONTRACTOR, through its Dealers, shall verify and certified that all gasoline lawn & garden equipment has been destroyed and rendered inoperable as part of their monthly invoice.
- 1.12 MDAQMD does not warrant or endorse the qualifying zero-emission lawn and garden equipment, including the batteries and chargers for any purpose, including materials, workmanship, merchantability or fitness for use.

The following page(s) contain the backup material for Agenda Item: [Receive and file Policies and Procedures Manual for the District's Community Air Protection Program \(CAP\)](#). Presenter: [Jorge Camacho, Grants Analyst](#).
Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #6

DATE: October 25, 2021

RECOMMENDATION: Receive and file Policies and Procedures Manual for the District's Community Air Protection Program (CAP).

SUMMARY: Receive and file the District's Policies and Procedures Manual for the CAP. The manual complies with program requirements as stated in Chapter 3, Section B.5 of the CAP Guidelines.

BACKGROUND: Assembly Bill (AB) 617 (C. Garcia, Chapter 136, Statutes of 2017) provides a community-focused action framework to improve air quality, reduce exposure to criteria air pollutants, and toxic air contaminants in communities most impacted by air pollution. Subsequent legislation has allocated funds for incentive projects to reduce or eliminate emissions from mobile, stationary, and community-identified pollution sources. These funds are distributed through the CAP via incentives. Funded by Cap-and-Trade auction proceeds, CAP incentives are awarded by the District to projects that reduce toxic and smog-forming pollutants that affect public health in communities disproportionately affected by air pollution. The manual explains the District's local implementation of the CAP Guidelines. Staff will review this manual at least once a year and make it available to the public.

REASON FOR RECOMMENDATION: Receive and file.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Brad Poiriez, Executive Director/APCO on or about September 20, 2021.

FINANCIAL DATA: No change in appropriation is anticipated at this time.

PRESENTER: Jorge Camacho, Grants Analyst.



Policies and Procedures Manual for Community Air Protection Incentives Projects

Table of Contents

A.	Introduction.....	2
B.	Air District Roles and Responsibilities.....	3
C.	Pollution Source Categories.....	4
D.	Public Outreach	4
E.	Procedures for Project Selection.....	4
F.	Application Review and Project Documentation	7
G.	Contract Requirements	9
H.	Invoicing and Payment.....	12
I.	Project Inspections.....	14
J.	Grantee Reporting and Documentation	16
K.	Project Monitoring and Audits	18
L.	Project Compliance	18
M.	Calculation and Use of Interest Revenue	21
N.	Procedures for California Climate Investments	22

Mojave Desert Air Quality Management District Policies and Procedures Manual for Community Air Protection Incentives Projects

A. Introduction

Assembly Bill (AB) 617 (C. Garcia, Chapter 136, Statutes of 2017) provides a community-focused action framework to improve air quality and reduce exposure to criteria air pollutants and toxic air contaminants in the communities most impacted by air pollution. Subsequent legislation has allocated funds for incentive projects to reduce or eliminate emissions from mobile, stationary, and community-identified pollution sources. These funds are distributed through the Community Air Protection (CAP) Program and known as CAP incentives.

Funded by Cap-and-Trade auction proceeds, CAP incentives are directed by the Air District to projects that reduce the toxic and smog-forming pollutants that affect public health in communities disproportionately affected by air pollution. Project decisions follow outreach by the air district to the public in affected communities, and the opportunity for community members to propose and comment on specific projects.

Projects funded with CAP incentives must align with the goals and requirements of California Climate Investments, which include targeting funds to projects that meaningfully reduce local pollutant exposure in disadvantaged and low-income communities while also showing a net reduction in greenhouse gas emissions. As directed by the California Air Resources Board (CARB), at least 80 percent of CAP incentives must be invested in projects located in and benefitting these disadvantaged and low-income communities, with 70 percent invested in disadvantaged communities.¹

This manual explains the Air District's local implementation of the [Community Air Protection Incentives Guidelines](#) (*CAP Guidelines*)² adopted for the State of California by CARB. Air District staff will review this manual at least once a year and make it available to the public and be posted on the Air District website. The manual is required by Chapter 3, Section B.5 of the *CAP Guidelines*. It includes the specific requirements of that section and other procedures referred to in the *CAP Guidelines* that affect local implementation. The manual also includes any Air District requirements that are

¹ See CARB Resolution 18-15 at <https://ww3.arb.ca.gov/board/res/2018/res18-15.pdf>.

² <https://ww2.arb.ca.gov/resources/documents/community-air-protection-incentives-guidelines>

additional to or more stringent than State requirements, and any CARB approvals of Air District program elements that vary from State requirements.

In addition to the *CAP Guidelines* cited above, the following documents provide further background and policy guidance for CAP incentives.

- ◆ [Assembly Bill No. 617](#) ³
- ◆ [California Climate Investments \(CCI\) Funding Guidelines](#) ⁴
- ◆ [Community Air Protection Blueprint](#) ⁵
- ◆ [Carl Moyer Program Guidelines](#) ⁶

B. Air District Roles and Responsibilities

CAP incentives are administered within the Air District’s Grants Section, under the immediate supervision of the Finance Manager. The Grants Section supervises community engagement, including public meetings and workshops, and reviews project applications. Following the review, the Grants Section will propose eligible projects for funding to the Governing Board. The Governing Board will approve projects for funding, or may otherwise instruct the Executive Director/Air Pollution Control Officer to make final funding decisions, including decisions on project substitutions.

The Grants Section will execute funding agreements with CARB, meaningfully engage members of their communities to seek guidance on how best to direct CAP incentives in the community, issue project solicitations, evaluate and select projects for the CAP Incentives Proposal, request fund disbursements from CARB, review reports by grantees, and carry out project inspections and audits. The Grants Section will also respond to public inquiries about potential funding opportunities and project eligibility, maintain the Air District’s CAP incentives website, and plan and staff public meetings and workshops, in consultation with the Air District Public Liaison Officer.

³https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB617

⁴<https://ww2.arb.ca.gov/resources/documents/cci-funding-guidelines-administering-agencies>

⁵<https://ww2.arb.ca.gov/capp-blueprint>

⁶<https://ww2.arb.ca.gov/guidelines-carl-moyer>

C. Pollution Source Categories

The Air District allocates CAP incentives to mobile source projects eligible under the Moyer Program. In addition to Moyer projects, CAP incentives may be used to support stationary, area and other mobile source projects identified in the *CAP Guidelines*. Currently these include (a) hexavalent chromium plating facilities and (b) specified projects to reduce air pollution in schools, including emissions from composite wood products, lawn and garden equipment, air filtration, and school transportation.

D. Public Outreach

The District will provide direct outreach to groups of potential applicants in disadvantaged and low-income communities to increase awareness of funding opportunities. The District may also conduct outreach in or near disadvantaged communities to seek input on important community needs from local residents and community-based organizations. A survey may be distributed asking participants to highlight their community's air quality-related needs (toxics, diesel PM, wildfire smoke, criteria pollutants, GHGs, etc.). The issue reported by the most community members will be considered the community's primary need for the purposes of project ranking. Other needs will be considered secondary needs for the purposes of ranking projects. Community outreach information will be documented for inclusion in disbursement requests and semi-annual reports. Priorities identified by community members and organizations will be documented and provided to the District's Governing Board.

A map of Disadvantaged Communities (SB 535 (De León, Chapter 830, Statutes of 2012)) and Low income Communities (AB 1550 (Gomez, Chapter 369, Statutes of 2016)) is available at <https://webmaps.arb.ca.gov/PriorityPopulations/>

In addition, twice yearly, in spring and fall, the Air District reports to CARB on implementation of CAP incentives, consistent with the requirements of the CAP Guidelines and CCI Funding Guidelines. In these reports and in its CAP incentives disbursement requests to CARB, the District includes each public outreach event and campaign held for CAP incentives, including the date and time, place, format, estimated attendance or audience size, accessibility, meeting materials, whether language interpretation was requested and provided.

E. Procedures for Project Selection

CAP incentives are intended for investment in projects that provide direct, meaningful, and assured benefits in high priority communities suffering disproportionate shares of

air pollution. For this reason, the Air District prioritizes projects that reduce emissions or exposure in disadvantaged (Senate Bill (SB) 535) and low-income (AB 1550) communities.

The District will open a three-month solicitation period in the first quarter of every year to accept project proposals/applications. The District reserves the right to extend the solicitation period if necessary. The District will make the required documents and guidelines available to the public on the District website and upon request. Proposals will be reviewed after the close of the solicitation period, and the applicant will be notified within 45 working days of receipt of the completeness of the proposal/applications. Proposals/Applications will be tracked in the CARL database as well as in an excel spreadsheet.

Air District staff will evaluate eligibility for CAP incentives after the close of the solicitation period. Applications found to meet CAP incentives project eligibility requirements under State guidelines are evaluated for funding consideration based on the following criteria, as applicable. Note that emission reductions estimated relative to these criteria are limited to emission reductions that are surplus to existing rules and regulations.

1. Whether the project or project type has been specified in a Community Emissions Reduction Program, or recommended by an AB 617 community steering committee, or strongly supported by other community organizations following public outreach;
2. Hours or miles of operation within one or more SB 535 community or AB 1550 communities during the project lifetime, with higher priority assigned to SB 535 communities;
3. Amount of PM2.5 and toxic air contaminant emission reductions projected within the AB 617, SB 535, or AB 1550 community during the project lifetime;⁷
4. Cost-effectiveness of criteria pollutant emission reductions estimated from the project during its lifetime;⁸

⁷ State guidelines make reducing PM2.5 and air toxics where needed a pre-eminent purpose of the CAP incentives projects. Especially when needed to support Community Emissions Reduction Programs the Air District elects to weigh this criterion more heavily. For some project types, reduced pollutant exposure at sensitive receptor sites may be substituted for this criterion. Examples are the installation of air filtration equipment at schools and proximity-based projects that support transportation, land use and urban design strategies.

⁸ Mobile source projects outside the *CAP Guidelines* must meet Moyer Program or Proposition 1B Program cost-effectiveness requirements as applicable. The Air District also considers the

5. Whether the project incorporates zero-emissions equipment, technologies, or charging infrastructure, especially for medium- and heavy-duty vehicles;
6. Whether the project will provide demonstrable reductions in greenhouse gas emissions, such as through reduced consumption of fossil fuels directly through new vehicles or equipment, or indirectly through charging infrastructure.

Air District staff will review submitted project proposals/applications and rank them by the community identified need and cost-effectiveness.

Outreach for project solicitation will include press releases to local media and outreach to the potential applicants and community groups involved in the community engagement process.

The District will post a proposed list of projects on the District's website at least one week prior to the regular meeting of the District's Governing Board where projects will be proposed for approval. All applicants will be notified of the time, date, and location of the regular meeting of the District Governing Board.

The District will mail all applicants a list of the approved projects. A list of approved projects and awardees will also be posted on the District's CAP webpage

Applicants should not order or make down payments on new equipment prior to Governing Board action to approve the project and authorization by Air District staff following project pre-inspection.⁹ A grantee may not receive equipment nor begin work on a repower or retrofit project prior to full execution of a contract between the Air District and the grantee, unless the Air District has provided the potential grantee with written notification that any work performed is not guaranteed funding until a contract is executed. For infrastructure projects, discretionary costs may be accrued by an applicant prior to contract execution, but such costs are not reimbursable until after contract execution.

cost-effectiveness of stationary source projects. The Air District will consider less cost-effective projects in Community Emissions Reduction Programs, when supported by community steering committees, community organizations, and community members. The Air District will document its cost-effectiveness methodologies and calculations, and inform communities of relative risk when comparing strategies that address different sources and different pollutants.

⁹ The term "equipment" as used in this manual refers all equipment eligible for grant funding, including vehicles, engines, off-road mobile equipment, stationary equipment, filtration devices, lawn-and-garden equipment, charging stations and other infrastructure.

F. Application Review and Project Documentation

Air District staff will review each project application for CAP incentives funding, and notify applicants within 45 working days if the application is not complete. In such cases Air District staff make every effort to clarify what is required to make the application complete. Project applications must include the information needed to evaluate the project relative to the scoring criteria in Section E, including cost-effectiveness and location information. The application and all correspondence with the applicant are kept in a project file. The record of each project's scoring and ranking, receipt date, and project selection criteria are kept in the project file.

Air District staff will work with applicants to ensure that the estimated emissions reductions are eligible and in excess of adopted regulations, and that the project meets cost-effectiveness and other applicable requirements of State guidelines. This will include verifying that the project meets requirements that apply for the emissions source category in State guidelines. Documentation requirements include the following.

1. Documentation of historical vehicle, equipment, or engine usage, such as miles traveled, hours operated, or fuel consumed per year, for 24 months or as required by source category;¹⁰
2. Documentation of project costs;
3. Engine or retrofit device Executive Orders, if applicable;
4. Proof of vehicle compliance check as needed for on-road projects;
5. Other documentation identified in the source category chapter.

Applicant Certification. Project applications include language informing the applicant that by signing and submitting the application, the applicant certifies under penalty of perjury that the information in the application is accurate and true. The applicant must also provide:

1. A disclosure statement specifying all sources of funding applied for at the time of the CAP incentives project application. Because the sum of project funding from all sources cannot exceed the total project cost, the applicant must specify

¹⁰ If an applicant has been on active military duty at any time during the previous 24 months, documentation prior to deployment and covering the same length of time as the deployment period may be used to meet the title, registration, usage, and operation in California requirements as applicable for each source category. The applicant must submit a copy of *DD Form 214, Certificate of Release or Discharge from Active Duty* to verify military service during the deployment period.

whether the applicant has submitted an application for incentive funds to any other entity or program for the same equipment (for example, repowering of the same engine). The applicant must disclose to whom other applications were submitted, whether funds have been awarded or may be awarded, and the amount or potential amount of other funding.

2. A regulatory compliance statement certifying that the applicant is currently in compliance with all federal, State, and local air quality rules and regulations at time of application submittal, and is not aware of any outstanding or pending enforcement actions.

Application Signatures. The application will include a section for the vehicle, engine or equipment owner to sign and date the application. If a third party completes the application on behalf of the owner, the third party must separately sign the application.

Subsequent Applications and Limitations. An applicant may re-apply for project funding if a previous application for the same project has been rejected by the Air District and is no longer being considered. Once under contract, CAP incentives participants may not apply for funding for the same project from CAP incentives, the Moyer Program, the Proposition 1B Program, or any other incentive program. An applicant who if found to have applied for or received incentive funds from another entity or program for the same project without disclosing that information will be disqualified from funding for that project from all sources within the control of the Air District or CARB.

If the Air District amends the contract to reduce the term, the amended project must be cost-effective during the reduced contract term, based on the cost-effectiveness values and limit that applied when the original contract was executed. If the Air District agrees to accept a prorated repayment of the CAP incentives grant, the repayment and amended contract execution must both occur prior to the execution of any new contract for funding.

Emissions reductions from previously funded projects must not be included as emissions benefits for any subsequent project under CAP incentives or any other incentive program. In addition, projects funded with CAP incentives may not be used to generate a compliance extension or credit for regulatory compliance.

Recordkeeping. The Air District maintains a file for each project selected for funding, for three years following the end of the contract term. In the event final payment has not

been issued prior to the end of the contract term, the three-year clock is re-started upon final payment. Applications for unfunded projects are generally kept a minimum of two years following the solicitation period, or two years from receipt if there is not a specified solicitation period.

G. Contract Requirements

The Air District will execute a contract with each grantee receiving CAP incentives, stating the grantee and the Air District as parties to the contract. All executed project contracts and contract amendments are kept in the Air District's project files. An applicant may not order or make a down payment on new equipment prior to contract execution or written confirmation from the Air District that its Governing Board has approved the project for funding. Only after contract execution may a grantee receive new equipment or begin work on a repower project.¹¹

Contracts will include the following elements.

1. **Notices and Signatures.** The Air District will include in contracts the contact information for both parties, and how notices will be sent and received. The contract will include a section for signatures and dates of signature or contract execution.¹²
2. **Funding Sources.** Grantee certification that (a) all funding sources applied for or received for the project have been disclosed, and (b) the grantee will notify the Air District of any additional sources of funding received for the total cost of the project, including sources that become available after contract execution. Grantees receiving co-funding from other sources for the project must meet all criteria associated with each funding source used. Grantees that are not public entities will commit to providing at least 15 percent of the project's eligible costs from non-public sources. The contract will include terms that prohibit the grantee from receiving grants and other funds that exceed the total project cost.

¹¹ Where timely action is required to move the project forward, Air District staff may provide written authorization for the grantee to proceed at his or her own fiscal risk pending contract execution. For infrastructure projects a grantee may accrue discretionary costs prior to contract execution, but such costs are not reimbursable until after contract execution.

¹² Digital signatures, if used, must comply with California Government Code section 16.5, Title 2, California Code of Regulations, sections 22000–22005.

3. **Contract Term.** The contract will specify the time terms for project completion and project implementation. The Air District will ensure project completion can occur in time to meet grant liquidation deadlines set in statute.
 - a. Project completion is the timeframe starting with the date of contract execution until project post-inspection confirms that the project has become operational, including the period when equipment is ordered, delivered and installed.
 - b. Project implementation is the timeframe used to calculate project cost-effectiveness. The contract will require the grantee to operate and maintain the grant-funded project according to the terms of the contract for the full project implementation period.
4. **Project Specifications.** The Air District will include in contracts detailed information on baseline and new equipment. The project application may be attached to the contract to help meet this need if it is accurate and complete. The Air District will include the following in contract language.
 - a. A statement that the project complies with all applicable guidelines;
 - b. Grantee certification that the grantee's fleet and all equipment is in compliance with federal, State, and local air quality rules and regulations in effect at the time of contract execution, and that grantee will maintain compliance for the full contract term;
 - c. For repower projects, a statement that installation of the engine will be completed in a manner that does not void the engine manufacturer warranty and any remaining warranty provided by the equipment manufacturer;
 - d. Projects funded with CAP incentives must be included when defining the size of the fleet for determining regulatory requirements;
 - e. Throughout the contract term, the project will not be used to generate credits or compliance extensions, and must be excluded when determining regulatory compliance;
 - f. The Air District may approve substitution of eligible replacement equipment that is verified or certified to achieve equivalent or greater emission reductions than the original replacement equipment, in the same location as the original project replacement equipment, following prior request by the grantee;
 - g. The Air District may include in the contract an estimation of usage for the old equipment, in cases where 24 months of documented, verified

historic usage is not available. The Air District will base this estimation on comparisons to the applicant's documented historic usage of similar equipment in similar applications, discounted by 20 percent. Additional forms of estimation or documentation to verify historical annual usage will be subject to CARB's approval on a case-by-case basis.

5. **Maintenance.** The contract will require the grantee to maintain the funded equipment according to the manufacturer's specifications for the life of the project, including a prohibition on tampering. The grantee must maintain a working hour meter for projects that use hours of operation as a means of calculating emissions reductions and cost-effectiveness. If the hour meter fails, the grantee must immediately notify the Air District, and remain responsible for validating any hours not recorded by the hour meter. The grantee must either repair or replace the non-operating meter or provide other documentation of equipment operating hours acceptable to the Air District.
6. **Payment Terms.** The contract will include the following payment terms.
 - a. *Maximum Contract Amount.* The maximum contract amount must not exceed the maximum funding level corresponding to the current program cost-effectiveness limit, nor may the maximum contract amount exceed the project incremental cost. The maximum contract amount must also comply with any funding caps and other criteria for the specific project category as identified in the *CAP Guidelines*.
 - b. *Itemized Invoices.* Payment terms must require itemized invoices from the engine or equipment supplier for repowers and infrastructure projects, paid invoices from the vehicle owner for new vehicles, and satisfactory post-inspection by the Air District prior to payment of the owner's invoice. An invoice payment for a specific vehicle, engine, or piece of equipment may not exceed the amount indicated on the project contract for that vehicle, engine, or equipment. The contract will specify that the Air District will pay the lower of the contract amount or the final invoice amount.
7. **Reporting.** The Air District will include in contracts a provision and dates for grantees to submit annual reports, commencing no later than 18 months after project post-inspection and continuing annually thereafter throughout the project implementation phase of the contract. The contract will inform the grantee that noncompliance with reporting requirements will require on-site monitoring or inspections.

8. **Inspections, Audits and Records.** The Air District will include language in contracts to allow Air District or CARB staff or their designees to conduct an inspection and/or audit of the project, equipment and associated records during the contract term. The contract will require grantees to maintain usage and other records associated with the project for at least three years after the end of the contract term.
9. **Repercussions for Nonperformance.** The Air District will include provisions for grantee nonperformance with the terms of the contract, including the following.
 - a. The contract will specify that by executing the contract the grantee understands and agrees to use the equipment according to the terms of the contract, and to cooperate with the Air District and CARB in implementation, monitoring, enforcement, and other efforts to ensure project emissions benefits are realized.
 - b. The contract will specify repercussions to the grantee for noncompliance with contract requirements, including but not limited to cancelling the contract and recapturing project funds in proportion to loss of emission reductions or reduction in usage (subject to the provisions in Section L of this manual for inadequate use).
 - c. The contract will inform the grantee that the Air District and CARB have the authority to seek any remedies available under the law for noncompliance with CAP incentives requirements and contract nonperformance. The contract will state that CARB, as an intended third party beneficiary, reserves the right to enforce the terms of the contract at any time during the contract term to ensure emissions reductions are obtained.

H. Invoicing and Payment.

Within 30 days of project completion, the grantee should submit to the Air District an invoice package that describes all equipment purchased with grant funds and provides documentation that costs are eligible and have been expended in compliance with the project description and schedule. The package will include (a) serial numbers and proof of warranties required under *CAP Guidelines*, (b) an itemization of payments to, and copies of invoices from, vendors, consultants, and contractors, and (c) documentation of hours incurred to complete the project and the hourly rates for any labor charges. Costs

not directly related to the project will not be included in the invoice, or will be shown as not eligible for reimbursement by the Air District.

Eligible costs are those required to ensure the effective installation and operation of the new equipment, not part of typical equipment maintenance or repair. Transport and installation costs are eligible, as are taxes, provided they are verified and within the overall grant amount. Tires, axles, paint, brakes, and mufflers are not eligible costs for engine repower projects. Other ineligible costs may be specified by source category in the *CAP Guidelines*.

Invoices are part of the public record for the project. The Air District will maintain copies of all invoices and documentation of payments in the project file and in the Air District Finance Section. Prior to final payment, the Air District will verify through physical inspection that the project is completed and operational, and that any older equipment replaced as part of the project has been destroyed. Air District staff will verify that the invoice is consistent with equipment information on the inspection form completed after project completion, and that the sum of funds paid on project invoices does not exceed the total project cost.

The Air District will pay grantees for eligible costs, not to exceed the amount of the grant, within 45 working days of receipt of an invoice package assuming the completion of required project inspections with satisfactory results. Payment will be made directly to the grantee unless the contract specifies payment to a dealer or distributor. If the contract required the grantee to demonstrate a regulatory requirement is met as a condition of project funding, the Air District will require documentation that the requirement is met before issuing payment.¹³ The contract may specify that a portion of the grant payment will be withheld pending the receipt and review of one or more reports from the grantee.

Records Retention. The Air District will retain grant receipts and expenditure documents, including invoices, contracts, vouchers, personnel records, and payroll records for five years after the grant liquidation period or the last recorded grant transaction, whichever is later.

¹³ Documentation is demonstrated with a letter from the equipment owner or legal representative, except where CARB or Air District certification of compliance is required. See the applicable source category chapter for further information.

I. Project Inspections

Project inspections are field visits conducted for projects awarded CAP incentives. There are several types of project inspections. Except in limited cases permitted under *CAP Guidelines*, Air District staff conducts a *pre-inspection* prior to executing a contract to verify equipment information in the grant application. Air District staff then conducts a *post-inspection* after completion of the project, to verify that the equipment identified for funding in the contract agreement has been purchased and installed and is operating properly, that replaced equipment is no longer operable, and that the completed project is consistent with the project scope in the contract and the invoice submitted by the grantee. Additional or different inspection requirements may apply to infrastructure or stationary source projects, as specified in the source category requirements of the *CAP Guidelines*.

Procedures. Air District staff will arrange the time and location for project inspections with the equipment owner or operator -- or in some cases, a truck dealer or the dismantler of old equipment. Inspections are generally conducted onsite by Air District staff, but staff may arrange a remote inspection by videoconference, with the assistance of an equipment owner, operator, dealer or dismantler equipped with a suitable camera.

A staff member will be identified as a point of contact for the applicant or grantee. Air District staff will provide their own safety equipment for the inspection; generally this includes a hardhat, goggles, earplugs, dust mask, reflective vest, gloves and steel-toed boots. Air District staff will adhere to other on-site safety requirements as instructed at the project site.

Staff will complete an inspection form with contact information for the inspector and the applicant or grantee, the inspection date, equipment location, and information specific to each piece of equipment under inspection. Information collected may include but is not limited to the items below, as applicable to both old and new equipment. Where information cannot be obtained at an inspection, Air District staff will document so in the inspection report.

1. Equipment type, make, fuel type, model year, model and unit numbers, and as applicable and available, engine tier and engine family;
2. Equipment power in kilowatts or horsepower;

3. Equipment serial numbers;¹⁴
4. Vehicle identification number, license plate number or other equipment identifiers, e.g., marine vessel name and identification number;
5. Equipment usage meter reading (usually in hours or miles), if applicable and used to calculate cost-effectiveness;
6. For pre-inspections, certification or supporting documentation from the applicant or grantee that the equipment under inspection is in compliance with applicable rules and regulations;
7. For post-inspection of retrofit devices, information from the labels affixed on the device and the engine (Note: where such labels are missing the inspector will provide direction to the grantee for the installation of compliant labels.);

Staff will ask to witness engine or motor start and verify that the equipment is operated according to its stated use. Other procedures apply to infrastructure projects based on direction in state guidelines. Staff will verify the battery charging capability of electric charging stations and the generation of power by solar and wind projects, for example.

Air District staff will note on the inspection form (and document with photographs where possible) any concerns, problems, or follow-up issues identified during the inspection.

Photographs. During inspections, Air District staff will usually take multiple photographs of each relevant piece of equipment, to ensure pictures are clear and avoid the need for follow-up visits. In the case of remote inspections, the lead inspector will request specific pictures of the equipment from the grantee during the inspection; photographs taken should be transmitted to the Air District on the day of the inspection. Photographs will include equipment identification numbers as noted above, and close-up pictures of each engine plate or equipment tag. Staff will photograph and obtain information for both the new and replaced equipment, including verification of old equipment destruction (e.g., a hole in the block of a replaced engine). Photograph requirements may vary for stationary source and infrastructure projects.

¹⁴ In cases where the serial number is missing or illegible, Air District staff will stamp or tag the engine with a unique CAP incentives number. For equipment that has been replaced, staff will verify and document that the old serial numbers match those on the project contract. Serial numbers are also recorded for electrical agricultural pumps and associated variable frequency devices.

Air District staff will download photographs to Air District computers using a filename that includes the project number, date of the inspection and equipment identifier. Staff will scan and file the inspection form with the photographs, and retain electronic copies in the project file.

Destruction Verification. For replacement and repower projects, Air District staff will document the destruction of old equipment to ensure it is not used again. Replaced engines will be photographed following their destruction; the photograph should show a jagged hole in the engine block that is at least three inches at the narrowest point. A portion of the oil pan flange should be connected to the hole unless infeasible. Or any other photographs documenting the vehicle/engine destruction.

For vehicle replacement projects (not repowers), photographs must show cuts in the chassis or other structural frame; the frame rails between the front and rear axles should be completely severed to render the equipment unusable. Other approved methods of engine destruction will be approved by the Air District on a case-by-case basis. The methods must render the engine inoperable. At some post-inspections, inspectors will collect a dismantler transfer form (DMV Form REG42 or 488C) from the truck dealer that certifies a dismantler will take possession of old equipment on or by a certain date. Inspectors will verify that the form is complete and retain it with electronic records of the inspection.

J. Grantee Reporting and Documentation

Grantees are required to submit annual reports to the Air District within 18 months of post-inspection and annually thereafter for the term of the contract. Annual reports include the following information:

1. Grantee name, address, email address and telephone number;
2. Information needed to uniquely identify the project's equipment, such as make, model, horsepower, and serial number;
3. Current location of the equipment identified under item 2 which will include an estimated percentage of the time or miles the vehicle or equipment has operated within the disadvantaged or low-income community;
4. Estimated percentage of time or miles the vehicle or equipment has been operated within the boundaries of the Air District since the previous annual report;

5. Current and past-year readings of usage metering devices (e.g., hour meter, odometer, or electronic monitoring unit) for the equipment included in the project, and dated current photographs of the usage metering devices displaying use as of the date indicated;
6. Estimated energy use since the previous report, in gallons or therms of fuel or kilowatt-hours of electricity, for each engine, vehicle or other equipment included in the project;
7. If usage is more than 30 percent below that identified in the project application, a description of conditions that have affected project usage and a projection of future usage.

As discussed in Section G and specified in the contract, the grantee must maintain a working hour meter for projects that used hours of operation as a means of calculating emissions reductions and cost-effectiveness. In any case where a usage metering device has failed, the grantee will include in the report an estimate of hours or miles of operation since the last yearly report (or since project completion, if a yearly report has not yet been submitted). The estimate should be supported by fuel receipts, operation logs, or other explanation of the methods used to determine usage.

When an annual report is overdue, incomplete, or inaccurate, the Air District will make a reasonable attempt to obtain a complete and accurate report from the grantee. Air District staff may also request an inspection of the funded equipment. In the absence of a satisfactory annual report the Air District will identify the project for a performance audit.

Failure to submit annual reports is considered a breach of the grant contract. It may result in recapture of grant funds from the grantee and/or jeopardize the grantee's eligibility to participate in future incentive and grant programs. Grantees that have not submitted complete required reports will not be granted funds for new CAP incentive projects until all reports are satisfactorily submitted.

Air District staff will review annual reports within 15 days of receipt. This review will check the completeness and accuracy of the report, whether actual documented equipment usage compares to contracted usage requirements, the location of equipment operation relative to commitments in the contract, ownership of the equipment, and changes to grantee contact information. Air District staff will follow up

with the grantee on issues to be addressed as a result of the annual report. The Air District will maintain a copy of the report in the project file.

.K. Project Monitoring and Audits

CAP incentives projects are monitored during their contract terms to ensure they are in compliance with the requirements of their contracts and the program guidelines. Projects are monitored using annual reports, project audits that involve inspections of selected funded equipment to ensure it is operating in accordance with the grant requirements, project inspections, notifications of potential fraud or misuse of grant funds from third-parties, and grantee self-reporting of problems with the project.

The Air District conducts performance audits of at least five percent of projects funded with CAP incentives. Audits include inspections of some or all contracted equipment; projects with multiple vehicles or equipment will have individual equipment inspections consistent with *CAP Guidelines*.

During a performance audit, actual documented equipment usage is checked to see how the equipment is being used in comparison to the contracted usage requirements. The equipment location is checked to see where it is operating relative to any requirements specified in the contract. The inspector checks serial numbers and confirms the funded equipment is operational. Equipment ownership is confirmed to see if the funded equipment still belongs to the grantee, and grantee contact information is verified. Application materials may also be re-checked if there are questions regarding the accuracy of the information originally submitted or to identify any administrative errors made by Air District staff.

Other expectations of the grantee with respect to project audits may be specified in the contract for the project, which requires grantees to cooperate fully with inspections and audits, including providing on a timely basis copies of any project records to the Air District and to State agencies who request them. In addition to performance audits conducted by Air District or CARB staff, project financial audits may be conducted by the California Department of Finance, the California State Auditor, or another State agency.

L. Project Compliance

The Air District will work with the grantee when a project is not meeting operational and usage expectations set forth in the application and contract, to ensure CAP incentives

project requirements are met and emissions reductions are achieved. The Air District may consider unforeseen circumstances beyond the grantee's control in determining repercussions for nonperformance.

The contract requires grantees to notify the Air District if there is a change in the usage of funded equipment or if equipment is removed from service. Air District staff will collect a written statement (email or letter) from the grantee explaining the status of the equipment, including the dates the equipment was removed from service, and the usage meter readings at the time if available.

Equipment Out of Service. The Air District will address situations where funded equipment has been removed from service as described below.

1. *Sale of the funded equipment:* If the grantee no longer owns the funded equipment, the grantee will either (a) return to the Air District a pro-rated amount of grant funds as specified in the project contract, or (b) work with Air District staff and the new equipment owner to transfer the terms of the contract to the current owner through a successor agreement.
2. *Removal of equipment from the Air District:* The grantee will work with Air District staff to determine how much the equipment has operated outside of Air District boundaries relative to contract requirements. Air District staff will consider whether the change of location is temporary or permanent when considering next steps. Relocation of the equipment outside the Air District could result in the recapture of grant funds.
3. *Equipment stolen or not operational:* The grantee is required to maintain the funded equipment, and ensure it is operational throughout the project term. If the equipment is not operational, the grantee must repair the equipment, replace it with an emissions-equivalent piece of equipment (as clean, or cleaner than the funded equipment), or repay a pro-rated amount of grant funds to the Air District. If equipment is destroyed in an accident or is stolen, the grantee must provide appropriate documentation of the loss, which should include an insurance statement or police report. Before an equipment substitution is approved, Air District staff must first evaluate the proposed equipment to ensure that the emission reductions from the proposed equipment are equivalent or greater. After substitute equipment has been purchased, Air District staff will inspect this equipment and update project data to reflect the changes.

Equipment with Inadequate Use. As required under *CAP Guidelines*, the Air District works to ensure emissions reductions are realized for the equipment it funds with CAP incentives. Air District staff review each grantee annual report and conduct inspections of selected projects to check whether equipment are still being used in the expected locations and overall activity is at least 70 percent of levels specified in the contract. When average usage over a three-year period (or for the contract period if less than three years) for a contracted engine, vehicle, fleet, or other equipment is less than 70 percent of the activity required in the contract, the Air District will discuss with the grantee appropriate remedial action, which may include one or more of the following:

1. *Extension.* The Air District will notify the grantee of a contract extension to allow more time to meet usage expectations. The project may be extended for additional years as long as emission reductions remain surplus to regulatory requirements.
2. *Funds Recapture.* The Air District may require the grantee to return funds in proportion to the loss of emission reductions, so that recaptured funds can be assigned to projects that cover the shortfall.
3. *Ownership Transfer.* The grantee may transfer ownership of some or all of the project's equipment to another entity committed to complying with contract terms. The new equipment owner must complete a substitute contract with the Air District.
4. *Recalculation.* The Air District may recalculate project cost-effectiveness based on the reported decrease in usage. If the project is still below the applicable cost-effectiveness limit, calculated consistent with the methodology and limit in effect on the date of contract execution and prior to the end of the contract, the Air District will continue to monitor the project over the next year to determine if additional actions are necessary. (This option does not apply to projects not subject to a cost-effectiveness limit, such as charging infrastructure.)
5. *Usage Waiver.* Grant a usage waiver, without penalty, to the grantee for a defined time period. The grantee must demonstrate to the Air District's satisfaction that the engine, vehicle, or equipment is not being underutilized in favor of operating other, higher-polluting equipment, and that the underutilization was due to unforeseen conditions beyond the grantee's control, such as (a) a decrease in usage due to economic recession; (b) unforeseen fluctuations in water allocations or pumping needs for agricultural irrigation

pump engines, (c) significant land fallowing for off-road agricultural equipment and agricultural irrigation pump engines.

To be considered for a waiver, the grantee must provide a written request to the Air District along with documentation that substantiates the need for the waiver and verifies that higher-polluting equipment is not consequently receiving more use. The Air District will specify the length of time for which the waiver is valid. The waiver will not exempt the grantee from any contract requirement to provide annual usage reports. It will be documented in writing, approved by the APCO or designee, and included in the project file.

For projects that include multiple pieces of equipment or engines, the Air District may review and recalculate the funded equipment collectively to see if the project as a whole has performed as expected. A waiver is not required in this event.

M. Calculation and Use of Interest Revenue

The Air District tracks interest earned on the funds received from CARB for CAP incentives in a subsidiary revenue ledger, separate from CAP incentives grant funds received and other incentive funds. Consistent with other Air District incentive programs, interest is calculated by applying a rate, specific to fiscal year and the account where funds are kept, to the average daily balance of CAP incentives in the Air District account during the fiscal year. The average daily balance includes interest already earned on the grant, to account for compounding.

All interest earned is used to support projects selected through the process described in Section E. The Air District may retain a percentage of interest earned for administrative purposes, which may vary by fiscal year according to requirements of statute or State guidelines, as specified in grant agreements between the Air District and CARB.

The Air District will report to CARB annually the interest earned on CAP incentive funds during the previous fiscal year. The amount reported is added to the CAP incentives target based on the fiscal year in which it accrued, with a liquidation period equivalent to the amount of time given to liquidate that fiscal year appropriation. The Air District works to liquidate earned interest by the end of the grant performance period, but will remit to CARB any unused portion of interest within 90 days following the end of the grant period.

N. Procedures for California Climate Investments

The Air District has established additional procedures to support the requirements specified in Section IV of the California Climate Investments (CCI) Funding Guidelines. These include the following.

Logo and Funding Language. CAP incentives are made possible by California Climate Investments, as statewide program that puts Cap-and-Trade dollars to work reducing greenhouse gases, strengthening the economy, and improving public health and the environment -- particularly in disadvantaged communities. CAP incentives encourage industries to invest in clean technologies and develop innovative ways to reduce pollution. Grantees are encouraged to include recognition of California Climate Investments as the source of the CAP incentives for their projects. For more information, visit the California Climate Investments website at www.caclimateinvestments.ca.gov.



Transparency. In addition to a website for its CAP incentives, the Air District maintains websites specific to the disadvantaged and low-income communities that receive priority for CAP incentive projects, with current information about CAP incentives availability and the process for selection of projects.

Methods and Reporting. The Air District reports to CARB semi-annually on projects with executed contracts, for CARB entry into the California Climate Investments Reporting and Tracking System. CARB's emissions reduction quantification methodologies, co-benefit assessment methodologies, priority population benefit criteria tables, and reporting templates are used to estimate, track and report project benefits.¹⁵ The Air District works with CARB to post project results including emission reductions on the California Climate Investments website for the Annual Report to the Legislature.¹⁶ This enables the public to access the project location (e.g., address, census tract), funding amounts, emission reductions and the methods used to estimate them, and benefits to priority populations. Where projects and programs are included in or respond to strategies in a Community Emissions Reduction Program, the Air District includes

¹⁵ For these methods and tables, see "Community Air Protection Funds" at <https://ww2.arb.ca.gov/resources/documents/cci-quantification-benefits-and-reporting-materials>. Types of co-benefits and methods for assessing them are found at <https://ww2.arb.ca.gov/resources/documents/cci-methodologies>.

¹⁶ See www.caclimateinvestments.ca.gov/annual-report and www.arb.ca.gov/ccimap.

information in the program’s annual status report on funds distributed, equipment deployed, and emissions reduced.

Audits. As described in Section K of this manual, the Air District has its own procedures to monitor CAP incentives project outcomes through project performance audits, either during or after project implementation. The Air District also makes program and project records available for CARB incentive program reviews. Air District and CARB implementation of CAP incentives are in turn subject to oversight, including audits by the California State Auditor, Department of Finance, other State oversight agencies, or a third-party auditor.

Contact Resources. The Air District provides on its website and in solicitation materials and reports contact information for the public to ask questions or obtain additional information (e.g., phone, email, social media). In addition to consulting the Air District, members of the public can direct general inquires in English or Spanish to CARB’s email (info@caclimateinvestments.ca.gov) and phone hotline (800-757-2907).

Meeting Investment Minimums. As California Climate Investments, CAP incentives provide the opportunity to yield significant benefits to communities that are exposed to multiple sources of pollution, disproportionately burdened by the impacts of climate change, and are particularly vulnerable to environmental pollutants. Statewide, at least 70 percent of CAP incentives must be invested in projects located in and benefitting disadvantaged (SB 535) communities, and an additional 10 percent in projects located in and benefitting either disadvantaged communities or low-income (AB 1550) communities or households.

The Air District uses a three-step approach under CCI Funding Guidelines to evaluate whether these benefits occur from each CAP incentives project.¹⁷

- ◆ *Step 1: Identify the Priority Population(s).* The project must be located within a census tract identified as a disadvantaged community or low-income community, or directly benefit residents of a low-income household;

¹⁷ For a more detailed explanation of the benefit and co-benefit evaluation criteria, see CCI benefit criteria table for Clean Transportation and Equipment at <https://ww2.arb.ca.gov/sites/default/files/classic/cc/capandtrade/auctionproceeds/ccidoc/criteria/ble/criteria-table-cte.pdf>.

- ◆ *Step 2: Address a Need.* The project must meaningfully address an important community or household need for the disadvantaged community, low-income community, or low-income household;
- ◆ *Step 3: Provide a Benefit.* Identify at least one direct, meaningful, and assured benefit from the evaluation criteria that the project provides to priority populations. The benefit provided must directly address the identified need.

The Air District reports the results of these evaluations by project, using benefit and co-benefit metrics specified in the CCI Funding Guidelines, when it reports to CARB on CAP incentives projects. CARB considers the results of the Air District's evaluations with those of other air districts to determine whether CAP incentives investment minimums have been met statewide.

The following page(s) contain the backup material for Agenda Item: [Receive and file the District Activity Report. Presenter: Brad Poiriez, Executive Director/APCO.](#)
Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #7

DATE: October 25, 2021

RECOMMENDATION: Receive and file the District Activity Report.

BACKGROUND: The following reports reflect information regarding the District's activities in the following areas:

- Operations – including permitting and compliance
- Communications – including events where the District participates and is represented, and upcoming events.

Staff is available to answer questions as needed.

REASON FOR RECOMMENDATION: These reports are for information only.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Brad Poiriez, Executive Director on or about September 13, 2021.

FINANCIAL DATA: No increase in appropriation is anticipated.

PRESENTER: Brad Poiriez, Executive Director/APCO.

Interoffice Memo

From: Alan De Salvio 
Deputy Air Pollution Control Officer
adesalvio@mdaqmd.ca.gov

To: Brad Poiriez
Executive Director
bradp@mdaqmd.ca.gov

Date: 10/6/2021

Subject: September 2021 Operations Activity Report



Permit Inspections Completed – 561 (92% in compliance)
Notices to Comply (NTCs) Issued – 16
Notices of Violation (NoVs) Issued – 8
Outstanding NoVs - 31 (12 in settlement)
Delinquent Permit Follow-Ups - 4
Breakdowns – 17
Vapor Recovery Tests Witnessed – 5
Complaints – 13
Complaint Investigations – 13
Asbestos Notifications – 18
Asbestos Project Inspections - 3

Permit Applications Received – 28 [and 0 for AVAQMD]
Permit Changes Processed - 324 [including AVAQMD]
Title V Permit Actions In Progress - 13 [including AVAQMD]
Permits Issued – 531 [137]
Active Companies - 713 [284]
Active Facilities - 1391 [533] (39 [4] Title V Facilities)
Active Permits - 4573 [1127]
Certificate of Occupancy/Building Permit Reviews – 47

Project Comment Letters – 12

Full SLAMS Air Monitoring Sites:

Barstow (full met,¹ CO, NO_x, O₃, PM₁₀)
Hesperia (full met, O₃, PM₁₀)
Lucerne Valley (full met, PM₁₀)
Phelan (full met, O₃)
Trona (full met, H₂S, NO_x, O₃, SO₂, PM₁₀)
Victorville (full met, CO, NO_x, O₃, SO₂, PM₁₀, PM_{2.5})

Community Sensors:

Two TAPI T640 PM_{2.5} portable trailer-mounted units (one also has PM₁₀)
39 PurpleAir particulate sensors (Apple Valley (3), Baker (2), Barstow, Blythe (2), Earp, Fort Irwin, Gene Intake, Helendale, Hesperia, Joshua Tree, JTNP, Lucerne Valley (2), Morongo Valley (2), Needles (2), Newberry Springs (2), Nipton, Oak Hills/Hesperia (2), Parker Dam, Phelan (2), Pinon Hills, Primm, Trona, Twentynine Palms (2), Victorville (2), Wrightwood, Yermo, Yucca Valley)

¹ Full met is full meteorology (exterior temperature, wind speed, wind direction, exterior pressure and relative humidity)

Mojave Desert Air Quality Management District

Brad Poiriez, *Executive Director*

14306 Park Avenue, Victorville, CA 92392-2310

760.245.1661 • Fax 760.245.2699

www.MDAQMD.ca.gov • @MDAQMD

October Activity Report Communications



California Clean Air Day

MDAQMD was one of more than 600 organizations to again take the pledge to clear the air in 2021. California Clean Air Day is an effort to join together for a unified day of action to create new habits to clear the air for all members of California's diverse communities. Steps that folks are encouraged to take include everything from carpooling, to planting indoor plants to replacing air filters. In 2020, 3.1 million actions were taken to clear the air, up from 1.25 million (248%) from 2019, 81 California Clean Air Day events were held and 530 pledged companies and organizations – including MDAQMD – engaged their employees and communities for clean air. The District's Communications Specialist Martial Haprov announced the effort at the Greater High Desert Chamber of Commerce's State of the County event. The District included in its activities a social media campaign encouraging followers to participate by sharing educational information and tips on how to reduce emissions and improve air quality.

Air Quality Advisories

The Communications Section has continued updating social media and issuing air quality advisories to keep the community informed of unhealthy pollution levels due to the state's wildfires. The residual smoke from these mega fires has created days with significant PM 2.5 as well as created conditions in which ground-level ozone has spiked significantly on numerous occasions, triggering unhealthy levels that could potentially impact everyone. Residents can be alerted to air quality advisories by signing up for the District's email list at www.MDAQMD.ca.gov as well as following the District @MDAQMD on Twitter and Facebook. Due to the very visible layer of smoke on Thursday, September 23rd, the District saw some of its highest social media engagement numbers ever, as well as stories in several local publications and fielded several calls from local organizations and school district leaders regarding the air quality.

Community Presence and Support

The District sponsored Hesperia's State of the City Address. Communications Staff and Executive Director Brad Poiriez attend the Greater High Desert Chamber of Commerce State of the County presentation in October. Poiriez and Communications Supervisor Ryan Orr also attended the State of the County Address sponsored by the County Economic Development Department at the Toyota Center in Ontario. The District will also be supporting the High Desert Opportunity Summit on Oct. 21 as it has in years past. Orr lead a tour of 20 folks from an array of different agencies of CR&R's facility in Perris as part of his duties as Chair of the Mojave Chapter of the Air and Waste Management Association. Communications Specialist Martial Haprov participated in the virtual California Air Pollution Control Officers Association (CAPCOA) Public Outreach Committee meeting. Both Haprov and Orr participated in the local PR Coalition composed of public information professionals from several different local agencies including

SBCTA, VVWRA, TOAV, City of Victorville, MWA and more. Haprov, who also serves as the current chair of the Greater High Desert Chamber of Commerce Board of Directors also participated in the weekly chamber coffee meetings.

CDAWG

The 2021 CDAWG Conference is now close to 60 registered attendees and has seven confirmed sponsors, including two presenting sponsors. The agenda has been finalized and the District is looking forward to the most successful CDAWG to date. For more information on the conference, please contact Communications Supervisor Ryan Orr. All presentations will be available to the public following the conference on the District's website at <https://www.mdaqmd.ca.gov/cdawg>

The following page(s) contain the backup material for Agenda Item: [Receive and file Financial Reports through August 2021](#). Presenter: [Laquita Cole, Finance Manager](#). Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #8

DATE: October 27, 2021

RECOMMENDATION: Receive and file Financial Reports through August 2021.

SUMMARY: Receive and file the Financial Reports with activity through August 2021, which reflect the District's financial and budgetary performance to date.

BACKGROUND: The Financial Reports for July provide the preliminary financial performance information of the District for all funds. The target variance for July is 17%. The annual financial audit is scheduled for October 2021 and will impact the information within these reports.

Several funding sources such as Programs, Permit Revenue, and State Revenue are responsible for the budget exceedance. Personnel Expenses are under budget but could change as a result of the annual financial audit. The Finance Reports are attached.

Grant activities are labeled 'Programs' on the Statement of Activity. The monthly grant summary is attached. Grant activity to date has been adjusted to reflect the revenue recognition and matching principle.

REASON FOR RECOMMENDATION: Receive and file.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel, as to legal form and by Brad Poiriez, Executive Director/APCO, on or before October 5, 2021.

FINANCIAL DATA: No change in appropriation is required at this time.

PRESENTER: Laquita Cole, Finance Manager

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #8

PAGE 2

FINANCIAL REPORTS

BALANCE SHEET - This report includes the assets, liabilities, and fund balance for the District as of the date indicated.

STATEMENT OF REVENUES & EXPENDITURES – This report includes financial activities for each of the District’s funds during the month(s) indicated.

STATEMENT OF ACTIVITY – This report measures revenues and expenses for all funds for the month(s) indicated against the adopted budget for FY 21. The line items “Program” and “Program Costs” refer to payments made from the District’s grant funds (including AB 2766 and Carl Moyer Fund).

Y-T-D Actual Column – The revenue and expenditures in this column reflect the activity year to date for the General Fund *together with* the District’s grant funds. When grant funds are expended they may be for amounts greater received this fiscal year because grants are often paid from the funds accumulated over a period of time.

REGISTERS – These reports list payments made for goods and services and fund transfers for District accounts.

GRANT SUMMARY – The monthly grant summary includes grant activities for each of the Districts available grants during the month indicated.

Mojave Desert AQMD
Balance Sheet - Governmental Funds
As of August 31, 2021

Financial Report

	<u>General Fund</u>	<u>Mobile Emissions</u>	<u>Carl Moyer</u>	<u>Fiduciary Fund</u>	<u>Total</u>
Assets					
Current Assets					
Cash	9,101,282.39	2,030,581.83	479,854.25	2,334,165.21	13,945,883.68
Cash Held For Other Fund	(1,045,155.68)	5,676.29	1,154,631.86	(115,152.47)	0.00
Receivables	2,118,619.68	0.00	0.00	0.00	2,118,619.68
Pre-Paid	116,175.40	0.00	0.00	0.00	116,175.40
Total Current Assets	10,290,921.79	2,036,258.12	1,634,486.11	2,219,012.74	16,180,678.76
Non-Current Assets					
Deferred Outflows	6,281,659.00	0.00	0.00	0.00	6,281,659.00
Total Assets	16,572,580.79	2,036,258.12	1,634,486.11	2,219,012.74	22,462,337.76
Liabilities and Net Position					
Current Liabilities					
Payables	(217,238.20)	490.86	226,357.88	0.00	9,610.54
Accruals	1,107,399.98	0.00	0.00	0.00	1,107,399.98
Due to Others	3,491,578.07	0.00	0.00	0.00	3,491,578.07
Payroll Taxes Liability	31,208.40	0.00	0.00	0.00	31,208.40
Retirement	159,405.28	0.00	0.00	0.00	159,405.28
Health	88,373.27	0.00	0.00	0.00	88,373.27
Other Payroll Deductions	1,304.91	0.00	0.00	0.00	1,304.91
Unearned Revenue	1,705,932.90	0.00	1,398,563.66	0.00	3,104,496.56
Total Current Liabilities	6,367,964.61	490.86	1,624,921.54	0.00	7,993,377.01
Net Pension Liability	13,570,334.00	0.00	0.00	0.00	13,570,334.00
Net OPEB Liability	506,364.00	0.00	0.00	0.00	506,364.00
Deferred Pension Inflows	1,029,814.00	0.00	0.00	0.00	1,029,814.00
Deferred OPEB Inflows	336,541.00	0.00	0.00	0.00	336,541.00
Total GASB Liabilities	15,443,053.00	0.00	0.00	0.00	15,443,053.00
Restricted Fund Balance	371,858.28	2,035,912.24	9,564.57	1,081,606.84	3,498,941.93
Committed Fund Balance	1,362,080.00	0.00	0.00	0.00	1,362,080.00
Budget Stabilization	250,000.00	0.00	0.00	0.00	250,000.00
Retirement Reserves	0.00	0.00	0.00	1,099,397.51	1,099,397.51
Unassigned Fund Balance	(301,132.32)	0.00	0.00	0.00	(301,132.32)
Adjustments to Fund Balance - GASB 68	(6,953,802.00)	0.00	0.00	0.00	(6,953,802.00)
Compensated Absences	450,000.00	0.00	0.00	0.00	450,000.00
Pre Paid	7,194.13	0.00	0.00	0.00	7,194.13
Change in Net Position	(424,634.91)	(144.98)	0.00	38,008.39	(386,771.50)
Total Liabilities & Net Position	16,572,580.79	2,036,258.12	1,634,486.11	2,219,012.74	22,462,337.76

Mojave Desert AQMD
Statement of Revenues & Expenditures (Preliminary)
For the Period Ending August 31, 2021

Financial Report

	<u>General Fund</u>	<u>Mobile Emissions Program</u>	<u>Carl Moyer Program</u>	<u>Fiduciary Fund</u>	<u>Total Governmental Funds</u>
<u>Revenues</u>					
Antelope Valley Air Quality Mngmnt Contract	122,972.13	0.00	0.00	0.00	122,972.13
Other Contracts	0.00	0.00	0.00	0.00	0.00
Application and Permit Fees	403,771.64	0.00	0.00	0.00	403,771.64
AB 2766 and Other Program Revenues	3,150.79	2,007.20	237,320.53	0.00	242,478.52
Fines	14,112.65	0.00	0.00	0.00	14,112.65
Investment Earnings	0.00	0.00	17,969.47	29,798.52	47,767.99
Federal and State	0.00	0.00	0.00	0.00	0.00
Other Revenue	0.00	0.00	0.00	0.00	0.00
Total Revenues	544,007.21	2,007.20	255,290.00	29,798.52	831,102.93
<u>Expenditures</u>					
Salaries and Benefits	571,495.05	0.00	0.00	0.00	571,495.05
Services and Supplies	253,295.75	2,152.18	255,290.00	1,136.13	511,874.06
Contributions to Other Participants	75,000.00	0.00	0.00	0.00	75,000.00
Capital Outlay Improvements and Equipment	0.00	0.00	0.00	0.00	0.00
Total Expenditures	899,790.80	2,152.18	255,290.00	1,136.13	1,158,369.11
Excess Revenue Over (Under) Expenditures	(355,783.59)	(144.98)	0.00	28,662.39	(327,266.18)

Mojave Desert AQMD
Statement of Activity - All Funds
For the Period Ending August 31, 2021

Financial Report

	<u>M-T-D</u> <u>Actual</u>	<u>Y-T-D</u> <u>Actual</u>	<u>Y-T-D</u> <u>Budget</u>	<u>% Budget</u> <u>to Actual</u>
Revenues				
Revenue - Permitting	386,508.97	755,269.31	5,425,000.00	13.92
Revenue - Programs	242,478.52	440,043.06	2,955,000.00	14.89
Revenue - Application Fees	17,938.38	30,787.76	140,000.00	21.99
Revenue - State	0.00	0.00	1,029,000.00	0.00
Revenue - Federal	0.00	9,276.13	147,900.00	6.27
Fines & Penalties	14,112.65	26,202.69	102,000.00	25.69
Interest Earned	47,767.99	64,341.57	350,000.00	18.38
Revenue - Contracts & Unidentified	122,972.13	268,834.24	1,606,000.00	16.74
Permit Cancellations	(675.71)	(15,643.64)	0.00	0.00
Total Revenues	831,102.93	1,579,111.12	11,754,900.00	13.43
Expenditures				
Office Expenses	13,702.23	65,894.39	366,780.00	17.97
Communications	4,687.10	9,016.70	59,185.00	15.23
Vehicles	4,057.18	7,642.63	50,125.00	15.25
Program Costs	547,447.70	657,600.70	2,794,500.00	23.53
Travel	1,411.36	3,150.11	103,275.00	3.05
Professional Services	6,730.25	15,318.39	92,725.00	16.52
Maintenance & Repairs	3,972.00	8,094.50	73,535.00	11.01
Non-Depreciable Inventory	615.59	2,394.97	58,245.00	4.11
Dues & Subscriptions	637.00	3,882.99	33,560.00	11.57
Legal	3,376.60	6,226.02	44,875.00	13.87
Miscellaneous Expense	136.50	337.70	2,550.00	13.24
Suspense	100.55	7,979.34	0.00	0.00
Capital Expenditures	0.00	0.00	375,000.00	0.00
Total Expenditures	586,874.06	787,538.44	4,054,355.00	19.42
Salaries & Benefits				
Personnel Expenses	571,495.05	1,178,344.18	7,935,881.00	14.85
Total Salaries & Benefits	571,495.05	1,178,344.18	7,935,881.00	14.85
Excess Revenue Over (Under) Expenditures	(327,266.18)	(386,771.50)	(235,336.00)	164.35

Mojave Desert AQMD

Run: 10/05/2021 at 4:07 PM

Bank Register from 8/01/2021 to 8/31/2021

Page: 1

Wells Fargo Operating

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0000005	8/02/2021	Credit Card Transactions - SBCo Fleet - Castle Mountain Venture	0.00	673.12	360,841.43
0000005	8/02/2021	Credit Card Transaction - MP Mine	0.00	634.00	361,475.43
0000005	8/02/2021	Credit Card Transaction - Flyers Energy	0.00	317.00	361,792.43
	8/03/2021	Wage Works FSA Claim	40.29	0.00	361,752.14
	8/03/2021	Wage Works FSA Claim	6.48	0.00	361,745.66
0002203	8/04/2021	Operating Fund Replenishment #03	0.00	398,576.34	760,322.00
0000005	8/05/2021	Credit Card Transactions - Cupertino Electric - Unlimited Env	0.00	1,317.00	761,639.00
0000005	8/05/2021	Credit Card Transaction - Resurgence Solar	0.00	724.00	762,363.00
0009822	8/05/2021	Recruitment Ads - AQS	781.42	0.00	761,581.58
0009823	8/05/2021	Wellness Program Reimbursement	158.00	0.00	761,423.58
0009824	8/05/2021	Inv 285-92555 - Window Washing 07/30/21	58.00	0.00	761,365.58
0009825	8/05/2021	Refund: Invoice 15587	1,110.43	0.00	760,255.15
0009826	8/05/2021	Telephone Service - 07/22/21 - 08/21/21	775.77	0.00	759,479.38
0009827	8/05/2021	Wellness Program Reimbursement	240.00	0.00	759,239.38
0009828	8/05/2021	Travel Reconciliation - Needles Inspections - 07/06/21 - 07/08/21	152.50	0.00	759,086.88
0009829	8/05/2021	Inv 64959516 - Cylinder Rental	137.69	0.00	758,949.19
0009830	8/05/2021	Gas Service - 06/26/21 - 07/27/21	11.00	0.00	758,938.19
0009831	8/05/2021	Inv 423 - Car Wash - July 2021	64.00	0.00	758,874.19
EFT	8/05/2021	Inv 8690215682130 - Fuel Purchases - July 2021	1,747.51	0.00	758,874.19
0009832	8/05/2021	Refund: Invoice 15609	7,673.11	0.00	751,201.08
0000005	8/06/2021	Credit Card Transaction - Liberty Apple Valley	0.00	317.00	749,770.57
0000005	8/06/2021	Credit Card Transaction - Hesperia Body Shop	0.00	319.59	750,090.16
	8/06/2021	Wage Works FSA Claim	23.98	0.00	750,066.18
0000005	8/09/2021	Credit Card Transaction - Western Pump	0.00	317.00	750,383.18
0000005	8/09/2021	Credit Card Transaction - Enkay Eng	0.00	907.00	751,290.18
	8/09/2021	Wage Works FSA Claim	354.53	0.00	750,935.65
0002204	8/10/2021	Operating Fund Replenishment #04	0.00	274,738.49	1,025,674.14
	8/10/2021	Wage Works FSA Claim	22.48	0.00	1,025,651.66
	8/10/2021	Wage Works FSA Claim	14.75	0.00	1,025,636.91
EFT	8/11/2021	Pay period ending 7/30/2021	137,212.44	0.00	888,424.47
0000005	8/11/2021	Credit Card Transaction - WLA Consulting	0.00	317.00	888,741.47
	8/11/2021	PP 16/2021	11,723.61	0.00	877,017.86
	8/11/2021	PP 16/2021	31,758.77	0.00	845,259.09
	8/11/2021	PP 16/2021	9,391.29	0.00	835,867.80
	8/11/2021	Wage Works FSA Claim	360.08	0.00	835,507.72
0000005	8/12/2021	Credit Card Transaction - Joshua Tree Coffee	0.00	319.59	835,827.31
0000005	8/12/2021	Credit Card Transactions - UP2 Holdings - American Towers	0.00	951.00	836,778.31
0000005	8/13/2021	Credit Card Transaction Fix Auto	0.00	639.18	837,417.49
	8/13/2021	Wage Works FSA Claim	15.00	0.00	837,402.49
0000005	8/16/2021	Credit Card Transaction - Fix Auto	0.00	362.00	837,764.49
0000005	8/16/2021	Credit Card Transaction -Harper Construction	0.00	666.00	838,430.49
	8/16/2021	Wage Works FSA Claim	1.98	0.00	838,428.51
0000005	8/18/2021	Credit Card Transaction - C G Media	0.00	317.00	840,725.51
0000005	8/18/2021	Credit Card Transaction - D2 Industrial	0.00	1,438.17	842,163.68

Mojave Desert AQMD

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Page: 2

Bank Register from 8/01/2021 to 8/31/2021

Wells Fargo Operating

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
EFT	8/19/2021	Invoices 4586, 4587	187.36	0.00	842,163.68
0009833	8/19/2021	Complaint Line - 08/07/21 - 09/06/21	76.63	0.00	842,087.05
EFT	8/19/2021	Attendance Personnel Committee Meeting Wednesday, August 11, 2021.	100.00	0.00	842,087.05
0009834	8/19/2021	Attendance Personnel Committee Meeting Wednesday, August 11, 2021.	100.00	0.00	841,987.05
EFT	8/19/2021	Invoices 911893, 911894, 911895	2,271.80	0.00	841,987.05
0009835	8/19/2021	Inv HTSP2000-11 - FY 2020-2021 Hot Spot Assessment	17,535.00	0.00	824,452.05
0009836	8/19/2021	Wellness Program Reimbursement - Personal Trainer	240.00	0.00	824,212.05
0009837	8/19/2021	Invoices , 2040671070721, 2040671080721	2,970.00	0.00	821,242.05
0009838	8/19/2021	Invoices 4093125682, 9141034786	151.16	0.00	821,090.89
0009839	8/19/2021	Travel Reconciliation - Blythe, Earp & Parker Dam - 08/09/21 - 08/12/21	244.00	0.00	820,846.89
EFT	8/19/2021	Inv FBN4272769 - Vehicle Leases	1,237.95	0.00	820,846.89
0009840	8/19/2021	Inv 2805-93210 - Window Washing	192.00	0.00	820,654.89
0009841	8/19/2021	Refund: Refund - DCP000032 Cancelled 05/24/21	276.00	0.00	820,378.89
0009842	8/19/2021	Pay Period 16/2021 - GymDed	140.31	0.00	820,238.58
0009843	8/19/2021	Inv 38259633 - Copier Lease	2,351.06	0.00	817,887.52
0009844	8/19/2021	Attendance Personnel Committee Meeting Wednesday, August 11, 2021.	100.00	0.00	817,787.52
EFT	8/19/2021	Bank Transfer - Credit Card A/R Receipts - July 2021	44,024.69	0.00	817,787.52
EFT	8/19/2021	Pay Period 16/2021 - FSADed	710.84	0.00	817,787.52
0009845	8/19/2021	Inv 1073 - 2021/2022 MEEC Support Grant	75,000.00	0.00	742,787.52
0009846	8/19/2021	Inv 113055 - Business Cards	149.17	0.00	742,638.35
0009847	8/19/2021	Inv MK563803-TDQ - Chairs (4)	1,453.64	0.00	741,184.71
0009848	8/19/2021	Inv 3119 - Electric Use Fee	160.00	0.00	741,024.71
0009849	8/19/2021	Attendance Personnel Committee Meeting Wednesday, August 11, 2021.	100.00	0.00	740,924.71
0009850	8/19/2021	Notice of Exemption (NOE) filing - Adoption Rule 411 & Rule 1119. Filing date August 23, 2021.	100.00	0.00	740,824.71
0009851	8/19/2021	Notice of Exemption (NOE) filing - Adoption Rule 411 & Rule 1119. Filing date August 23, 2021.	100.00	0.00	740,724.71
0009852	8/19/2021	Inv 135366 - Filter Membrane - tube Union Tee	954.92	0.00	739,769.79
0009853	8/19/2021	Pay Period 16/2021 - SBCERADefer, SBCERAMatch, SBCERAPickUp, SurvivorInsBen, SurvivorInsDed, RetireCashBen	103,267.13	0.00	636,502.66
0009854	8/19/2021	Pay Period 16/2021 - GeneralUnitDues	537.52	0.00	635,965.14
0009855	8/19/2021	Pay Period 16/2021 - GeneralUnitMisc	3.00	0.00	635,962.14
0009856	8/19/2021	Electricity Service - 07/13/21 - 08/10/21	5,536.25	0.00	630,425.89
0009857	8/19/2021	Natural Gas Service - 07/01/21 - 07/31/21	15.96	0.00	630,409.93
0009858	8/19/2021	Supplies - July 2021	281.86	0.00	630,128.07
0009859	8/19/2021	Inv 232 - Services August 2021	1,700.00	0.00	628,428.07
0009860	8/19/2021	Wellness Program Reimbursement - Echelon Membership	240.00	0.00	628,188.07
0009861	8/19/2021	Inv 79794 - Employee Support Services July 2021	450.00	0.00	627,738.07
0009862	8/19/2021	Pay Period 16/2021 - UnitedWay	26.00	0.00	627,712.07
0009863	8/19/2021	Inv 71900763 - Telephone Service - 28/01/21 - 08/31/21	1,313.49	0.00	626,398.58
0009864	8/19/2021	Refund: Invoices 13693, 13696, 13714	350.65	0.00	626,047.93
0009865	8/19/2021	Inv 2319 - Oil Change - Wheel Balance - 2014 Ford Escape	97.02	0.00	625,950.91
EFT	8/19/2021	Attendance Personnel Committee Meeting Wednesday, August 11, 2021.	100.00	0.00	625,950.91
0000005	8/19/2021	Credit Card Transaction - SBCo Fleet - Tech & Investment	0.00	1,605.25	578,923.52

Mojave Desert AQMD**Bank Register from 8/01/2021 to 8/31/2021****Wells Fargo Operating**

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0000005	8/19/2021	Credit Card Transaction - Verizon	0.00	317.00	579,240.52
	8/19/2021	VOYA 401a - Poiriez - August 2021	1,099.07	0.00	578,141.45
	8/20/2021	Payment Card # 4500 - 07/05/21 - 08/04/21	2,048.52	0.00	576,092.93
	8/20/2021	Payment Card # 4837 - 07/05/21 - 08/04/21	3,615.11	0.00	572,477.82
	8/20/2021	Payment Card # 6210 - 07/05/21 - 08/04/21	3,032.53	0.00	569,445.29
0000005	8/23/2021	Credit Card Transactions - Precision Env - Gregg Electric	0.00	1,587.59	571,032.88
0000005	8/23/2021	Credit Card Transaction - TM Group	0.00	1,000.00	572,032.88
	8/23/2021	Wage Works FSA Claim	97.25	0.00	571,935.63
	8/23/2021	Wage Works FSA Claim	406.72	0.00	571,528.91
0009866	8/24/2021	Postage Meter # 49485661	6,000.00	0.00	565,528.91
		Replenishment			
	8/24/2021	Wage Works FSA Claim	100.00	0.00	565,428.91
EFT	8/25/2021	Pay period ending 8/13/2021	122,579.55	0.00	442,849.36
	8/25/2021	PP 17/2021 457 Deductions	11,723.61	0.00	431,125.75
	8/25/2021	PP 17/2021 State Taxes	7,239.63	0.00	423,886.12
	8/25/2021	PP 17/2021 Federal Taxes	25,088.02	0.00	398,798.10
0000005	8/25/2021	Credit Card Transaction - Bobbys World of Toys	0.00	317.00	399,115.10
0000005	8/25/2021	Credit Card Transaction - SBCo Fleet	0.00	350.65	399,465.75
0000005	8/26/2021	Credit Card Transaction - Westside Mart	0.00	3,096.36	402,562.11
0000005	8/26/2021	Credit Card Transactio - GTP - American Tower	0.00	302.46	402,864.57
0000005	8/26/2021	Credit Card Transaction - SCCC Group	0.00	2,588.07	405,452.64
0009867	8/27/2021	Invoices 2021-15, 2021-16, Sept 2021	2,581.62	0.00	402,871.02
EFT	8/27/2021	Attendance Governing Board Meeting Monday, August 23, 2021.	100.00	0.00	402,871.02
0009868	8/27/2021	Attendance Governing Board Meeting Monday, August 23, 2021.	100.00	0.00	402,771.02
0009869	8/27/2021	Refund: Refund - Paid for COO in error - Application for MVT00000189- CG MEDIA	317.00	0.00	402,454.02
EFT	8/27/2021	Invoices 2021-15, 2021-16, Sept 2021	41,773.91	0.00	402,454.02
0009870	8/27/2021	Inv 5073809690 - AED Check	19.99	0.00	402,434.03
0009871	8/27/2021	Attendance Governing Board Meeting Monday, August 23, 2021.	100.00	0.00	402,334.03
EFT	8/27/2021	Attendance Governing Board Meeting Monday, August 23, 2021.	100.00	0.00	402,334.03
0009872	8/27/2021	Refund NOV MD00001277	250.00	0.00	402,084.03
0009873	8/27/2021	Plaque for Deputy Director of Admin retirement and board recognition	173.60	0.00	401,910.43
0009874	8/27/2021	Pay Period 17/2021 - GymDed	140.31	0.00	401,770.12
0009875	8/27/2021	Invoices 13619, 13620	144.50	0.00	401,625.62
0009876	8/27/2021	Attendance Governing Board Meeting Monday, August 23, 2021.	100.00	0.00	401,525.62
EFT	8/27/2021	Pay Period 17/2021 - FSADed	710.84	0.00	401,373.12
0009878	8/27/2021	Pension Contribution FY 2021	307,280.60	0.00	94,092.52
0009879	8/27/2021	Attendance Governing Board Meeting Monday, August 23, 2021.	100.00	0.00	93,992.52
EFT	8/27/2021	Governing Board Meeting expense for Governing Board meeting Monday, August 23, 2021.	50.00	0.00	93,992.52
0009880	8/27/2021	Attendance Governing Board Meeting Monday, August 23, 2021.	100.00	0.00	93,892.52
EFT	8/27/2021	Attendance Governing Board Meeting Monday, August 23, 2021.	100.00	0.00	93,892.52
0009881	8/27/2021	GASB 68 Passthrough Expenses FY 2020/2021	2,320.00	0.00	91,572.52

Mojave Desert AQMD
Bank Register from 8/01/2021 to 8/31/2021
Wells Fargo Operating

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0009882	8/27/2021	Pay Period 17/2021 - SBCERADefer, SBCERAMatch, SBCERAPickUp, SurvivorInsBen, SurvivorInsDed, RetireCashBen	89,604.38	0.00	1,968.14
0009883	8/27/2021	Pay Period 17/2021 - GeneralUnitDues	538.59	0.00	1,429.55
0009884	8/27/2021	Pay Period 17/2021 - GeneralUnitMisc	3.00	0.00	1,426.55
0009885	8/27/2021	Pay Period 17/2021 - UnitedWay	26.00	0.00	1,400.55
0009886	8/27/2021	Refund: Demo Reno Fee - Bldg 573 Marine Base Barstow	541.00	0.00	859.55
0009887	8/27/2021	Invoices 2021-15, 2021-16, Sept 2021	745.28	0.00	114.27
EFT	8/27/2021	Attendance Governing Board Meeting Monday, August 23, 2021.	100.00	0.00	114.27
	8/27/2021	Payment Card # 7885 - 07/05/21 - 08/04/21	882.02	0.00	-43,702.50
	8/27/2021	Payment Card # 7908 - 07/05/21 - 08/04/21	244.93	0.00	-43,947.43
	8/27/2021	Payment Card # 8204 - 07/05/21 - 08/04/21	283.61	0.00	-44,231.04
	8/27/2021	Payment Card # 9081 - 07/05/21 - 08/04/21	936.20	0.00	-45,167.24
	8/27/2021	Payment Card # 8110 - 07/05/21 - 08/04/21	520.06	0.00	-45,687.30
	8/27/2021	Wage Works FSA Claim	20.00	0.00	-45,707.30
0000005	8/30/2021	Credit Card Transaction - Integrated Demo	0.00	666.00	-45,041.30
0000005	8/30/2021	Credit Card Transaction - GR&BE - Qantas	0.00	1,483.66	-43,557.64
0000005	8/30/2021	Credit Card Transactions - Ferrellgas - Helendale Community - Orchid Ent - Sammy Venture	0.00	1,873.54	-41,684.10
0000005	8/30/2021	Credit Card Transaction - Cadiz	0.00	975.00	-40,709.10
	8/31/2021	Wage Works FSA Claim	209.03	0.00	-40,765.63
	8/31/2021	Wage Works FSA Claim	1.93	0.00	-40,767.56
Total for Report:			1,102,928.93	700,013.06	

Mojave Desert AQMD
Bank Register from 8/01/2021 to 8/31/2021
General Fund MPA

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
	8/01/2021	Service Charge	136.50	0.00	3,463,480.57
0000005	8/02/2021	Daily Deposit	0.00	6,139.24	3,469,619.81
0000005	8/02/2021	SBCo ACH - MDAQMD	0.00	710.84	3,470,330.65
0000005	8/02/2021	SBCo ACH - MDAQMD	0.00	74,748.55	3,545,079.20
#####	8/03/2021		62,113.53	0.00	3,482,965.67
0000005	8/03/2021	Daily Deposit	0.00	74,743.50	3,557,709.17
0002203	8/04/2021		398,576.34	0.00	3,159,132.83
0000005	8/05/2021	Daily Deposit	0.00	17,621.57	3,176,754.40
0000005	8/05/2021	SBCo ACH - City of VV	0.00	5,676.24	3,182,430.64
0000005	8/09/2021	Daily Deposit	0.00	9,542.48	3,191,973.12
0000005	8/10/2021	Daily Deposit	0.00	325,754.50	3,517,727.62
0002204	8/10/2021		274,738.49	0.00	3,242,989.13
0000005	8/12/2021	Daily Deposit	0.00	762,705.81	4,005,694.94
0000005	8/13/2021	Daily Deposit	0.00	4,341.38	4,010,036.32
0000005	8/17/2021	Daily Deposit	0.00	2,351.98	4,012,388.30
0000005	8/17/2021	Daily Deposit	0.00	89,976.43	4,102,364.73
0000005	8/20/2021	SBCo ACH - MDAQMD	0.00	44,024.69	4,146,389.42
0000005	8/20/2021	SBCo ACH - MDAQMD	0.00	710.84	4,147,100.26
0000005	8/24/2021	Daily Deposit	0.00	348,390.34	4,495,490.60
0000005	8/26/2021	Daily Deposit	0.00	480,617.43	4,976,108.03
0000005	8/27/2021	Daily Deposit	0.00	970,955.25	5,947,063.28
0000005	8/30/2021	Daily Deposit	0.00	181,907.22	6,128,970.50
0000005	8/30/2021	SBCo ACH - Federal Bureau of Prisons	0.00	34,529.85	6,163,500.35
0000005	8/31/2021	Daily Deposit	0.00	1,129,098.59	7,292,598.94
Total for Report:			735,564.86	4,564,546.73	

Mojave Desert AQMD
Bank Register from 8/01/2021 to 8/31/2021
WF AB2766

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
#####	8/03/2021	Transfer AB2766 - May 2021	0.00	62,113.53	2,032,243.15
0003103	8/05/2021	AB2766 Grant	1,661.32	0.00	2,030,581.83
Total for Report:			1,661.32	62,113.53	

Mojave Desert AQMD
Bank Register from 8/01/2021 to 8/31/2021
WF Carl Moyer

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0001026	8/05/2021	Moyer Grant	91,242.00	0.00	479,854.25
Total for Report:			91,242.00	0.00	

Mojave Desert AQMD
Bank Register from 8/01/2021 to 8/31/2021
Special Revenue

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0000011	8/19/2021	Farmers Grant	71,610.64	0.00	1,703,621.80
0000012	8/19/2021	Farmers Grant	71,610.64	0.00	1,632,011.16
0000013	8/19/2021	Farmers Grant	71,610.64	0.00	1,560,400.52
Total for Report:			214,831.92	0.00	

Mojave Desert AQMD
Bank Register from 8/01/2021 to 8/31/2021
PARS TRUST - OPEB

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
	8/31/2021	Service Charge	443.39	0.00	904,462.16
	8/31/2021	Interest Earned	0.00	13,160.55	917,622.71
Total for Report:			443.39	13,160.55	

Mojave Desert AQMD
Bank Register from 8/01/2021 to 8/31/2021
PARS TRUST - PENSION

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
	8/31/2021	Service Charge	692.74	0.00	1,399,904.53
	8/31/2021	Interest Earned	0.00	16,637.97	1,416,542.50
Total for Report:			692.74	16,637.97	

From: Jorge Camacho
 Grants Analyst
 760.245.1661, ext. 2020
 Fax 760.245.2699
 jcamacho@mdaqmd.ca.gov



To: Brad Poiriez
 bradp@mdaqmd.ca.gov

Date: October 25, 2021
Subject: October Grant Report

Interoffice Memo

Updates

Current Project List October 2021

<u>Funding Source</u>		
<u>Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program)</u>		
<u>Project Name</u>	<u>Grant Award</u>	<u>Status</u>
Chaffin Farms Project # 1_2021_1990 MF 383	\$ 59,841.60	Pending
Coxco LLC Project #1 2021_JD 8420 and JD 770BH	295,035.00	Pending
DeConinck Farms Project #1 2021-1987 New Holland Bale Wagon	162,087.00	Pending
Red River Farms Project #1 2021_JD 7210 (3-2)	164,400.00	Pending
Robinson Farms Project #1 2021-1993 JD 7400	108,832.00	Pending
Total Carl Moyer Grant Awards	\$ 790,195.60	

<u>Funding Source</u>		
<u>FARMER Year 2</u>		
<u>Project Name</u>	<u>Grant Award</u>	<u>Status</u>
Fisher Ranch LLC Project 5A Off-Road Agricultural Equipment	\$ 44,000.00	Pending
Fisher Ranch LLC Project 6A Off-Road Agricultural Equipment	46,688.00	Pending
Fisher Ranch LLC Project 7A Off-Road Agricultural Equipment	41,915.43	Pending
Fisher Ranch LLC Project 8A Off-Road Agricultural Equipment	41,915.43	Pending
Total	\$ 174,518.86	

Funding Source

AB 134/617-Community Action Program

<u>Project Name</u>	<u>Grant Award</u>	<u>Status</u>
AVUSD Electric Bus Infrastructure	\$ 30,738.97	Pending
AESD Electric Bus Infrastructure	29,900.63	Pending
Total AB 134/617 Grant Awards	\$ 60,639.60	

Funding Source

Mobile Source Emissions Reduction

<u>Project Name</u>	<u>Grant Award</u>	<u>Status</u>
Lawn and Garden Residential Exchange Program	\$ 150,000.00	Ongoing/Yearly
Morongo Basin Transit	40,000.00	Ongoing/Yearly
Needles Area Transit	15,000.00	Ongoing/Yearly
Palo Verde Transit	20,000.00	Ongoing/Yearly
San Bernardino County	75,000.00	Ongoing/Yearly
Victor Valley Transit Authority	250,000.00	Ongoing/Yearly
Voluntary Accelerated Vehicle Retirement Program	100,000.00	Ongoing/Yearly
City of 29 Palms-Infrastructure Project	170,372.00	Pending
Total AB2766 Grant Awards	\$ 820,372.00	

Funding Source Mover Reserve and MSERP

Electric Vehicle Charging Stations

<u>Project Name</u>	<u>Grant Award</u>	<u>Status</u>
Copper Mountain College	\$ 49,999.00	Pending
EV Charging Solutions (VVGMC)	40,000.00	Pending
EV Range (Via Del Sol Hotel, Needles)	49,999.00	Pending
Total Grant Awards	\$ 139,998.00	

Funding Source

Targeted Air Shed Grant

<u>Project Name</u>	<u>Grant Award</u>	<u>Status</u>
MNRC/CEMEX Locomotive Replacement	\$ 2,694,670.00	
Total Grant Awards	\$ 2,694,670.00	

Glossary of Terms and Definitions

On-Going Yearly

Funds are encumbered on a yearly and ongoing basis.

Pending

Grantee is under a contractual agreement with the District.

Work in Progress

Application is currently being reviewed by the Grants Section.

The following page(s) contain the backup material for Agenda Item: [Receive and file the Legislative Report for October 2021](#). Presenter: [Brad Poiriez, Executive Director/APCO](#). Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #9

DATE: October 25, 2021

RECOMMENDATION: Receive and file.

SUMMARY: The Legislative Report for October 2021.

BACKGROUND: Legislative actions proposed at the federal and state level have the potential to impact the implementation of the District's mission as well as its regulatory operations. An important tool for the District is to monitor the flood of information and its status which allows for comment early in the process and preparation for any changes that may be required. The District contracts this service and receives periodic reports with summaries to help sort the pertinent legislative proposals.

Strategic Partners Group (SPG) is the consultant to the District providing this service to monitor certain legislative and regulatory activities at the state and local level. Staff will direct questions to SPG regarding any of the material presented or follow up on any matter of interest to the Governing Board. Following the table of proposed legislation are several Articles of Interest of relevant information.

REASON FOR RECOMMENDATION: This item is provided for information subject to direction of the Governing Board.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel, as to legal form and by Brad Poiriez, Executive Director/APCO, on or about October 8, 2021.

FINANCIAL DATA: No increase in appropriation is anticipated.

PRESENTER: Brad Poiriez, Executive Director/APCO.



Government Affairs and Communication Consulting

FRANK T. SHEETS, III
LAURIE HANSEN SHEETS

MEMORANDUM

DATE: **October 5, 2021**

TO: **Brad Poiriez**

FROM: **Frank Sheets**
 Laurie Hansen

Below please find our October legislative report.

In this report, we have removed all of the remaining two-year bills and are only listing those that have been “enrolled” or “chaptered” (i.e. passed by the Legislature and sent to the Governor for his consideration). Of the remaining 19 measures, four have not been acted upon by the governor and the other 15 measures have been signed into law. The governor has until October 10 to act on the remaining enrolled measures. As a reminder, should the governor fail to act on an enrolled measure, by either signing or vetoing, the measure becomes law without his signature. It should be noted that the governor has not vetoed any of the remaining bills on the District’s list.

In our next report we anticipate to not only report on the fate of the enrolled bills, but also create a list of the applicable two-year bills that potentially may be acted upon early in the 2022 session.

Below is a review of some of the outstanding bills on the list.

AB 322 (Salas) has been chaptered. The bill calls for the CEC to consider funding for qualifying biomass conversion technologies to encourage additional renewable generation capacity in California. Although we believe the intent of the bill is to address the conversion of forest management end products to electricity, we wonder whether solid waste management options might also be contemplated. Considering California’s waste management goals of minimizing conventional disposal and encouraging recycling, biomass conversion may become an option for the State’s waste management challenges. This bill might represent a new tool to address that option. With the passage this year of SB 323 (Allen) which prohibits packaging from being labeled “recyclable” unless it is recycled in California, there will be a big increase in paper and plastic packaging going to landfill. This is due to local governments not being required to “recycle” this packaging. Should new conversion technology be allowed in the state there may be an opportunity to again look at packaging waste as an engineered fuel source for manufacturing facilities such as cement plants.

We are pleased to see that AB 431 has been chaptered. It only seems to make sense for property owners in forested areas be able to create “defensible space” around structures without overly burdensome regulatory requirements.

With AB 525 the state will notwbegin a more serious evaluation of the potential of “off shore” wind generation.

AB 619 proposes the creation of plans for dealing with air quality issues associated with wild fires. Specific counties in the state are considered stakeholders in the creation of such “plans”, and we suspect that individual air districts will be involved in the planning process as well, including MDAQMD.

AB 1183 as chaptered is another bill that may have direct implications to the MDAQMD. The bill calls for additional conservation efforts within the Mojave Desert, including air quality issues. The District should be aware of this development.

AB 1346 is enrolled but has yet to be acted upon by the governor. The bill calls for small off-road vehicles to transition to zero emissions engines with the support of local air pollution districts. As written, the bill will require direct involvement of the MDAQMD.

SB 596, also chaptered, calls for the Air Resources Board to develop a strategy for California’s cement industry to develop a strategy to become carbon neutral no later than 2045. Considering the Mojave District contains a large concentration of cement operations within the State, this should be of interest to the District. Implementation of this strategy could result in coordination of this effort between the District and its Portland Cement operations.

MDAQMD 2021 bills

Monday, October 04, 2021

AB 9

(Wood D) Fire safety and prevention: wildfires: fire adapted communities: Office of the State Fire Marshal: community wildfire preparedness and mitigation.

Current Analysis: 09/09/2021 [Assembly Floor Analysis \(text 9/3/2021\)](#)

Introduced: 12/7/2020

Last Amend: 9/3/2021

Location: 9/23/2021-A. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would establish in the Department of Conservation the Regional Forest and Fire Capacity Program to support regional leadership to build local and regional capacity and develop, prioritize, and implement strategies and projects that create fire adapted communities and landscapes by improving ecosystem health, community wildfire preparedness, and fire resilience. The bill would require, among other things, the department to, upon an appropriation by the Legislature, provide block grants to regional entities, as defined, to develop regional strategies that develop governance structures, identify wildfire risks, foster collaboration, and prioritize and implement projects within the region to achieve the goals of the program.

Vote Events:

09/09/2021 ASM. CONCURRENCE (Y:79 N:0 A:1) (P)

09/09/2021 SEN. Assembly 3rd Reading (Y:38 N:0 A:2) (P)

08/26/2021 SEN. APPR. (Y:7 N:0 A:0) (P)

08/16/2021 SEN. APPR. (Y:7 N:0 A:0) (P)

07/13/2021 SEN. N.R. & W. (Y:8 N:0 A:1) (P)

05/27/2021 ASM. THIRD READING (Y:78 N:0 A:0) (P)

05/20/2021 ASM. APPR. (Y:16 N:0 A:0) (P)

04/28/2021 ASM. L. GOV. (Y:8 N:0 A:0) (P)

04/14/2021 ASM. NAT. RES. (Y:11 N:0 A:0) (P)

AB 33

(Ting D) Energy Conservation Assistance Act of 1979: energy storage systems and electric vehicle charging infrastructure: Native American tribes.

Current Analysis: 09/01/2021 [Assembly Floor Analysis \(text 7/15/2021\)](#)

Introduced: 12/7/2020

Last Amend: 7/15/2021

Location: 9/23/2021-A. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The Energy Conservation Assistance Act of 1979 authorizes a school, hospital, public care institution, or unit of local government to submit an application to the Energy Commission for an allocation for the purpose of financing all or a portion of the costs incurred in implementing a project, which includes an energy audit, energy conservation and operating procedure, or energy conservation measure in an existing or planned building or facility, an energy conservation project, or a technical assistance program. Current law requires the Energy Commission to approve only those applications for projects that will recover costs through savings in the cost of energy to the eligible institution during the repayment period of the allocation. Current law creates the State Energy Conservation Assistance Account, which is continuously appropriated to the Energy Commission for purposes of the act. This bill would require the Energy Commission, in administering the account, to provide grants and loans to local governments and public institutions to maximize energy use savings, expand installation of energy storage systems, and expand the availability of electric vehicle charging infrastructure, including technical assistance, demonstrations, and identification and implementation of cost-effective energy efficiency, energy storage, and electric vehicle charging infrastructure measures and programs in existing and planned buildings or facilities.

Vote Events:

- 09/02/2021 ASM. CONCURRENCE (Y:74 N:0 A:5) (P)
- 09/01/2021 SEN. Assembly 3rd Reading (Y:39 N:0 A:1) (P)
- 08/26/2021 SEN. APPR. (Y:7 N:0 A:0) (P)
- 08/16/2021 SEN. APPR. (Y:7 N:0 A:0) (P)
- 07/12/2021 SEN. E. U., & C. (Y:13 N:0 A:1) (P)
- 05/20/2021 ASM. CONSENT CALENDAR (Y:76 N:0 A:2) (P)
- 05/12/2021 ASM. APPR. (Y:16 N:0 A:0) (P)
- 04/21/2021 ASM. U. & E. (Y:15 N:0 A:0) (P)

AB 39

(Chau D) California-China Climate Institute.

Current Analysis: 09/08/2021 [Assembly Floor Analysis \(text 9/1/2021\)](#)

Introduced: 12/7/2020

Last Amend: 9/1/2021

Location: 9/23/2021-A. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would, subject to the availability of private funds, authorize the Regents of the University of California to establish the California-China Climate Institute, as specified, and in partnership with the Institute of Climate Change and Sustainable Development at Tsinghua University and other entities and institutions in China and California. The bill would require the institute to foster collaboration to inform and shape climate policy and advance the goals of the Paris Agreement, advance joint policy research on major climate issues, support high-level dialogue on specific climate issues, and provide training to specified entities to advance climate and environmental policies. The bill would require the institute to work closely with University of California campuses, departments, and leaders, and would authorize the institute to receive guidance and support from experts and state entities.

Vote Events:

- 09/09/2021 ASM. CONCURRENCE (Y:56 N:12 A:12) (P)
- 09/08/2021 SEN. Assembly 3rd Reading (Y:29 N:8 A:3) (P)
- 08/26/2021 SEN. APPR. (Y:5 N:2 A:0) (P)
- 06/21/2021 SEN. APPR. (Y:7 N:0 A:0) (P)
- 06/14/2021 SEN. E.Q. (Y:5 N:2 A:0) (P)
- 06/09/2021 SEN. ED. (Y:5 N:1 A:1) (P)
- 05/13/2021 ASM. THIRD READING (Y:50 N:16 A:12) (P)
- 04/28/2021 ASM. APPR. (Y:11 N:4 A:1) (P)
- 04/14/2021 ASM. NAT. RES. (Y:8 N:0 A:3) (P)
- 03/24/2021 ASM. HIGHER ED. (Y:8 N:4 A:0) (P)

AB 72

(Petrie-Norris D) Environmental protection: coastal adaptation projects: natural infrastructure: regulatory review and permitting: report.

Current Analysis: 09/03/2021 [Assembly Floor Analysis \(text 6/28/2021\)](#)

Introduced: 12/7/2020

Last Amend: 6/28/2021

Location: 9/28/2021-A. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would enact the Coastal Adaptation Permitting Act of 2021. The bill would require the Natural Resources

Agency to explore, and authorize it to implement, options within the agency’s jurisdiction to establish a more coordinated and efficient regulatory review and permitting process for coastal adaptation projects that use natural infrastructure, as defined. The bill would require the agency to submit, by July 1, 2023, a report to the Legislature with suggestions and recommendations for improving and expediting the coordination between appropriate agencies in their regulatory review and permitting process for coastal adaptation projects that use natural infrastructure.

Vote Events:

- 09/07/2021 ASM. CONCURRENCE (Y:72 N:0 A:7) (P)
- 09/03/2021 SEN. Special Consent (Y:37 N:0 A:3) (P)
- 08/26/2021 SEN. APPR. (Y:7 N:0 A:0) (P)
- 08/16/2021 SEN. APPR. (Y:7 N:0 A:0) (P)
- 07/08/2021 SEN. N.R. & W. (Y:8 N:0 A:1) (P)
- 05/27/2021 ASM. THIRD READING (Y:78 N:0 A:0) (P)
- 05/20/2021 ASM. APPR. (Y:16 N:0 A:0) (P)
- 04/14/2021 ASM. NAT. RES. (Y:11 N:0 A:0) (P)

AB 73

(Rivas, Robert D) Health emergencies: employment safety: agricultural workers: wildfire smoke.

Current Analysis: 09/10/2021 [Assembly Floor Analysis \(text 9/3/2021\)](#)

Introduced: 12/7/2020

Last Amend: 9/3/2021

Location: 9/27/2021-A. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law requires the State Department of Public Health and the Office of Emergency Services, in coordination with other state agencies, to, upon appropriation and as necessary, establish a personal protective equipment (PPE) stockpile. Current law requires the department to establish guidelines for the procurement, management, and distribution of PPE, taking into account, among other things, the amount of each type of PPE that would be required for all health care workers and essential workers, as defined, in the state during a 90-day pandemic or other health emergency. This bill would specifically include wildfire smoke events among health emergencies for these purposes. The bill would include agricultural workers, as defined, in the definition of essential workers.

Vote Events:

- 09/10/2021 ASM. CONCURRENCE (Y:78 N:0 A:2) (P)
- 09/10/2021 SEN. Assembly 3rd Reading (Y:37 N:0 A:3) (P)
- 08/26/2021 SEN. APPR. (Y:7 N:0 A:0) (P)
- 07/15/2021 SEN. APPR. (Y:7 N:0 A:0) (P)
- 07/05/2021 SEN. P.E. & R. (Y:5 N:0 A:0) (P)
- 06/23/2021 SEN. HEALTH (Y:11 N:0 A:0) (P)
- 06/01/2021 ASM. THIRD READING (Y:78 N:0 A:1) (P)
- 05/20/2021 ASM. APPR. (Y:16 N:0 A:0) (P)
- 04/08/2021 ASM. L. & E. (Y:7 N:0 A:0) (P)

AB 304

(Quirk D) Contaminated sites: waste releases or surface or groundwater contamination: local oversight: remedial actions.

Current Analysis: 09/08/2021 [Assembly Floor Analysis \(text 8/31/2021\)](#)

Introduced: 1/25/2021

Last Amend: 8/31/2021

Location: 9/17/2021-A. ENROLLED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Whenever a release of waste occurs and remedial action is required, current law authorizes a responsible party, as defined, to request that a local officer supervise the remedial action. Current law authorizes a local officer to agree to supervise the remedial action if the local officer determines that certain conditions have been met. Current law requires that remedial action to be carried out only pursuant to a remedial action agreement, which includes specified elements, entered into by the local officer and the responsible party, and authorizes the local officer to withdraw from the agreement, after giving the responsible party adequate notice, at any time after making specified findings. Current law requires a local officer to provide written notification that includes specified information to the Department of Toxic Substances Control and the appropriate regional water quality control board at least 10 working days before entering into a remedial action agreement with a responsible party. This bill would authorize a responsible party to request the local officer to oversee a remedial investigation, as defined, or a remedial action, as defined, or both, only if the release of waste is not being overseen by the department or a regional water quality control board.

Vote Events:

- 09/09/2021 ASM. CONCURRENCE (Y:78 N:0 A:2) (P)
- 09/08/2021 SEN. Assembly 3rd Reading (Y:35 N:3 A:2) (P)

06/14/2021 SEN. E.Q. (Y:6 N:1 A:0) (P)
 04/22/2021 ASM. CONSENT CALENDAR (Y:76 N:0 A:2) (P)
 04/14/2021 ASM. APPR. (Y:16 N:0 A:0) (P)
 04/07/2021 ASM. E.S. & T.M. (Y:9 N:0 A:0) (P)

AB 322

(Salas D) Energy: Electric Program Investment Charge program: biomass.

Current Analysis: 08/31/2021 [Assembly Floor Analysis \(text 8/18/2021\)](#)

Introduced: 1/26/2021

Last Amend: 8/18/2021

Location: 9/23/2021-A. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law creates in the State Treasury the Electric Program Investment Charge Fund to be administered by the State Energy Resources Conservation and Development Commission and requires the PUC to forward to the Energy Commission, at least quarterly, moneys for those EPIC programs the PUC has determined should be administered by the Energy Commission for deposit in the fund. Current law requires the Energy Commission, in administering moneys in the fund for research, development, and demonstration programs, to develop and implement the EPIC program for the purpose of awarding funds to projects that may lead to technological advancement and breakthroughs to overcome barriers that prevent the achievement of the state’s statutory energy goals and that may result in a portfolio of projects that are strategically focused and sufficiently narrow to make advancement on the most significant technological challenges. Current law, until January 1, 2023, requires the Energy Commission to expend certain percentages of the moneys appropriated from the fund for technology demonstration and deployment at sites that benefit certain communities. This bill would require the Energy Commission to consider, in the investment planning process for the EPIC program, funding for eligible biomass conversion to energy projects, as specified.

Vote Events:

09/01/2021 ASM. CONCURRENCE (Y:77 N:0 A:2) (P)
 08/30/2021 SEN. Assembly 3rd Reading (Y:37 N:0 A:3) (P)
 07/05/2021 SEN. E. U., & C. (Y:12 N:1 A:1) (P)
 05/20/2021 ASM. CONSENT CALENDAR (Y:76 N:0 A:2) (P)
 05/12/2021 ASM. APPR. (Y:16 N:0 A:0) (P)
 04/28/2021 ASM. NAT. RES. (Y:10 N:0 A:1) (P)
 04/07/2021 ASM. U. & E. (Y:13 N:0 A:2) (P)

AB 431

(Patterson R) Forestry: timber harvesting plans: defensible space: exemptions.

Current Analysis: 08/18/2021 [Senate Floor Analyses \(text 2/4/2021\)](#)

Introduced: 2/4/2021

Location: 9/23/2021-A. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The Z’berg-Nejedly Forest Practice Act of 1973 prohibits a person from conducting timber operations, as defined, unless a timber harvesting plan prepared by a registered professional forester has been submitted to, and approved by, the Department of Forestry and Fire Protection. The act authorizes the State Board of Forestry and Fire Protection to exempt from some or all of those provisions of the act a person engaging in specified forest management activities, as prescribed, including, only until January 1, 2022, the cutting or removal of trees on the person’s property in compliance with specified defensible space requirements, as provided. This bill would extend to January 1, 2026, the board’s authorization to exempt a person engaging in the cutting or removal of trees on the person’s property in compliance with the specified defensible space requirements as provided.

Vote Events:

08/30/2021 SEN. Consent Calendar (Y:39 N:0 A:1) (P)
 06/29/2021 SEN. N.R. & W. (Y:9 N:0 A:0) (P)
 04/22/2021 ASM. CONSENT CALENDAR (Y:76 N:0 A:2) (P)
 04/14/2021 ASM. APPR. (Y:16 N:0 A:0) (P)
 03/24/2021 ASM. NAT. RES. (Y:11 N:0 A:0) (P)

AB 525

(Chiu D) Energy: offshore wind generation.

Current Analysis: 09/09/2021 [Assembly Floor Analysis \(text 9/3/2021\)](#)

Introduced: 2/10/2021

Last Amend: 9/3/2021

Location: 9/23/2021-A. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law requires the Public Utilities Commission and the Energy Commission to undertake various actions in furtherance of meeting the state’s clean energy and pollution reduction objectives. This bill would require the Energy Commission, on or before June 1, 2022, to evaluate and quantify the maximum feasible capacity of offshore wind to achieve reliability, ratepayer, employment, and decarbonization benefits and to establish offshore wind planning goals for 2030 and 2045, as specified.

Vote Events:

- 09/09/2021 ASM. CONCURRENCE (Y:74 N:1 A:5) (P)
- 09/09/2021 SEN. Assembly 3rd Reading (Y:38 N:0 A:2) (P)
- 08/26/2021 SEN. APPR. (Y:7 N:0 A:0) (P)
- 08/16/2021 SEN. APPR. (Y:7 N:0 A:0) (P)
- 07/13/2021 SEN. N.R. & W. (Y:8 N:0 A:1) (P)
- 07/05/2021 SEN. E. U., & C. (Y:13 N:0 A:1) (P)
- 05/27/2021 ASM. THIRD READING (Y:71 N:1 A:6) (P)
- 05/20/2021 ASM. APPR. (Y:13 N:1 A:2) (P)
- 04/28/2021 ASM. NAT. RES. (Y:11 N:0 A:0) (P)
- 04/21/2021 ASM. U. & E. (Y:14 N:0 A:1) (P)

AB 619

(Calderon D) Air quality.

Current Analysis: 09/08/2021 [Assembly Floor Analysis \(text 9/3/2021\)](#)

Introduced: 2/12/2021

Last Amend: 9/3/2021

Location: 9/30/2021-A. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The California Emergency Services Act, among other things, creates the Office of Emergency Services, which is responsible for the state’s emergency and disaster response services, as specified. Current law requires the Governor to coordinate the State Emergency Plan and those programs necessary for the mitigation of the effects of an emergency. Current law requires the governing body of each political subdivision of the state to carry out the provisions of the State Emergency Plan. Current law requires a county, upon the next update to its emergency plan, to integrate access and functional needs into its emergency plan, among other requirements. This bill would require the department to develop a plan, addressing specified issues, with recommendations and guidelines for counties to use in the case of a significant air quality event caused by wildfires or other sources. The bill would require the State Department of Public Health to consult with specified stakeholders in developing the plan.

Vote Events:

- 09/09/2021 ASM. CONCURRENCE (Y:80 N:0 A:0) (P)
- 09/08/2021 SEN. Assembly 3rd Reading (Y:38 N:0 A:2) (P)
- 08/26/2021 SEN. APPR. (Y:7 N:0 A:0) (P)
- 08/16/2021 SEN. APPR. (Y:7 N:0 A:0) (P)
- 07/06/2021 SEN. G.O. (Y:15 N:0 A:0) (P)
- 06/23/2021 SEN. HEALTH (Y:11 N:0 A:0) (P)
- 06/01/2021 ASM. THIRD READING (Y:79 N:0 A:0) (P)
- 05/20/2021 ASM. APPR. (Y:16 N:0 A:0) (P)
- 04/19/2021 ASM. EMERGENCY MANAGEMENT (Y:6 N:0 A:1) (P)
- 04/06/2021 ASM. HEALTH (Y:15 N:0 A:0) (P)

AB 1183

(Ramos D) California Desert Conservation Program.

Current Analysis: 09/02/2021 [Assembly Floor Analysis \(text 7/12/2021\)](#)

Introduced: 2/18/2021

Last Amend: 7/12/2021

Location: 9/28/2021-A. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would establish the California Desert Conservation Program under the administration of the Conservation Board to: (1) protect, preserve, and restore the natural, cultural, and physical resources of the portions of the Mojave and Colorado Deserts region in California through the acquisition, restoration, and management of lands, (2) promote the protection and restoration of the biological diversity of the region, as specified, (3) provide for resilience in the region to climate change, as provided, (4) protect and improve air quality and water resources within the region, and (5) undertake efforts to enhance public use and enjoyment of lands owned by the public, as provided.

Vote Events:

- 09/07/2021 ASM. CONCURRENCE (Y:52 N:14 A:13) (P)
- 09/02/2021 SEN. Assembly 3rd Reading (Y:30 N:6 A:4) (P)
- 08/26/2021 SEN. APPR. (Y:5 N:1 A:1) (P)

08/16/2021 SEN. APPR. (Y:7 N:0 A:0) (P)
 07/08/2021 SEN. N.R. & W. (Y:7 N:0 A:2) (P)
 06/02/2021 ASM. THIRD READING (Y:59 N:13 A:7) (P)
 05/20/2021 ASM. APPR. (Y:12 N:3 A:1) (P)
 04/26/2021 ASM. W.,P. & W. (Y:11 N:4 A:0) (P)

AB 1261

(Burke D) State Air Resources Board: greenhouse gas emissions: incentive programs.

Current Analysis: 09/08/2021 [Assembly Floor Analysis \(text 8/26/2021\)](#)

Introduced: 2/19/2021

Last Amend: 8/26/2021

Location: 9/20/2021-A. ENROLLED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would require the State Air Resources Board to establish specified processes to assist the state in achieving its greenhouse gas emissions reduction goals, including a process to identify any overlap among its incentive programs, as defined, that share the same objectives and a process to define, collect, and evaluate data on the behavioral changes that result from each of its incentive programs. The bill would require the state board to use the information collected pursuant to these processes to refine the greenhouse gas emissions estimates for its incentive programs in its annual reports to the Legislature, its funding plans or any long-term planning documents or reports. The bill would require the state board to develop a process to define, collect, and evaluate data that will translate to metrics demonstrating the socioeconomic benefits that result from each of its incentive programs, and to use this data to make funding and design recommendations in its annual reports to the Legislature and or funding plans, as provided.

Vote Events:

09/09/2021 ASM. CONCURRENCE (Y:79 N:0 A:1) (P)
 09/08/2021 SEN. Special Consent (Y:38 N:0 A:2) (P)
 08/26/2021 SEN. APPR. (Y:7 N:0 A:0) (P)
 07/05/2021 SEN. APPR. (Y:6 N:0 A:1) (P)
 06/28/2021 SEN. E.Q. (Y:6 N:0 A:1) (P)
 06/02/2021 ASM. THIRD READING (Y:76 N:0 A:3) (P)
 05/20/2021 ASM. APPR. (Y:16 N:0 A:0) (P)
 04/14/2021 ASM. NAT. RES. (Y:11 N:0 A:0) (P)

AB 1346

(Berman D) Air pollution: small off-road engines.

Current Analysis: 09/08/2021 [Assembly Floor Analysis \(text 8/26/2021\)](#)

Introduced: 2/19/2021

Last Amend: 8/26/2021

Location: 9/20/2021-A. ENROLLED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would require the State Air Resources Board, by July 1, 2022, consistent with federal law, to adopt cost-effective and technologically feasible regulations to prohibit engine exhaust and evaporative emissions from new small off-road engines, as defined by the state board. The bill would require the state board to identify and, to the extent feasible, make available funding for commercial rebate or similar incentive funding as part of any updates to existing applicable funding program guidelines to local air pollution control districts and air quality management districts to implement to support the transition to zero-emission small off-road equipment operations.

Vote Events:

09/09/2021 ASM. CONCURRENCE (Y:47 N:22 A:11) (P)
 09/08/2021 SEN. Assembly 3rd Reading (Y:21 N:9 A:10) (P)
 08/26/2021 SEN. APPR. (Y:5 N:2 A:0) (P)
 08/16/2021 SEN. APPR. (Y:7 N:0 A:0) (P)
 07/12/2021 SEN. E.Q. (Y:5 N:2 A:0) (P)
 06/02/2021 ASM. THIRD READING (Y:49 N:20 A:10) (P)
 05/20/2021 ASM. APPR. (Y:12 N:4 A:0) (P)
 05/12/2021 ASM. APPR. (Y:16 N:0 A:0) (P)
 04/28/2021 ASM. NAT. RES. (Y:7 N:3 A:1) (P)

SB 1

(Atkins D) Coastal resources: sea level rise.

Current Analysis: 09/01/2021 [Senate Floor Analyses \(text 6/24/2021\)](#)

Introduced: 12/7/2020

Last Amend: 6/24/2021

Location: 9/23/2021-S. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: The California Coastal Act of 1976 establishes the California Coastal Commission and provides for planning and regulation of development in the coastal zone, as defined. The act requires the commission, within 90 days after January 1, 1977, to adopt, after public hearing, procedures for the preparation, submission, approval, appeal, certification, and amendment of a local coastal program, including a common methodology for the preparation of, and the determination of the scope of, the local coastal programs, as provided. This bill would also include, as part of the procedures the commission is required to adopt, recommendations and guidelines for the identification, assessment, minimization, and mitigation of sea level rise within each local coastal program, as provided. The bill would delete the timeframe specified above by which the commission is required to adopt these procedures.

Vote Events:

09/02/2021 SEN. Unfinished Business (Y:33 N:2 A:5) (P)
09/01/2021 ASM. THIRD READING (Y:60 N:12 A:7) (P)
08/26/2021 ASM. APPR. (Y:13 N:3 A:0) (P)
06/23/2021 ASM. NAT. RES. (Y:9 N:0 A:2) (P)
05/24/2021 SEN. Senate 3rd Reading (Y:33 N:5 A:2) (P)
05/20/2021 SEN. APPR. (Y:6 N:1 A:0) (P)
04/19/2021 SEN. APPR. (Y:7 N:0 A:0) (P)
04/12/2021 SEN. E.Q. (Y:5 N:1 A:1) (P)
03/16/2021 SEN. N.R. & W. (Y:7 N:2 A:0) (P)

SB 7

(Atkins D) Environmental quality: Jobs and Economic Improvement Through Environmental Leadership Act of 2021.

Current Analysis: 07/01/2021 [Assembly Appropriations \(text 2/18/2021\)](#)

Introduced: 12/7/2020

Last Amend: 2/18/2021

Location: 5/20/2021-S. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would enact the Jobs and Economic Improvement Through Environmental Leadership Act of 2021, which would reenact the former leadership act, with certain changes, and would authorize the Governor, until January 1, 2024, to certify projects that meet specified requirements for streamlining benefits related to CEQA. The bill would additionally include housing development projects, as defined, meeting certain conditions as projects eligible for certification. The bill would, except for those housing development projects, require the quantification and mitigation of the impacts of a project from the emissions of greenhouse gases, as provided. The bill would revise and recast the labor-related requirements for projects undertaken by both public agencies and private entities. The bill would provide that the Governor is authorized to certify a project before the lead agency certifies the final EIR for the project.

Vote Events:

05/10/2021 ASM. THIRD READING (Y:71 N:2 A:5) (P)
05/05/2021 ASM. APPR. (Y:16 N:0 A:0) (P)
04/28/2021 ASM. NAT. RES. (Y:9 N:1 A:1) (P)
03/01/2021 SEN. Senate 3rd Reading (Y:34 N:0 A:5) (P)
02/25/2021 SEN. APPR. (Y:6 N:0 A:0) (P)
02/22/2021 SEN. E.Q. (Y:5 N:0 A:2) (P)

SB 27

(Skinner D) Carbon sequestration: state goals: natural and working lands: registry of projects.

Current Analysis: 09/02/2021 [Senate Floor Analyses \(text 8/30/2021\)](#)

Introduced: 12/7/2020

Last Amend: 8/30/2021

Location: 9/23/2021-S. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would require, no later than July 1, 2023, the Natural Resources Agency, in coordination with the California Environmental Protection Agency, the State Air Resources Board, the Department of Food and Agriculture, and other relevant state agencies, to establish the Natural and Working Lands Climate Smart Strategy and, in developing the strategy, to create a framework to advance the state's climate goals. The bill would require the state board, as part of its scoping plan, to establish specified carbon dioxide removal targets for 2030 and beyond.

Vote Events:

09/03/2021 SEN. Unfinished Business (Y:34 N:4 A:2) (P)
09/02/2021 ASM. THIRD READING (Y:75 N:0 A:4) (P)

08/26/2021 ASM. APPR. (Y:12 N:0 A:4) (P)
 06/23/2021 ASM. NAT. RES. (Y:11 N:0 A:0) (P)
 05/28/2021 SEN. Senate 3rd Reading (Y:34 N:3 A:3) (P)
 05/20/2021 SEN. APPR. (Y:5 N:2 A:0) (P)
 05/10/2021 SEN. APPR. (Y:7 N:0 A:0) (P)
 04/27/2021 SEN. N.R. & W. (Y:7 N:0 A:2) (P)
 03/15/2021 SEN. E.Q. (Y:5 N:0 A:2) (P)

SB 68

(Becker D) Building electrification and electric vehicle charging.

Current Analysis: 09/10/2021 [Senate Floor Analyses \(text 9/7/2021\)](#)

Introduced: 12/7/2020

Last Amend: 9/7/2021

Location: 9/17/2021-S. ENROLLED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would require the Energy Commission to gather or develop, and publish on its internet website, guidance and best practices to help building owners, the construction industry, and local governments overcome barriers to electrification of buildings and installation of electric vehicle charging equipment.

Vote Events:

09/10/2021 ASM. THIRD READING (Y:74 N:0 A:6) (P)
 09/10/2021 SEN. Unfinished Business (Supplemental File 3) (Y:32 N:4 A:4) (P)
 09/01/2021 ASM. THIRD READING (Y:75 N:0 A:4) (P)
 08/26/2021 ASM. APPR. (Y:15 N:0 A:1) (P)
 06/30/2021 ASM. U. & E. (Y:15 N:0 A:0) (P)
 05/28/2021 SEN. Senate 3rd Reading (Y:35 N:1 A:4) (P)
 05/20/2021 SEN. APPR. (Y:5 N:2 A:0) (P)
 05/17/2021 SEN. APPR. (Y:7 N:0 A:0) (P)
 04/19/2021 SEN. E. U., & C. (Y:10 N:2 A:2) (P)

SB 500

(Min D) Autonomous vehicles: zero emissions.

Current Analysis: 09/01/2021 [Senate Floor Analyses \(text 6/23/2021\)](#)

Introduced: 2/17/2021

Last Amend: 6/23/2021

Location: 9/23/2021-S. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Current law provides for various programs to promote the use of zero-emission vehicles, including the Clean Vehicle Rebate Project, which was established by the State Air Resources Board as a part of the Air Quality Improvement Program, to promote the use of zero-emission vehicles by providing rebates for the purchase of new zero-emission vehicles, and the Charge Ahead California Initiative, which establishes various goals, including the goal of placing in service at least 1,000,000 zero-emission and near-zero-emission vehicles by January 1, 2023. This bill, commencing January 1, 2030, and to the extent authorized by federal law, would prohibit the operation of certain new autonomous vehicles that are not zero-emission vehicles, as defined. The bill would also prohibit the DMV from commencing rulemaking for the adoption of regulations implementing this provision until January 1, 2027.

Vote Events:

09/02/2021 SEN. Unfinished Business (Y:30 N:9 A:1) (P)
 09/01/2021 ASM. THIRD READING (Y:53 N:20 A:6) (P)
 08/19/2021 ASM. APPR. (Y:12 N:4 A:0) (P)
 07/07/2021 ASM. C. & C. (Y:9 N:3 A:1) (P)
 06/21/2021 ASM. TRANS. (Y:11 N:4 A:0) (P)
 06/02/2021 SEN. Senate 3rd Reading (Y:29 N:7 A:4) (P)
 05/20/2021 SEN. APPR. (Y:5 N:2 A:0) (P)
 05/10/2021 SEN. APPR. (Y:7 N:0 A:0) (P)
 04/13/2021 SEN. TRANS. (Y:12 N:2 A:3) (P)

SB 596

(Becker D) Greenhouse gases: cement sector: net-zero emissions strategy.

Current Analysis: 09/08/2021 [Senate Floor Analyses \(text 9/3/2021\)](#)

Introduced: 2/18/2021

Last Amend: 9/3/2021

Location: 9/23/2021-S. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would require the State Air Resources Board, by July 1, 2023, to develop a comprehensive strategy for the state’s cement sector to achieve net-zero emissions of greenhouse gases associated with cement used within the state as soon as possible, but no later than December 31, 2045. The bill would require the state board, in developing this comprehensive strategy, to define a metric for greenhouse gas intensity and evaluate data, as provided, to establish a baseline from which to measure greenhouse gas intensity reductions, coordinate and consult with other state agencies, prioritize actions that leverage state and federal incentives, and evaluate measures to support market demand and financial incentives to encourage the production and use of cement with low greenhouse gas intensity, among other actions.

Vote Events:

- 09/09/2021 SEN. Unfinished Business (Y:29 N:9 A:2) (P)
- 09/08/2021 ASM. THIRD READING (Y:73 N:2 A:4) (P)
- 08/26/2021 ASM. APPR. (Y:13 N:3 A:0) (P)
- 06/23/2021 ASM. NAT. RES. (Y:11 N:0 A:0) (P)
- 05/24/2021 SEN. Senate 3rd Reading (Y:31 N:9 A:0) (P)
- 05/20/2021 SEN. APPR. (Y:5 N:2 A:0) (P)
- 05/17/2021 SEN. APPR. (Y:7 N:0 A:0) (P)
- 04/29/2021 SEN. E.Q. (Y:5 N:1 A:1) (P)

Total Measures: 19

Total Tracking Forms: 19

The following page(s) contain the backup material for Agenda Item: [Set Date of January 24, 2022 to conduct a public hearing to consider the amendment of Rule 900 – Standards of Performance for New Stationary Sources \(NSPS\) and Rule 1000 – National Emission Standards for Hazardous Air Pollutants \(NESHAP\), as well as to receive and file updates to the Airborne Toxic Measures \(ATCMs\) and Maximum Achievable Control Technology \(MACT\) standards Notifications.](#) Presenter: [Alan De Salvio, Deputy APCO.](#)

Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #10

DATE: October 25, 2021

RECOMMENDATION: Set Date of January 24, 2022 to conduct a public hearing to consider the amendment of Rule 900 – Standards of Performance for New Stationary Sources (NSPS) and Rule 1000 – National Emission Standards for Hazardous Air Pollutants (NESHAP), as well as to receive and file updates to the Airborne Toxic Measures (ATCMs) and Maximum Achievable Control Technology (MACT) standards Notifications.

SUMMARY: Rule 900 and Rule 1000 are proposed for amendment to update citations and adopt by reference various amended Federal Standards. The ATCM and MACT Notifications will also be updated by reference to the most current versions as well.

BACKGROUND: Local air districts may receive delegation of authority to implement and enforce Federal New Source Performance Standards (NSPS) and National Emissions Standards for Hazardous Air Pollutants (NESHAP) by submitting a petition to the United States Environmental Protection Agency (USEPA). The Mojave Desert Air Quality Management District (MDAQMD), has in the past submitted such petitions and received delegations for certain NSPS and NESHAP standards.

Since the last District amendment on February 25, 2019, the USEPA has made amendments to variety of NSPS and NESHAP standards. The proposed amendments will update both Rule 900 and Rule 1000 to include the amendments to the NSPS and NESHAP standards which have occurred since the last submission.

In addition, the MDAQMD is authorized, pursuant to statute (Health & Safety Code §39666 to enforce certain state adopted ATCMs and a variety of a MACT standards. As an informational measure, the MDAQMD has included two Notifications in the District's rulebook which list the ATCMs and MACT standards enforceable within the District's jurisdiction. Both CARB and USEPA have added and updated various ATCMs and MACT standards since the last time these were updated. Therefore, this action will receive and file Notification: California Airborne Toxic Control Measures (ATCMs) and Notification: Maximum Available Control Technology (MACT) and direct their inclusion into the MDAQMD rulebook.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #10

PAGE 2

A Notice of Exemption, Categorical Exemption (Class 8; 14 Cal. Code Reg. §15308) will be prepared by the MDAQMD for the amendment of Rules 900 and 1000 pursuant to the requirements of CEQA.

REASON FOR RECOMMENDATION: Health & Safety Code §§40702 and 40703 require the Governing Board to hold a public hearing before adopting rules and regulation.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Alan De Salvio, Deputy APCO on or about October 8, 2021.

FINANCIAL DATA: No increase in appropriation is anticipated.

PRESENTER: Alan De Salvio, Deputy APCO

The following page(s) contain the backup material for Agenda Item: [Set Date of January 24, 2022 to conduct a public hearing to consider the amendment of Rule 1126 – Municipal Solid Waste Landfills and approval of California Environmental Quality Act \(CEQA\) documentation. Presenter: Alan De Salvio, Deputy APCO.](#)
Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #11

DATE: October 25, 2021

RECOMMENDATION: Set Date of January 24, 2022 to conduct a public hearing to consider the amendment of Rule 1126 – *Municipal Solid Waste Landfills* and approval of California Environmental Quality Act (CEQA) documentation.

SUMMARY: This item officially sets the date for the mandatory public hearing to be held on the amendment of Rule 1126. Rule 1126 is proposed for amendment in response to EPA revisions to the Standards of Performance for Municipal Solid Waste Landfills.

BACKGROUND: MDAQMD Rule 1126 – Municipal Solid Waste Landfills, limits non-methane organic compound (MNOC) emissions of from municipal solid waste (MSW) landfills by implementing the provisions of 40 CFR Part 60, Subpart Cc – Emission Guidelines and Compliance Times for Landfills. In August of 2016, the EPA made changes to the Standards of Performance for Municipal Solid Waste (MSW) Landfills (81 FR 59331) in response to a standards of performance review requires by the CAA section 111. In order to avoid possible confusion regarding which MSW landfills would actually be subject to these requirements, the EPA established a new subpart XXX (40 CFR part 60, subpart XXX) rather than merely updating the existing subpart WWW (40 CFR part 60, subpart WWW). MDAQMD Rule 1126 - *Municipal Solid Waste Landfills* was originally adopted in August of 2000, and will be updated to implement the new CFR subparts (40 CFR part 60, subpart Cf; 40 CFR part 60, subpart XXX).

A Notice of Exemption, Categorical Exemption (Class8; 14 Cal. Code Reg. §15308) will be prepared by the MDAQMD for the amendment of Rule 1126 pursuant to the requirements of CEQA.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #11

PAGE 2

REASON FOR RECOMMENDATION: Health & Safety Code §§40702 and 40703 require the Governing Board to hold a public hearing before adopting rules and regulation. Also, 42 U.S.C. §7410 (FCAA §110) requires that all SIP revisions be adopted after public notice and hearing.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Alan De Salvio, Deputy APCO on or about October 7, 2021.

FINANCIAL DATA: No increase in appropriation is anticipated.

PRESENTER: Alan De Salvio, Deputy APCO

The following page(s) contain the backup material for Agenda Item: [Receive and file. This item reports the status of the District's Other Post-Employment Benefits \(OPEB\) and Pension Rate Stabilization Program \(PRSP\) irrevocable trust and investment summary.](#)
[Presenter: Laquita Cole, Finance Manager.](#)

Please scroll down to view the backup material.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #14

DATE: October 25, 2021

RECOMMENDATION: Receive and file. This item reports the status of the District's Other Post-Employment Benefits (OPEB) and Pension Rate Stabilization Program (PRSP) irrevocable trust and investment summary.

SUMMARY: This item reports the status of the District's Other Post-Employment Benefits (OPEB) and Pension Rate Stabilization Program (PRSP) irrevocable trust and investment summary.

BACKGROUND: The establishment and purpose of the District's OPEB and PRSP trust is provided as Exhibit 1. Excerpts from the annual Client Review including the investment summary and its performance as of May 31, 2021 are provided as Exhibit 2. The monthly account summary is provided as Exhibit 3.

OPEB: The investment strategy selected targets a 7% interest rate. As of the August 2021 statement the investment return since inception has averaged 9.05%. Investment earnings for the life of the fund total \$370,557. The District has withdrawn \$149,194 to offset retiree medical costs. The balance in the account on August 31, 2021 was \$917,623.

PSRP: The investment strategy selected targets a 5% return; as of the August 31, 2021 statement the investment return since inception has averaged 10.95%. Investment earnings for the life of the fund total \$366,790. The balance in the account on August 31, 2021 was \$1,416,543. The District's strategy going forward is to deposit 10% of the change in the Net Pension Liability to offset the growing liability of future pension expenses.

REASON FOR RECOMMENDATION: Receive and file; this is for information only.

REVIEW BY OTHERS: This item was reviewed by Karen Nowak, District Counsel as to legal form and by Brad Poiriez, Executive Director on or about September 30, 2021.

FINANCIAL DATA: No increase in appropriation is anticipated.

PRESENTER: Laquita Cole, Finance Manager

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #14

PAGE 2

Exhibit 1

On November 23, 2009 the Governing Board adopted Resolution No. 09-10 which established an irrevocable trust (“Trust”) to address the District’s liability for Other Post-Employment Benefits (OPEB) for retired employees. The contributions made for the OPEB liability total \$547,066.

On January 23, 2017 the Governing Board adopted Resolution No. 17-02 which established an irrevocable trust under the Pension Rate Stabilization Program (PSRP), to address the District’s liability for future employee retirement benefits. GASB 68 requires the District to calculate and report the District’s liability for future retirement benefits for eligible employees. As actuarial calculations improve and financial conditions deteriorate the District’s obligations continue to rapidly increase. The Trust is a method to reserve resources to offset the liability.

In March 2017 the Governing Board approved the Investment Guidelines Document for the new “combined” Trust now called the “Public Agencies Post-Employment Benefits Trust.” By combining the assets of for OPEB and PRSP the District has the opportunity to increase investment earnings and restrict the use of the funds for the intended purposes. The earnings are calculated and reported separately for each portion of the Trust.

Other Post-Employment Benefits (OPEB)

The purpose of the Trust is to offset the District’s future liability for contributions required for promised retiree health care benefits. The District’s retiree health care benefits have two parts:

1. As a member of CalPERS for health benefits, the District is subject to the Public Employees Medical and Hospital Care Act (PEMHCA). This statute requires the member employer to contribute toward employee health care benefits which are currently \$139 per employee per month. The unique feature of participating in CalPERS health plan is that employees have the right under the statute to continue medical coverage with CalPERS into retirement and the District is obligated to continue the “PEMHCA Contribution” for as long as the retiree, or their dependents, remains enrolled.
2. The District negotiated the “Retiree Medical Benefit” effective July 1, 2004. Employees are eligible with 20 years of public service including employment with a member agency and at least 10 years of service with the District. The District will contribute 2% per service year toward the retiree’s (and spouse) medical premium under a CalPERS plan. The contribution is payable for 60 months from retirement or until the retiree reaches the age of 65, or Medicare eligible whichever event occurs first.

**MINUTES OF THE GOVERNING BOARD
OF THE MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
VICTORVILLE, CALIFORNIA**

AGENDA ITEM #14

PAGE 3

These obligations create a future liability for which the District has created the Trust. Actuarial analyses are conducted every two years to ensure the Trust is funded with a 30 year horizon. The District has to option to withdraw an amount to offset contributions made for retirees during the fiscal year. The District is opting to not withdraw the approximate amount of \$40,000 to allow the earnings to grow to meet new GASB requirements.

Pension Rate Stabilization Program (PRSP)

Common to public agency employers is a Net Pension Liability, also known as the unfunded liability for the agency pension or retirement plan. The PRSP is a trust where the District allocates resources (deposits funds) to offset the future liability. The Governing Board authorized an initial deposit of \$1,000,000 to be deposited from identified District reserves. These reserves are available to withdraw for most retirement-related expenses. The District's strategy going forward will be to annual review the change in the Net Pension Liability and deposit into the trust all or part of the change to offset the future liability.

The District has contracted with the Public Agency Retirement Services (PARS) to be the administrator of the Trust account. The primary reason for selecting PARS was the endorsement offered by the California Special Districts Association, their experience as a trust administrator, and their asset allocation strategies that allowed tailoring investment targets. Annually, representatives from PARS provide a review of the plan, offer guidance regarding the investment mix, and update pertinent information that might affect the administration of the trust.

PUBLIC
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RETIREMENT
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PARS

TRUSTED SOLUTIONS. LASTING RESULTS.



MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT

PARS 115 Trust – OPEB Prefunding Program and Pension Rate Stabilization Program
June 22, 2021

CONTACTS



Mitch Barker
Executive Vice President
(800) 540-6369 x116
mbarker@pars.org

Will Rogers
Client Services Coordinator
(800) 540-6369 x161
wrogers@pars.org



Christiane Tsuda
Senior Portfolio Manager
(858) 551-5359
christiane.tsuda@highmarkcapital.com

PARS 115 TRUST TEAM

Trust Administrator & Consultant



- Recordkeeping
- Sub-trust accounting
- Monitors plan compliance
- Processes contributions/disbursements
- Hands-on, dedicated support teams
- Coordinates all agency services

37 Years of Experience (1984-2021)	2,000+ Plans under Administration	1,000+ Public Agency Clients	400+ 115 Trust Clients	500K+ Plan Participants	\$6.0B Assets under Administration
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Trustee



- 5th largest commercial bank and one of the nation's largest trustees for Section 115 trusts
- Safeguard plan assets
- Oversight protection as plan fiduciary
- Custodian of assets

158 Years of Experience (1863-2021)	\$5.0T Assets under Administration
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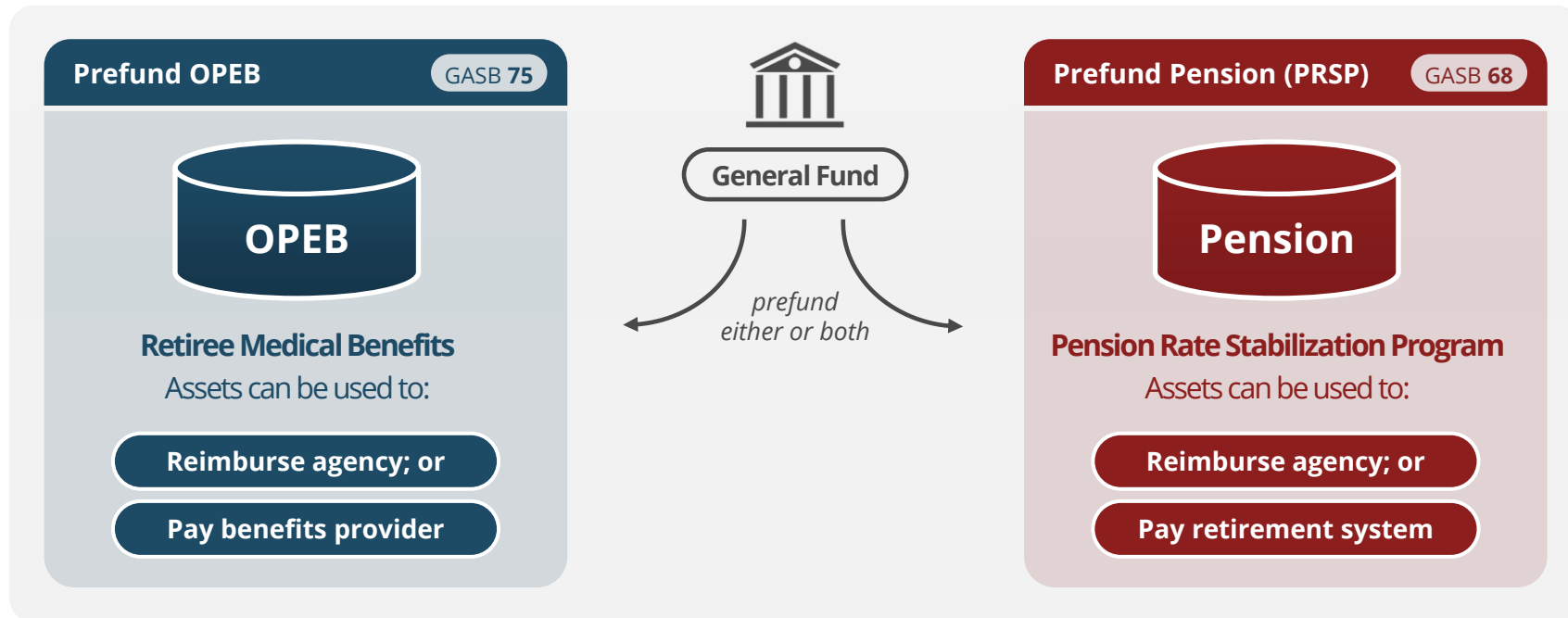
Investment Manager



- Investment sub-advisor to trustee U.S. Bank
- Investment policy assistance
- Uses open architecture
- Active and passive platform options
- Customized portfolios (with minimum asset level)

102 Years of Experience (1919-2021)	\$18.2B Assets under Management & Advisement
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PARS IRS-APPROVED SECTION 115 TRUST



Subaccounts

OPEB and pension assets are individually sub-accounted, and can be divided by dept., bargaining group, or cost center.



Financial Stability

Assets in the PARS Section 115 Combination Trust can be used to address unfunded liabilities.



Flexible Investing

Allows separate investment strategies for OPEB and pension subaccounts.



Anytime Access

Trust funds are available anytime; OPEB for OPEB and pension for pension.



Economies-of-Scale

OPEB and pension assets aggregate and reach lower fees on tiered schedule sooner – saving money!



No Set Up Cost or Minimums

No set-up costs, no minimum annual contribution amounts, and no fees until assets are added.

SUMMARY OF AGENCY'S OPEB PLAN

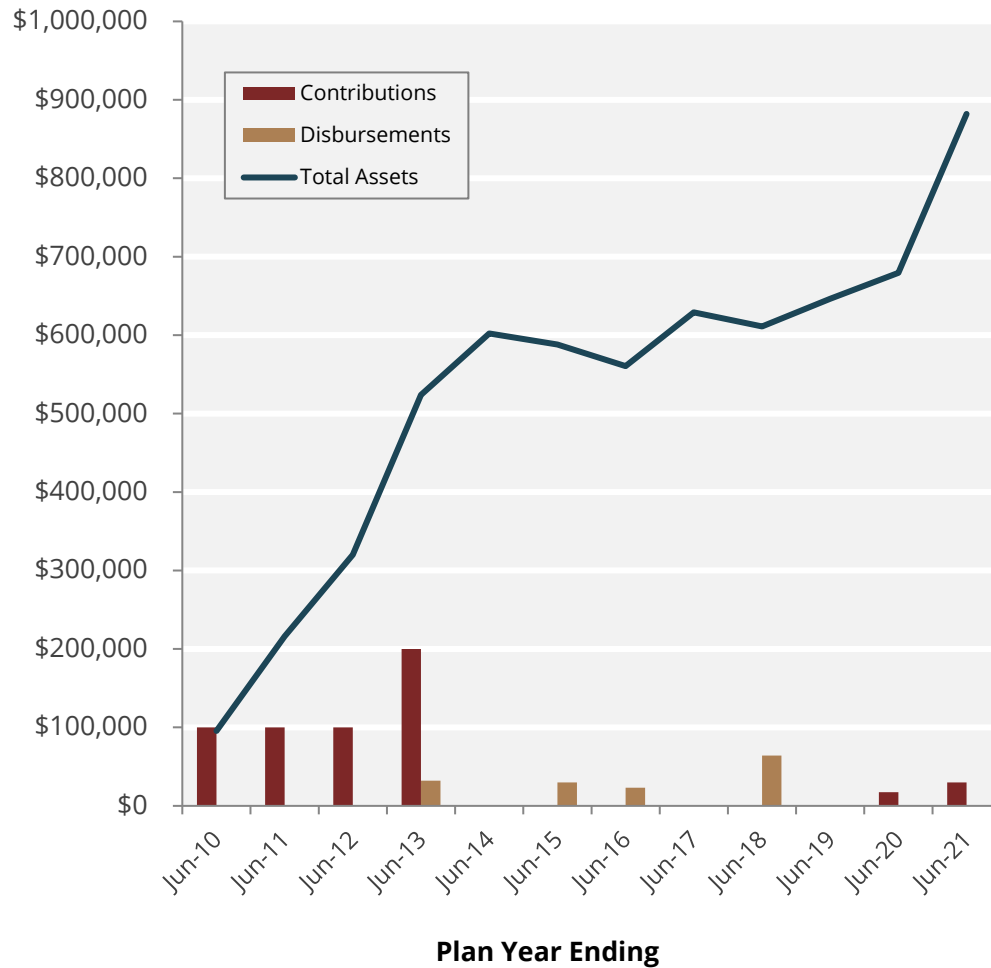
Plan Type:	IRC Section 115 Irrevocable Exclusive Benefit Trust
Trustee Approach:	Discretionary
Plan Effective Date:	November 23, 2009
Plan Administrator:	Executive Director
Current Investment Strategy:	Balanced HighMark PLUS (Active) Strategy; Pooled Account

AS OF MAY 31, 2021:

Initial Contribution:	May 2010: \$100,000
Additional Contributions:	\$447,066
Total Contributions:	\$547,066
Disbursements:	\$149,194
Total Investment Earnings:	\$503,331
Account Balance:	\$882,032

SUMMARY OF AGENCY'S OPEB PLAN

CONTRIBUTIONS, DISBURSEMENTS, AND TOTAL ASSETS AS OF MAY 31, 2021:



Year	Contributions	Disbursements	Total Assets
Jun-10*	\$100,000	\$0	\$95,487
Jun-11	\$100,000	\$0	\$216,079
Jun-12	\$100,000	\$0	\$320,080
Jun-13	\$200,000	\$31,993	\$523,833
Jun-14	\$0	\$0	\$602,104
Jun-15	\$0	\$29,889	\$588,142
Jun-16	\$0	\$23,152	\$560,524
Jun-17	\$0	\$0	\$629,068
Jun-18	\$0	\$64,161	\$611,196
Jun-19	\$0	\$0	\$646,380
Jun-20	\$17,288	\$0	\$679,537
Jun-21**	\$29,778	\$0	\$882,032

*Plan Year Ending June 2010 is based on 4 months of activity.
 **Plan Year Ending June 2021 is based on 11 months of activity.

OPEB ACTUARIAL RESULTS

- We have received the actuarial report by MacLeod Watts dated October 30, 2019 with a measurement date as of June 30, 2019. In the table below, we have summarized the results.

Demographic Study	Valuation Date: July 1, 2015	Measurement Date: June 30, 2019
Actives	25	23
Retirees	11	16
Total	36	39
Average Active Age	47.44	46.1
Average Active Agency Service	11.24	12.4

OPEB ACTUARIAL RESULTS

	Valuation Date: July 1, 2015 Discount Rate: 7.00%	Measurement Date: June 30, 2019 Discount Rate: 6.30%
Total OPEB Liability (TOL) <i>Actuarial Accrued Liability (AAL)</i>	\$841,255	\$1,565,465
Fiduciary Net Position <i>Actuarial Value of Assets</i>	\$588,142	\$663,668*
Net OPEB Liability (NOL) <i>Unfunded Actuarial Accrued Liability (UAAL)</i>	\$253,113	\$901,797
Funded Ratio (%)	69.9%	42.39%
Actuarially Determined Contribution (ADC) <i>Annual Required Contribution (ARC)</i>	\$57,656	\$126,746
Annual Benefit Payments (Pay-as-you-Go)	\$22,517	\$94,680

*As of May 31, 2021, assets at \$882,032.

Rule of thumb: For every one percent increase in the discount rate, the unfunded liability is lowered by 10-12%.

SUMMARY OF AGENCY'S PENSION PLAN

Plan Type:	IRC Section 115 Irrevocable Exclusive Benefit Trust
Trustee Approach:	Discretionary
Plan Effective Date:	January 23, 2017
Plan Administrator:	Executive Director
Current Investment Strategy:	Moderate HighMark PLUS (Active) Strategy; Pooled Account

**Previous Investment Strategy: Moderately Conservative HighMark PLUS, Update 5/2019*

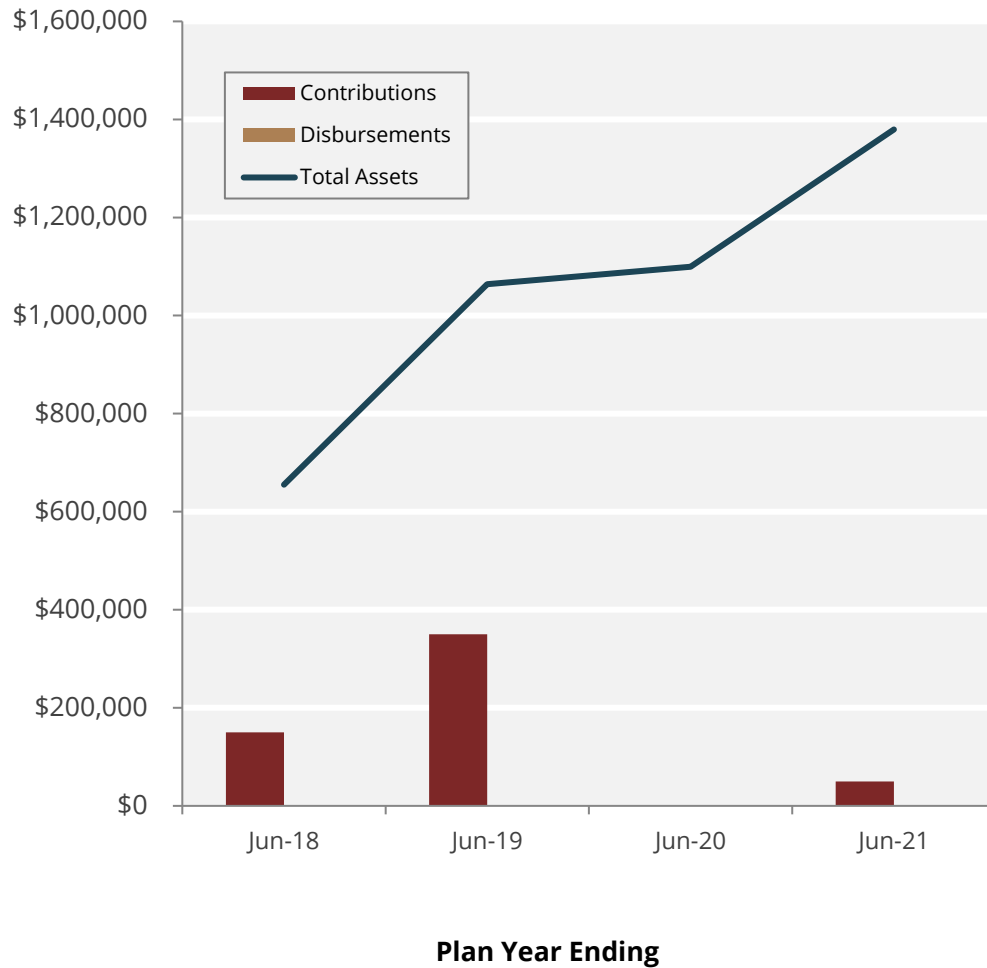
AS OF MAY 31, 2021:

Initial Contribution:	*October 2017: \$500,000
Additional Contributions:	\$549,753
Total Contributions:	\$1,049,753
Disbursements:	\$0
Total Investment Earnings:	\$344,417
Account Balance:	\$1,379,366

**Initial Contribution was due to a transfer*

SUMMARY OF AGENCY'S PENSION PLAN

CONTRIBUTIONS, DISBURSEMENTS, AND TOTAL ASSETS AS OF MAY 31, 2021:



Year	Contributions	Disbursements	Total Assets
Jun-18*	\$150,000	\$0	\$654,942
Jun-19	\$350,000	\$0	\$1,063,923
Jun-20	\$0	\$0	\$1,099,398
Jun-21**	\$49,753	\$0	\$1,379,366

*Plan Year Ending June 2018 is based on 9 months of activity.
 **Plan Year Ending June 2021 is based on 11 months of activity.

PARS: Mojave Air Quality Management District

June 2021

Presented by:

Christiane Tsuda – Senior Portfolio Manager

DISCUSSION HIGHLIGHTS – Mojave Air Quality Management District - OPEB

Asset Allocation (as of 5-31-2021)

- Stocks 63.27% (50% - 70%); Bonds 35.45% (30% - 50%); Cash 1.28% (0% - 20%)
- Large Cap 34.82%, Mid Cap 4.59%, Small Cap 9.06%, International 12.79%, REIT 2.01%
- Balanced (Active)

Performance (as of 5-31-2021) Gross of investment fees, net of fund level fees

- Year to Date: 7.39%
- 1 Year: 28.14%
- Inception to Date: 8.79% (April, 2010)

Outlook (as of 5-31-2021)

- US Economy
 - COVID, vaccines, variants.
 - Inflation, unemployment, recovery
 - Stimulus.
 - Infrastructure spending, clean energy.
- Global Economies
 - Developed international / emerging markets.
- Federal Reserve
 - Balance sheet.
 - 10-year yield: 1.15% - 1.65% (currently 1.54%)
- Corporate Earnings
 - Q2 earnings – expectations / guidance for 2021

Selected Period Performance
MOJAVE DESERT AQMD - OPEB
AGG000543
Period Ending: 5/31/2021

Sector	1 Month	3 Months	Year to Date (5 Months)	1 Year	3 Years	5 Years	Inception to Date 04/01/2010
Cash Equivalents	.00	.01	.01	.04	1.20	.98	.47
<i>Lipper Money Market Funds Index</i>	.00	.00	.00	.02	1.15	.95	.43
Total Fixed Income	.45	.24	-1.33	3.20	5.08	3.71	3.79
<i>BBG Barclays US Aggregate Bd Index (USD)</i>	.33	-.14	-2.29	-.40	5.06	3.25	3.64
Total Equities	1.02	8.45	13.02	47.46	15.40	15.89	12.18
Large Cap Funds	.78	10.49	13.94	44.86	18.05	17.62	13.79
<i>S&P 500 Composite Index</i>	.70	10.72	12.62	40.32	18.00	17.16	14.45
Mid Cap Funds	.81	8.83	14.58	49.94	15.94	15.21	12.62
<i>Russell Midcap Index</i>	.80	8.81	14.56	50.29	16.15	15.39	13.87
Small Cap Funds	-.54	2.77	13.12	65.02	15.35	17.67	15.09
<i>Russell 2000 Index (USD)</i>	.21	3.34	15.30	64.56	13.06	16.01	12.93
REITs	.79	14.29	18.25	33.27	11.58		
<i>Wilshire REIT Index</i>	1.35	14.77	19.13	36.48	10.55		
International Equities	2.91	6.11	9.00	46.03	10.17	12.01	6.26
<i>MSCI EAFE Index (Net)</i>	3.26	8.81	10.07	38.41	8.23	9.77	6.45
<i>MSCI EM Free Index (Net USD)</i>	2.32	3.28	7.26	51.00	9.65	13.88	5.29
Total Managed Portfolio	.80	5.28	7.39	28.14	10.99	10.79	8.79

Returns are gross of account level investment advisory fees and net of any fees, including fees to manage mutual fund or exchange traded fund holdings. Securities are not FDIC insured, have no bank guarantee, and may lose value. Returns for periods over one year are annualized. The information presented has been obtained from sources believed to be accurate and reliable. Past performance is not indicative of future returns.

Asset Allocation - Mojave Air Quality Management District - OPEB

As of May 31, 2021

Current Asset Allocation		Investment Vehicle	
Equity		Range: 50% - 70%	63.27%
Large Cap Core	COFYX	Columbia Contrarian Core Cl Y	6.73%
	VGIAX	Vanguard Growth & Income Admiral Shares	12.75%
Large Cap Value	DODGX	Dodge & Cox Stock Fund	5.57%
	IVE	iShares S&P 500 Value ETF	2.52%
Large Cap Growth	HNACX	Harbor Capital Appreciation Instl	3.66%
	PRUFX	T. Rowe Price Growth Stock Fund	3.59%
Mid Cap Core	IWR	iShares Russell Mid Cap ETF	4.59%
Small Cap Value	UBVFX	Undiscovered Managers Behavioral Value R6	4.45%
Small Cap Growth	RSEJX	Victory RS Small Cap Growth Fund	4.60%
International Core	DODFX	Dodge & Cox International Stock Fund	2.01%
	DFALX	DFA Large Cap International Portfolio	3.12%
International Growth	MGRDX	MFS International Growth Fund	2.03%
Emerging Markets	HHHFX	Schroder Emerging Market Equity	5.63%
REIT	VNQ	Vanguard REIT ETF	2.01%
Fixed Income		Range: 30% - 50%	35.45%
Short-Term	VFSUX	Vanguard Short-Term Corp Adm Fund	5.65%
Intermediate-Term	PTRQX	Prudential Total Return Bd Cl Q	9.40%
	DBLFX	DoubleLine Core Fixed Income I	9.33%
	PTTRX	PIMCO Total Return Instl Fund	9.37%
	PHIYX	PIMCO High Yield Instl Fund	1.70%
Cash		Range: 0% - 20%	1.28%
	FGZXX	First American Government Obligations Fund	1.28%
TOTAL			100.00%

Mojave Desert Air Quality Management District - OPEB

For Period Ending May 31, 2021

LARGE CAP EQUITY FUNDS							
Fund Name	1-Month Return	3-Month Return	Year-to-Date	1-Year Return	3-Year Return	5-Year Return	10-Year Return
Columbia Contrarian Core Inst3	1.02	10.84	13.97	43.36	19.70	16.77	14.60
Vanguard Growth & Income Adm	0.93	11.59	13.55	41.80	17.41	16.83	14.50
Harbor Capital Appreciation Retirement	-2.34	1.83	1.59	41.91	23.23	23.84	17.57
T. Rowe Price Growth Stock I	-1.49	5.43	8.06	41.14	20.99	22.09	17.11
Dodge & Cox Stock	3.39	15.61	26.34	62.18	16.43	16.86	13.63
iShares S&P 500 Value ETF	2.40	12.82	17.56	39.59	13.64	12.82	11.56
S&P 500 TR USD	0.70	10.72	12.62	40.32	18.00	17.16	14.38
MID CAP EQUITY FUNDS							
iShares Russell Mid-Cap ETF	0.79	8.75	14.49	50.02	15.99	15.21	12.66
SMALL CAP EQUITY FUNDS							
Undiscovered Managers Behavioral Val R6	3.21	13.23	30.86	97.89	11.31	12.71	12.70
Victory RS Small Cap Growth R6	-4.39	-7.59	-3.29	34.78	14.32	20.77	13.98
Russell 2000 TR USD	0.21	3.34	15.30	64.56	13.06	16.01	11.86
REAL ESTATE FUNDS							
Vanguard Real Estate ETF	0.79	14.39	18.27	34.08	12.47	7.94	9.06
INTERNATIONAL EQUITY FUNDS							
Fund Name	1-Month Return	3-Month Return	Year-to-Date	1-Year Return	3-Year Return	5-Year Return	10-Year Return
Dodge & Cox International Stock	4.38	8.85	13.98	49.89	7.43	9.75	5.47
DFA Large Cap International I	3.94	10.48	12.02	40.95	8.61	10.35	5.85
MFS International Growth R6	3.67	9.38	8.02	37.33	12.72	14.00	8.02
MSCI EAFE NR USD	3.26	8.81	10.07	38.41	8.23	9.77	5.88
Hartford Schroders Emerging Mkts Eq F	1.51	1.51	5.95	52.70	11.82	15.83	5.28
MSCI EM NR USD	2.32	3.28	7.26	51.00	9.65	13.88	4.10
BOND FUNDS							
DoubleLine Core Fixed Income I	0.39	0.16	-0.85	4.20	4.51	3.56	4.14
PGIM Total Return Bond R6	0.72	0.21	-2.66	3.17	5.81	4.50	4.59
PIMCO Total Return Instl	0.35	0.04	-1.80	1.77	5.52	3.97	3.66
Vanguard Short-Term Investment-Grade Adm	0.32	0.42	0.26	3.24	4.21	2.98	2.59
BBgBarc US Agg Bond TR USD	0.33	-0.14	-2.29	-0.40	5.06	3.25	3.29
PIMCO High Yield Instl	0.24	1.24	1.26	11.20	6.56	6.44	5.75
ICE BofA US High Yield Mstr II Index	0.29	1.56	2.31	15.17	6.79	7.24	6.28

Source: SEI Investments, Morningstar Investments

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DISCUSSION HIGHLIGHTS – Mojave Air Quality Management District - Pension

Asset Allocation (as of 5-31-2021)

- Stocks 52.67% (40% - 60%); Bonds 46.14% (40% - 60%); Cash 1.19% (0% - 20%)
- Large Cap 28.76%, Mid Cap 3.75%, Small Cap 7.55%, International 10.81%, REIT 1.79%
- Moderate (Active)

Performance (as of 5-31-2021) Gross of investment fees, net of fund level fees

- Year to Date: 5.97%
- 1 Year: 23.55%
- Inception to Date: 8.62% (Oct, 2017)

Outlook (as of 5-31-2021)

- US Economy
 - COVID, vaccines, variants.
 - Inflation, unemployment, recovery
 - Stimulus.
 - Infrastructure spending, clean energy.
- Global Economies
 - Developed international / emerging markets.
- Federal Reserve
 - Balance sheet.
 - 10-year yield: 1.15% - 1.65% (currently 1.54%)
- Corporate Earnings
 - Q2 earnings – expectations / guidance for 2021

Selected Period Performance
MOJAVE DESERT AQMD - PENSION
AGG000566
Period Ending: 5/31/2021

Sector	1 Month	3 Months	Year to Date (5 Months)	1 Year	3 Years	Inception to Date 10/01/2017
Cash Equivalents	.00	.01	.01	.04	1.18	1.20
<i>Lipper Money Market Funds Index</i>	<i>.00</i>	<i>.00</i>	<i>.00</i>	<i>.02</i>	<i>1.15</i>	<i>1.15</i>
Total Fixed Income	.44	.24	-1.29	3.17	5.05	3.76
<i>BBG Barclays US Aggregate Bd Index (USD)</i>	<i>.33</i>	<i>-.14</i>	<i>-2.29</i>	<i>-.40</i>	<i>5.06</i>	<i>3.80</i>
Total Equities	1.03	8.45	13.04	47.46	15.32	14.47
Large Cap Funds	.78	10.45	13.92	44.95	18.05	17.19
<i>S&P 500 Composite Index</i>	<i>.70</i>	<i>10.72</i>	<i>12.62</i>	<i>40.32</i>	<i>18.00</i>	<i>17.17</i>
Mid Cap Funds	.80	8.79	14.53	49.99	15.78	15.06
<i>Russell Midcap Index</i>	<i>.80</i>	<i>8.81</i>	<i>14.56</i>	<i>50.29</i>	<i>16.15</i>	<i>15.37</i>
Small Cap Funds	-.49	2.85	13.21	64.79	15.12	15.81
<i>Russell 2000 Index (USD)</i>	<i>.21</i>	<i>3.34</i>	<i>15.30</i>	<i>64.56</i>	<i>13.06</i>	<i>13.61</i>
REITs	.76	14.19	18.11	33.43	11.82	8.80
<i>Wilshire REIT Index</i>	<i>1.35</i>	<i>14.77</i>	<i>19.13</i>	<i>36.48</i>	<i>10.55</i>	<i>8.21</i>
International Equities	2.93	6.15	9.01	46.00	10.06	8.76
<i>MSCI EAFE Index (Net)</i>	<i>3.26</i>	<i>8.81</i>	<i>10.07</i>	<i>38.41</i>	<i>8.23</i>	<i>7.44</i>
<i>MSCI EM Free Index (Net USD)</i>	<i>2.32</i>	<i>3.28</i>	<i>7.26</i>	<i>51.00</i>	<i>9.65</i>	<i>9.17</i>
Total Managed Portfolio	.74	4.48	5.97	23.55	10.15	8.62

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Asset Allocation - Mojave Air Quality Management District - Pension

As of May 31, 2021

Current Asset Allocation		Investment Vehicle	
Equity		Range: 40% - 60%	52.67%
Large Cap Core	COFYX	Columbia Contrarian Core Cl Y	5.51%
	VGIAX	Vanguard Growth & Income Admiral Shares	10.46%
Large Cap Value	DODGX	Dodge & Cox Stock Fund	4.60%
	IVE	iShares S&P 500 Value ETF	2.09%
Large Cap Growth	HNACX	Harbor Capital Appreciation Instl	3.08%
	PRUFX	T. Rowe Price Growth Stock Fund	3.02%
Mid Cap Core	IWR	iShares Russell Mid Cap ETF	3.75%
Small Cap Value	UBVFX	Undiscovered Managers Behavioral Value R6	3.67%
Small Cap Growth	RSEJX	Victory RS Small Cap Growth Fund	3.88%
International Core	DODFX	Dodge & Cox International Stock Fund	1.70%
	DFALX	DFA Large Cap International Portfolio	2.65%
International Growth	MGRDX	MFS International Growth Fund	1.73%
Emerging Markets	HHHFX	Schroder Emerging Market Equity	4.73%
REIT	VNQ	Vanguard REIT ETF	1.79%
Fixed Income		Range: 40% - 60%	46.14%
Short-Term	VFSUX	Vanguard Short-Term Corp Adm Fund	8.37%
Intermediate-Term	PTRQX	Prudential Total Return Bd Cl Q	11.92%
	DBLFX	DoubleLine Core Fixed Income I	11.86%
	PTTRX	PIMCO Total Return Instl Fund	11.87%
	PHIYX	PIMCO High Yield Instl Fund	2.11%
Cash		Range: 0% - 20%	1.19%
	FGZXX	First American Government Obligations Fund	1.19%
TOTAL			100.00%

Mojave Desert Air Quality Management District - Pension

For Period Ending May 31, 2021

LARGE CAP EQUITY FUNDS							
Fund Name	1-Month Return	3-Month Return	Year-to-Date	1-Year Return	3-Year Return	5-Year Return	10-Year Return
Columbia Contrarian Core Inst3	1.02	10.84	13.97	43.36	19.70	16.77	14.60
Vanguard Growth & Income Adm	0.93	11.59	13.55	41.80	17.41	16.83	14.50
Harbor Capital Appreciation Retirement	-2.34	1.83	1.59	41.91	23.23	23.84	17.57
T. Rowe Price Growth Stock I	-1.49	5.43	8.06	41.14	20.99	22.09	17.11
Dodge & Cox Stock	3.39	15.61	26.34	62.18	16.43	16.86	13.63
iShares S&P 500 Value ETF	2.40	12.82	17.56	39.59	13.64	12.82	11.56
S&P 500 TR USD	0.70	10.72	12.62	40.32	18.00	17.16	14.38
MID CAP EQUITY FUNDS							
iShares Russell Mid-Cap ETF	0.79	8.75	14.49	50.02	15.99	15.21	12.66
SMALL CAP EQUITY FUNDS							
Undiscovered Managers Behavioral Val R6	3.21	13.23	30.86	97.89	11.31	12.71	12.70
Victory RS Small Cap Growth R6	-4.39	-7.59	-3.29	34.78	14.32	20.77	13.98
Russell 2000 TR USD	0.21	3.34	15.30	64.56	13.06	16.01	11.86
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Vanguard Real Estate ETF	0.79	14.39	18.27	34.08	12.47	7.94	9.06
INTERNATIONAL EQUITY FUNDS							
Fund Name	1-Month Return	3-Month Return	Year-to-Date	1-Year Return	3-Year Return	5-Year Return	10-Year Return
Dodge & Cox International Stock	4.38	8.85	13.98	49.89	7.43	9.75	5.47
DFA Large Cap International I	3.94	10.48	12.02	40.95	8.61	10.35	5.85
MFS International Growth R6	3.67	9.38	8.02	37.33	12.72	14.00	8.02
MSCI EAFE NR USD	3.26	8.81	10.07	38.41	8.23	9.77	5.88
Hartford Schroders Emerging Mkts Eq F	1.51	1.51	5.95	52.70	11.82	15.83	5.28
MSCI EM NR USD	2.32	3.28	7.26	51.00	9.65	13.88	4.10
BOND FUNDS							
DoubleLine Core Fixed Income I	0.39	0.16	-0.85	4.20	4.51	3.56	4.14
PGIM Total Return Bond R6	0.72	0.21	-2.66	3.17	5.81	4.50	4.59
PIMCO Total Return Instl	0.35	0.04	-1.80	1.77	5.52	3.97	3.66
Vanguard Short-Term Investment-Grade Adm	0.32	0.42	0.26	3.24	4.21	2.98	2.59
BBgBarc US Agg Bond TR USD	0.33	-0.14	-2.29	-0.40	5.06	3.25	3.29
PIMCO High Yield Instl	0.24	1.24	1.26	11.20	6.56	6.44	5.75
ICE BofA US High Yield Mstr II Index	0.29	1.56	2.31	15.17	6.79	7.24	6.28

Source: SEI Investments, Morningstar Investments

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ADMINISTRATIVE REVIEW

- 1 Future contributions
- 2 Future disbursement requests/options
- 3 Agency's future actuarial valuation for GASB 45/75 compliance
Next valuation measurement date: (06/2020)
- 4 GASB 75 updates – effective for fiscal years beginning after June 15, 2017
- 5 Investment Guidelines Document:
PRSP: Signed 5/2019; OPEB – Signed 06/2016
- 6 Client funding policy
- 7 Client Feedback
- 8 GASB 74/75 Compliance
- 9 Employer Portal – Now Available



EMPLOYER PORTAL

Public Agency Retirement Services (PARS) is pleased to announce the launch of our new employer portal for the IRC Section 115 Trust. Features include:

- Latest monthly account balance
- Transaction history
- Downloadable prior statements
- Investment Performance

To access this powerful new tool for account management, please provide:

- Opt-In Addendum
- Agency Personnel Designation Form

employer.pars.org

GASB 74/75 REPORTING

- **To assist our public agency clients with GASB 74/75, PARS will be providing the following:**
 - An individual trust statement of each agency's plan assets that shows a reconciliation of assets held at the beginning of the fiscal year through the end of the fiscal year, breaking out the appropriate plan contributions, benefit payments, expenses, and investment earnings
 - Year-end audited financial statements of the Trust as a whole including Schedule of Changes in Fiduciary Net Position by Employer completed by CliftonLarsonAllen (CLA) that is intended to be compliant with GASB 74/75 requirements.
 - Supporting SOC 1-Type 2 report on the controls over the calculation and allocation of additions and deductions to employer accounts within the Trust
 - Investment allocation data and information on investment policies including target asset allocations and allowable asset class allocation ranges
- PARS Auditors have determined that participating plans should be considered an agent multiple-employer defined benefit OPEB plan (agent OPEB plan) as defined under GASB

PARS DIVERSIFIED PORTFOLIOS CONSERVATIVE

Q1 2021

WHY THE PARS DIVERSIFIED CONSERVATIVE PORTFOLIO?

Comprehensive Investment Solution

HighMark® Capital Management, Inc.'s (HighMark) diversified investment portfolios are designed to balance return expectations with risk tolerance. Key features include: sophisticated asset allocation and optimization techniques, four layers of diversification (asset class, style, manager, and security), access to rigorously screened, top tier money managers, flexible investment options, and experienced investment management.

Rigorous Manager Due Diligence

Our manager review committee utilizes a rigorous screening process that searches for investment managers and styles that have not only produced above-average returns within acceptable risk parameters, but have the resources and commitment to continue to deliver these results. We have set high standards for our investment managers and funds. This is a highly specialized, time consuming approach dedicated to one goal: competitive and consistent performance.

Flexible Investment Options

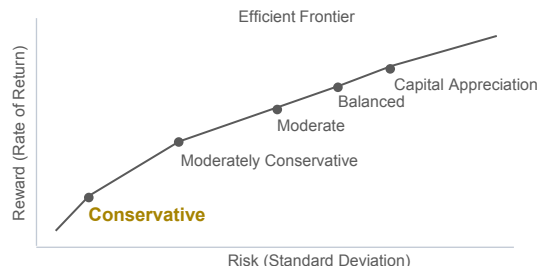
In order to meet the unique needs of our clients, we offer access to flexible implementation strategies: HighMark Plus utilizes actively managed mutual funds while Index Plus utilizes index-based securities, including exchange-traded funds. Both investment options leverage HighMark's active asset allocation approach.

Risk Management

The portfolio is constructed to control risk through four layers of diversification – asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value, growth), managers and securities. Disciplined mutual fund selection and monitoring process helps to drive return potential while reducing portfolio risk.

INVESTMENT OBJECTIVE

To provide a consistent level of inflation-protected income over the long-term. The major portion of the assets will be fixed income related. Equity securities are utilized to provide inflation protection.



ASSET ALLOCATION — CONSERVATIVE PORTFOLIO

	Strategic Range	Policy	Tactical
Equity	5 – 20%	15%	15%
Fixed Income	60 – 95%	80%	84%
Cash	0 – 20%	5%	1%

ANNUALIZED TOTAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

HighMark Plus Composite (Active)

Current Quarter*	-1.17%
Blended Benchmark*,**	-0.75%
Year To Date*	-1.17%
Blended Benchmark*,**	-0.75%
1 Year	12.59%
Blended Benchmark**	9.09%
3 Year	6.05%
Blended Benchmark**	5.73%
5 Year	5.18%
Blended Benchmark**	4.65%
10 Year	4.46%
Blended Benchmark**	4.12%

Index Plus Composite (Passive)

Current Quarter*	-1.19%
Blended Benchmark*,**	-0.75%
Year To Date*	-1.19%
Blended Benchmark*,**	-0.75%
1 Year	9.20%
Blended Benchmark**	9.09%
3 Year	5.82%
Blended Benchmark**	5.73%
5 Year	4.62%
Blended Benchmark**	4.65%
10 Year	4.18%
Blended Benchmark**	4.12%

* Returns less than one year are not annualized. **Breakdown for Blended Benchmark: From 10/1/2012 - Present: 7.5% S&P500, 1.5% Russell Mid Cap, 2.5% Russell 2000, 1% MSCI EM (net), 2% MSCI EAFE (net), 52.25% BBG Barclays US Agg, 25.75% ICE BofA 1-3 Yr US Corp/Govt, 2% ICE BofA US High Yield Master II, 0.5% Wilshire REIT, and 5% FTSE 1 Mth US T-Bill. From 4/1/2007 – 9/30/2012, the blended benchmark was 12% S&P 500, 1% Russell 2000, 2% MSCI EAFE (net), 40% ICE BofA 1-3 Year Corp./Govt, 40% BBG Barclays US Agg, 5% FTSE 1 Mth US T-Bill. Prior to April 2007: the blended benchmark was 15% S&P 500, 40% ICE BofA 1-3Yr Corp/Govt, 40% BBG Barclays US Agg, and 5% FTSE 1 Mth US T-Bill.

ANNUAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

HighMark Plus Composite (Active)

2008	-9.04%
2009	15.59%
2010	8.68%
2011	2.19%
2012	8.45%
2013	3.69%
2014	3.88%
2015	0.29%
2016	4.18%
2017	6.73%
2018	-1.35%
2019	11.05%
2020	9.03%

Index Plus Composite (Passive)

2008	-6.70%
2009	10.49%
2010	7.67%
2011	3.70%
2012	6.22%
2013	3.40%
2014	4.32%
2015	0.06%
2016	3.75%
2017	5.52%
2018	-1.09%
2019	10.37%
2020	8.56%

PORTFOLIO FACTS

HighMark Plus (Active)

Composite Inception Date 07/2004
No of Holdings in Portfolio 20

Index Plus (Passive)

Composite Inception Date
No of Holdings in Portfolio

HOLDINGS

HighMark Plus (Active)

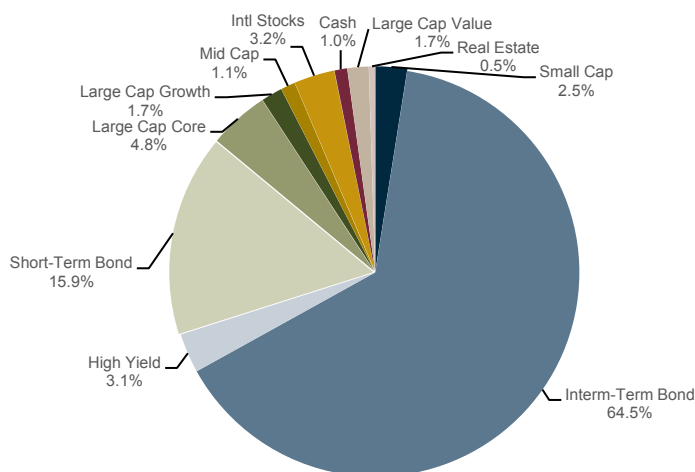
Columbia Contrarian Core I3
 Vanguard Growth & Income Adm
 Dodge & Cox Stock Fund
 iShares S&P 500 Value ETF
 Harbor Capital Appreciation - Retirement
 T. Rowe Price Growth Stock - I
 iShares Russell Mid-Cap ETF
 Vanguard Real Estate ETF
 Undiscovered Managers Behavioral Value-R6
 Victory RS Small Cap Growth - R6
 DFA Large Cap International Portfolio
 Dodge & Cox International Stock
 MFS International Growth - R6
 Hartford Schroders Emerging Markets Eq
 Vanguard Short-Term Invest-Grade Adm
 PIMCO High Yield Instl
 PIMCO Total Return Fund - Inst
 PGIM Total Return Bond - R6
 DoubleLine Core Fixed Income - I
 First American Government Obligations Z

Index Plus (Passive)

iShares Core S&P 500 ETF
 iShares S&P 500 Value ETF
 iShares S&P 500 Growth ETF
 iShares Russell Mid-Cap ETF
 Vanguard Real Estate ETF
 iShares Russell 2000 Value ETF
 iShares Russell 2000 Growth ETF
 iShares Core MSCI EAFE ETF
 Vanguard FTSE Emerging Markets ETF
 Vanguard Short-Term Invest-Grade Adm
 iShares Core U.S. Aggregate
 Vanguard High-Yield Corp Adm
 First American Government Obligations Z

Holdings are subject to change at the discretion of the investment manager.

STYLE



The performance records shown represent size-weighted composites of tax exempt accounts that meet the following criteria: Accounts are managed by HighMark with full investment authority according to the PARS Conservative active and passive objectives.

The adviser to the PARS portfolios is US Bank, and HighMark serves as sub-adviser to US Bank to manage these portfolios. US Bank may charge clients as much as 0.60% annual management fee based on a sliding scale. US Bank pays HighMark 60% of the annual management fee for assets sub-advised by HighMark under its sub-advisory agreement with US Bank. The 0.36% paid to HighMark, as well as other expenses that may be incurred in the management of the portfolio, will reduce the portfolio's returns. Assuming an investment for five years, a 5% annual total return, and an annual sub-advisory fee rate of 0.36% deducted from the assets at market at the end of each year, a \$10 million initial value would grow to \$12.53 million after fees (Net-of-Fees) and \$12.76 million before fees (Gross-of-Fees). Gross returns are presented before management and custodial fees but after all trading expenses and reflect the reinvestment of dividends and other income. A client's return will be reduced by the advisory fees and other expenses it may incur as a client. Additional information regarding the firm's policies and procedures for calculating and reporting performance results is available upon request. Performance results are calculated and presented in U.S. dollars and do not reflect the deduction of investment advisory fees, custody fees, or taxes but do reflect the deduction of trading expenses. Returns are calculated based on trade-date accounting.

Blended benchmarks represent HighMark's strategic allocations between equity, fixed income, and cash and are rebalanced monthly. Benchmark returns do not reflect the deduction of advisory fees or other expenses of investing but assumes the reinvestment of dividends and other earnings. An investor cannot invest directly in an index. The unmanaged S&P 500 Index is representative of the performance of large companies in the U.S. stock market. The MSCI EAFE Index is a free float-adjusted market capitalization index designed to measure developed market equity performance, excluding the U.S. and Canada. The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. The Russell Midcap Index measures the performance of the mid-cap segment of the U.S. equity universe. The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The ICE BofA US High Yield Master II Index tracks the performance of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market. Wilshire REIT index measures U.S. publicly traded Real Estate Investment Trusts. The unmanaged Bloomberg Barclays U.S. Aggregate Bond Index is generally representative of the U.S. taxable bond market as a whole. The ICE BofA 1-3 Year U.S. Corporate & Government Index tracks the bond performance of the ICE BofA U.S. Corporate & Government Index, with a remaining term to final maturity less than 3 years. The unmanaged FTSE 1-Month U.S. Treasury Bill Index tracks the yield of the 1-month U.S. Treasury Bill.

HighMark Capital Management, Inc. (HighMark), an SEC-registered investment adviser, is a wholly owned subsidiary of MUFG Union Bank, N.A. (MUB). HighMark manages institutional separate account portfolios for a wide variety of for-profit and nonprofit organizations, public agencies, and public and private retirement plans. MUB, a subsidiary of MUFG Americas Holdings Corporation, provides certain services to HighMark and is compensated for these services. Past performance does not guarantee future results. Individual account management and construction will vary depending on each client's investment needs and objectives. Investments employing HighMark strategies are NOT insured by the FDIC or by any other Federal Government Agency, are NOT Bank deposits, are NOT guaranteed by the Bank or any Bank affiliate, and MAY lose value, including possible loss of principal.

HIGHMARK CAPITAL MANAGEMENT

350 California Street
 Suite 1600
 San Francisco, CA 94104
 800-582-4734

ABOUT THE ADVISER

HighMark® Capital Management, Inc. (HighMark) has 100 years (including predecessor organizations) of institutional money management experience with \$9.1 billion in assets under management and \$9.2 billion in assets under advisement*. HighMark has a long term disciplined approach to money management and currently manages assets for a wide array of clients.

ABOUT THE PORTFOLIO MANAGEMENT TEAM

Andrew Brown, CFA®

Senior Portfolio Manager
 Investment Experience: since 1994
 HighMark Tenure: since 1997
 Education: MBA, University of Southern California; BA, University of Southern California

Salvatore "Tory" Milazzo III, CFA®

Senior Portfolio Manager
 Investment Experience: since 2004
 HighMark Tenure: since 2014
 Education: BA, Colgate University

J. Keith Stribling, CFA®

Senior Portfolio Manager
 Investment Experience: since 1985
 HighMark Tenure: since 1995
 Education: BA, Stetson University

Christiane Tsuda

Senior Portfolio Manager
 Investment Experience: since 1987
 HighMark Tenure: since 2010
 Education: BA, International Christian University, Tokyo

Anne Wimmer, CFA®

Senior Portfolio Manager
 Investment Experience: since 1987
 HighMark Tenure: since 2007
 Education: BA, University of California, Santa Barbara

Randy Yurchak, CFA®

Senior Portfolio Manager
 Investment Experience: since 2002
 HighMark Tenure: since 2017
 Education: MBA, Arizona State University; BS, University of Washington

Asset Allocation Committee

Number of Members: 17
 Average Years of Experience: 26
 Average Tenure (Years): 14

Manager Review Group

Number of Members: 8
 Average Years of Experience: 20
 Average Tenure (Years): 9

*Assets under management ("AUM") include assets for which HighMark provides continuous and regular supervisory and management services. Assets under advisement ("AUA") include assets for which HighMark provides certain investment advisory services (including, but not limited to, investment research and strategies) for client assets of its parent company, MUFG Union Bank, N.A.

PARS DIVERSIFIED PORTFOLIOS MODERATELY CONSERVATIVE

Q1 2021

WHY THE PARS DIVERSIFIED MODERATELY CONSERVATIVE PORTFOLIO?

Comprehensive Investment Solution

HighMark® Capital Management, Inc.'s (HighMark) diversified investment portfolios are designed to balance return expectations with risk tolerance. Key features include: sophisticated asset allocation and optimization techniques, four layers of diversification (asset class, style, manager, and security), access to rigorously screened, top tier money managers, flexible investment options, and experienced investment management.

Rigorous Manager Due Diligence

Our manager review committee utilizes a rigorous screening process that searches for investment managers and styles that have not only produced above-average returns within acceptable risk parameters, but have the resources and commitment to continue to deliver these results. We have set high standards for our investment managers and funds. This is a highly specialized, time consuming approach dedicated to one goal: competitive and consistent performance.

Flexible Investment Options

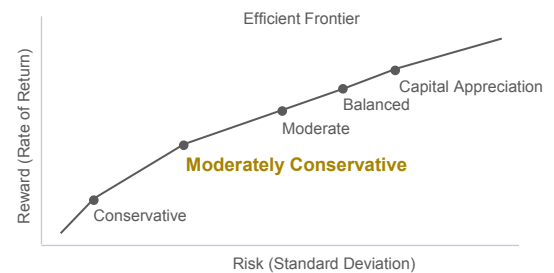
In order to meet the unique needs of our clients, we offer access to flexible implementation strategies: HighMark Plus utilizes actively managed mutual funds while Index Plus utilizes index-based securities, including exchange-traded funds. Both investment options leverage HighMark's active asset allocation approach.

Risk Management

The portfolio is constructed to control risk through four layers of diversification – asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value, growth), managers and securities. Disciplined mutual fund selection and monitoring process helps to drive return potential while reducing portfolio risk.

INVESTMENT OBJECTIVE

To provide current income, with capital appreciation as a secondary objective. The major portion of the assets is committed to income-producing securities. Market fluctuations should be expected.



ASSET ALLOCATION — MODERATELY CONSERVATIVE PORTFOLIO

	Strategic Range	Policy	Tactical
Equity	20 - 40%	30%	31%
Fixed Income	50 - 80%	65%	68%
Cash	0 - 20%	5%	1%

ANNUALIZED TOTAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

HighMark Plus Composite (Active)		Index Plus Composite (Passive)	
Current Quarter*	0.29%	Current Quarter*	0.25%
Blended Benchmark**, **	0.34%	Blended Benchmark**, **	0.34%
Year To Date*	0.29%	Year To Date*	0.25%
Blended Benchmark**, **	0.34%	Blended Benchmark**, **	0.34%
1 Year	20.82%	1 Year	16.47%
Blended Benchmark**	16.98%	Blended Benchmark**	16.98%
3 Year	7.49%	3 Year	7.26%
Blended Benchmark**	7.44%	Blended Benchmark**	7.44%
5 Year	6.92%	5 Year	6.35%
Blended Benchmark**	6.54%	Blended Benchmark**	6.54%
10 Year	5.75%	10 Year	5.51%
Blended Benchmark**	5.69%	Blended Benchmark**	5.69%

* Returns less than one year are not annualized. **Breakdown for Blended Benchmark: From 10/1/2012 - Present: 15.5% S&P500, 3% Russell Mid Cap, 4.5% Russell 2000, 2% MSCI EM (net), 4% MSCI EAFE (net), 49.25% BBG Barclays US Agg, 14% ICE BofA 1-3 Yr US Corp/Gov't, 1.75% ICE BofA US High Yield Master II, 1% Wilshire REIT, and 5% FTSE 1 Mth US T-Bill. From 4/1/2007 - 9/30/2012: the blended benchmark was 25% S&P 500; 1.5% Russell 2000, 3.5% MSCI EAFE (net), 25% ICE BofA 1-3 Year Corp./Gov't, 40% BBG Barclays US Agg, 5% FTSE 1 Mth US T-Bill. Prior to April 2007, the blended benchmark was 30% S&P 500, 25% ICE BofA 1-3Yr Corp/Gov, 40% BBG Barclays US Agg, and 5% FTSE 1 Mth US T-Bill.

ANNUAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

HighMark Plus Composite (Active)		Index Plus Composite (Passive)	
2008	-15.37%	2008	-12.40%
2009	18.71%	2009	11.92%
2010	10.46%	2010	9.72%
2011	1.75%	2011	3.24%
2012	10.88%	2012	8.24%
2013	7.30%	2013	6.78%
2014	4.41%	2014	5.40%
2015	0.32%	2015	-0.18%
2016	4.94%	2016	5.42%
2017	9.56%	2017	8.08%
2018	-2.60%	2018	-2.33%
2019	13.73%	2019	13.53%
2020	10.76%	2020	9.74%

PORTFOLIO FACTS

HighMark Plus (Active)

Composite Inception Date 08/2004
No of Holdings in Portfolio 20

Index Plus (Passive)

Composite Inception Date
No of Holdings in Portfolio

HOLDINGS

HighMark Plus (Active)

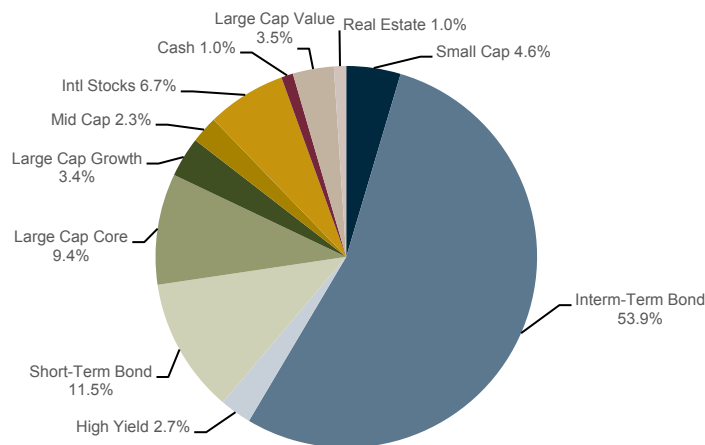
Columbia Contrarian Core I3
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 Hartford Schroders Emerging Markets Eq
 Vanguard Short-Term Invest-Grade Adm
 PIMCO High Yield Instl
 PIMCO Total Return Fund - Inst
 PGIM Total Return Bond - R6
 DoubleLine Core Fixed Income - I
 First American Government Obligations Z

Index Plus (Passive)

iShares Core S&P 500 ETF
 iShares S&P 500 Value ETF
 iShares S&P 500 Growth ETF
 iShares Russell Mid-Cap ETF
 Vanguard Real Estate ETF
 iShares Russell 2000 Value ETF
 iShares Russell 2000 Growth ETF
 iShares Core MSCI EAFE ETF
 Vanguard FTSE Emerging Markets ETF
 Vanguard Short-Term Invest-Grade Adm
 iShares Core U.S. Aggregate
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STYLE



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Blended benchmarks represent HighMark's strategic allocations between equity, fixed income, and cash and are rebalanced monthly. Benchmark returns do not reflect the deduction of advisory fees or other expenses of investing but assumes the reinvestment of dividends and other earnings. An investor cannot invest directly in an index. The unmanaged S&P 500 Index is representative of the performance of large companies in the U.S. stock market. The MSCI EAFE Index is a free float-adjusted market capitalization index designed to measure developed market equity performance, excluding the U.S. and Canada. The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. The Russell Midcap Index measures the performance of the mid-cap segment of the U.S. equity universe. The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The ICE BofA US High Yield Master II Index tracks the performance of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market. Wilshire REIT index measures U.S. publicly traded Real Estate Investment Trusts. The unmanaged Bloomberg Barclays U.S. Aggregate Bond Index is generally representative of the U.S. taxable bond market as a whole. The ICE BofA 1-3 Year U.S. Corporate & Government Index tracks the bond performance of the ICE BofA U.S. Corporate & Government Index, with a remaining term to final maturity less than 3 years. The unmanaged FTSE 1-Month U.S. Treasury Bill Index tracks the yield of the 1-month U.S. Treasury Bill.

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HIGHMARK CAPITAL MANAGEMENT

350 California Street
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 San Francisco, CA 94104
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ABOUT THE ADVISER

HighMark® Capital Management, Inc. (HighMark) has 100 years (including predecessor organizations) of institutional money management experience with \$9.1 billion in assets under management and \$9.2 billion in assets under advisement*. HighMark has a long term disciplined approach to money management and currently manages assets for a wide array of clients.

ABOUT THE PORTFOLIO MANAGEMENT TEAM

Andrew Brown, CFA®

Senior Portfolio Manager
 Investment Experience: since 1994
 HighMark Tenure: since 1997
 Education: MBA, University of Southern California; BA, University of Southern California

Salvatore "Tory" Milazzo III, CFA®

Senior Portfolio Manager
 Investment Experience: since 2004
 HighMark Tenure: since 2014
 Education: BA, Colgate University

J. Keith Stribling, CFA®

Senior Portfolio Manager
 Investment Experience: since 1985
 HighMark Tenure: since 1995
 Education: BA, Stetson University

Christiane Tsuda

Senior Portfolio Manager
 Investment Experience: since 1987
 HighMark Tenure: since 2010
 Education: BA, International Christian University, Tokyo

Anne Wimmer, CFA®

Senior Portfolio Manager
 Investment Experience: since 1987
 HighMark Tenure: since 2007
 Education: BA, University of California, Santa Barbara

Randy Yurchak, CFA®

Senior Portfolio Manager
 Investment Experience: since 2002
 HighMark Tenure: since 2017
 Education: MBA, Arizona State University; BS, University of Washington

Asset Allocation Committee

Number of Members: 17
 Average Years of Experience: 26
 Average Tenure (Years): 14

Manager Review Group

Number of Members: 8
 Average Years of Experience: 20
 Average Tenure (Years): 9

*Assets under management ("AUM") include assets for which HighMark provides continuous and regular supervisory and management services. Assets under advisement ("AUA") include assets for which HighMark provides certain investment advisory services (including, but not limited to, investment research and strategies) for client assets of its parent company, MUFG Union Bank, N.A.

WHY THE PARS DIVERSIFIED MODERATE PORTFOLIO?

Comprehensive Investment Solution

HighMark® Capital Management, Inc.'s (HighMark) diversified investment portfolios are designed to balance return expectations with risk tolerance. Key features include: sophisticated asset allocation and optimization techniques, four layers of diversification (asset class, style, manager, and security), access to rigorously screened, top tier money managers, flexible investment options, and experienced investment management.

Rigorous Manager Due Diligence

Our manager review committee utilizes a rigorous screening process that searches for investment managers and styles that have not only produced above-average returns within acceptable risk parameters, but have the resources and commitment to continue to deliver these results. We have set high standards for our investment managers and funds. This is a highly specialized, time consuming approach dedicated to one goal: competitive and consistent performance.

Flexible Investment Options

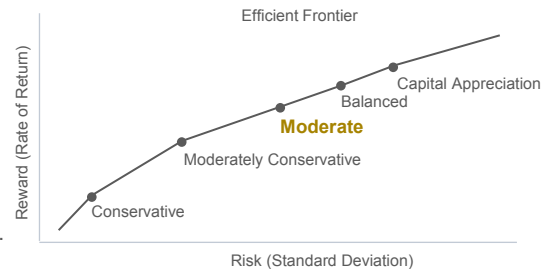
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Risk Management

The portfolio is constructed to control risk through four layers of diversification – asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value, growth), managers and securities. Disciplined mutual fund selection and monitoring process helps to drive return potential while reducing portfolio risk.

INVESTMENT OBJECTIVE

To provide current income and moderate capital appreciation. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important.



ASSET ALLOCATION — MODERATE PORTFOLIO

	Strategic Range	Policy	Tactical
Equity	40 - 60%	50%	52%
Fixed Income	40 - 60%	45%	47%
Cash	0 - 20%	5%	1%

ANNUALIZED TOTAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

HighMark Plus Composite (Active)		Index Plus Composite (Passive)	
Current Quarter*	2.24%	Current Quarter*	2.27%
Blended Benchmark**,**	2.26%	Blended Benchmark**,**	2.26%
Year To Date*	2.24%	Year To Date*	2.27%
Blended Benchmark**,**	2.26%	Blended Benchmark**,**	2.26%
1 Year	31.89%	1 Year	27.38%
Blended Benchmark**	28.56%	Blended Benchmark**	28.56%
3 Year	9.52%	3 Year	9.04%
Blended Benchmark**	9.51%	Blended Benchmark**	9.51%
5 Year	9.32%	5 Year	8.60%
Blended Benchmark**	8.95%	Blended Benchmark**	8.95%
10 Year	7.40%	10 Year	7.19%
Blended Benchmark**	7.60%	Blended Benchmark**	7.60%

* Returns less than one year are not annualized. **Breakdown for Blended Benchmark: From 10/1/2012 – Present: 26.5% S&P500, 5% Russell Mid Cap, 7.5% Russell 2000, 3.25% MSCI EM (net), 6% MSCI EAFE (net), 33.50% BBG Barclays US Agg, 10% ICE BofA 1-3 Yr US Corp/Govt, 1.50% ICE BofA US High Yield Master II, 1.75% Wilshire REIT, and 5% FTSE 1 Mth US T-Bill. From 4/1/2007 – 9/30/2012: the blended benchmark was 43% S&P 500; 2% Russell 2000, 5% MSCI EAFE (net), 15% ICE BofA 1-3 Year Corp./Govt, 30% BBG Barclays US Agg, 5% FTSE 1 Mth US T-Bill. Prior to April 2007: the blended benchmark was 50% S&P 500, 15% ICE BofA 1-3Yr Corp/Govt, 30% BBG Barclays US Agg, and 5% FTSE 1 Mth US T-Bill.

ANNUAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

HighMark Plus Composite (Active)		Index Plus Composite (Passive)	
2008	-22.88%	2008	-18.14%
2009	21.47%	2009	16.05%
2010	12.42%	2010	11.77%
2011	0.55%	2011	2.29%
2012	12.25%	2012	10.91%
2013	13.06%	2013	12.79%
2014	4.84%	2014	5.72%
2015	0.14%	2015	-0.52%
2016	6.45%	2016	7.23%
2017	13.19%	2017	11.59%
2018	-4.03%	2018	-4.03%
2019	17.71%	2019	17.52%
2020	12.92%	2020	11.23%

PORTFOLIO FACTS

HighMark Plus (Active)

Composite Inception Date 10/2004
No of Holdings in Portfolio 20

Index Plus (Passive)

Composite Inception Date
No of Holdings in Portfolio

HOLDINGS

HighMark Plus (Active)

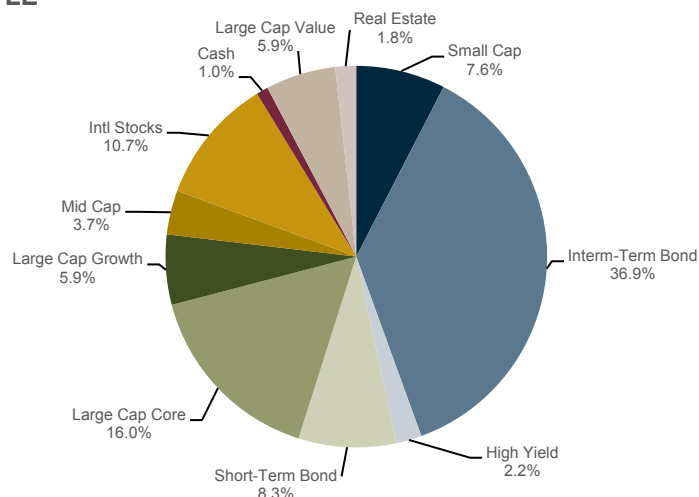
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 PGIM Total Return Bond - R6
 DoubleLine Core Fixed Income - I
 First American Government Obligations Z

Index Plus (Passive)

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 iShares Russell Mid-Cap ETF
 Vanguard Real Estate ETF
 iShares Russell 2000 Value ETF
 iShares Russell 2000 Growth ETF
 iShares Core MSCI EAFE ETF
 Vanguard FTSE Emerging Markets ETF
 Vanguard Short-Term Invest-Grade Adm
 iShares Core U.S. Aggregate
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 First American Government Obligations Z

Holdings are subject to change at the discretion of the investment manager.

STYLE



The performance records shown represent size-weighted composites of tax exempt accounts that meet the following criteria: Accounts are managed by HighMark with full investment authority according to the PARS Moderate active and passive objectives.

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Asset Allocation Committee

Number of Members: 17
 Average Years of Experience: 26
 Average Tenure (Years): 14

Manager Review Group

Number of Members: 8
 Average Years of Experience: 20
 Average Tenure (Years): 9

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PARS DIVERSIFIED PORTFOLIOS
BALANCED

Q1 2021

WHY THE PARS DIVERSIFIED BALANCED PORTFOLIO?

Comprehensive Investment Solution

HighMark® Capital Management, Inc.'s (HighMark) diversified investment portfolios are designed to balance return expectations with risk tolerance. Key features include: sophisticated asset allocation and optimization techniques, four layers of diversification (asset class, style, manager, and security), access to rigorously screened, top tier money managers, flexible investment options, and experienced investment management.

Rigorous Manager Due Diligence

Our manager review committee utilizes a rigorous screening process that searches for investment managers and styles that have not only produced above-average returns within acceptable risk parameters, but have the resources and commitment to continue to deliver these results. We have set high standards for our investment managers and funds. This is a highly specialized, time consuming approach dedicated to one goal: competitive and consistent performance.

Flexible Investment Options

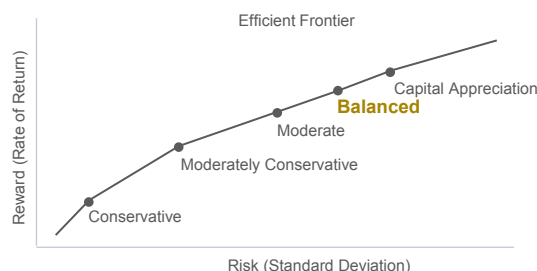
In order to meet the unique needs of our clients, we offer access to flexible implementation strategies: HighMark Plus utilizes actively managed mutual funds while Index Plus utilizes index-based securities, including exchange-traded funds. Both investment options leverage HighMark's active asset allocation approach.

Risk Management

The portfolio is constructed to control risk through four layers of diversification – asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value, growth), managers and securities. Disciplined mutual fund selection and monitoring process helps to drive return potential while reducing portfolio risk.

INVESTMENT OBJECTIVE

To provide growth of principal and income. While dividend and interest income are an important component of the objective's total return, it is expected that capital appreciation will comprise a larger portion of the total return.



ASSET ALLOCATION — BALANCED PORTFOLIO

	Strategic Range	Policy	Tactical
Equity	50 – 70%	60%	62%
Fixed Income	30 – 50%	35%	37%
Cash	0 – 20%	5%	1%

(Gross of Investment Management Fees, but Net of Embedded Fund Fees)

ANNUALIZED TOTAL RETURNS

HighMark Plus Composite (Active)		Index Plus Composite (Passive)	
Current Quarter*	3.26%	Current Quarter*	3.27%
Blended Benchmark*, **	3.17%	Blended Benchmark*, **	3.17%
Year To Date*	3.26%	Year To Date*	3.27%
Blended Benchmark*, **	3.17%	Blended Benchmark*, **	3.17%
1 Year	38.00%	1 Year	33.21%
Blended Benchmark**	34.69%	Blended Benchmark**	34.69%
3 Year	10.55%	3 Year	9.91%
Blended Benchmark**	10.52%	Blended Benchmark**	10.52%
5 Year	10.57%	5 Year	9.72%
Blended Benchmark**	10.15%	Blended Benchmark**	10.15%
10 Year	8.21%	10 Year	7.96%
Blended Benchmark**	8.58%	Blended Benchmark**	8.58%

* Returns less than one year are not annualized. **Breakdown for Blended Benchmark: From 10/1/2012 – Present: 32% S&P500, 6% Russell Mid Cap, 9% Russell 2000, 4% MSCI EM (net), 7% MSCI EAFE (net), 27% BBG Barclays US Agg, 6.75% ICE BofA 1-3 Yr US Corp/Gov't, 1.25% ICE BofA US High Yield Master II, 2% Wilshire REIT, and 5% FTSE 1 Mth US T-Bill. From 4/1/2007 – 9/30/2012: the blended benchmark was 51% S&P 500; 3% Russell 2000, 6% MSCI EAFE (net), 5% ICE BofA 1-3 Year Corp./Gov't, 30% BBG Barclays US Agg, 5% FTSE 1 Mth US T-Bill. Prior to April 2007: the blended benchmark was 60% S&P 500, 5% ICE BofA 1-3Yr Corp/Gov, 30% BBG Barclays US Agg, and 5% FTSE 1 Mth US T-Bill.

ANNUAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

HighMark Plus Composite (Active)		Index Plus Composite (Passive)	
2008	-25.72%	2008	-23.22%
2009	21.36%	2009	17.62%
2010	14.11%	2010	12.76%
2011	-0.46%	2011	1.60%
2012	13.25%	2012	11.93%
2013	16.61%	2013	15.63%
2014	4.70%	2014	6.08%
2015	0.04%	2015	-0.81%
2016	6.81%	2016	8.25%
2017	15.46%	2017	13.39%
2018	-4.88%	2018	-5.05%
2019	19.85%	2019	19.59%
2020	14.06%	2020	12.07%

PORTFOLIO FACTS

HighMark Plus (Active)

Composite Inception Date 10/2006
No of Holdings in Portfolio 20

Index Plus (Passive)

Composite Inception Date
No of Holdings in Portfolio

HOLDINGS

HighMark Plus (Active)

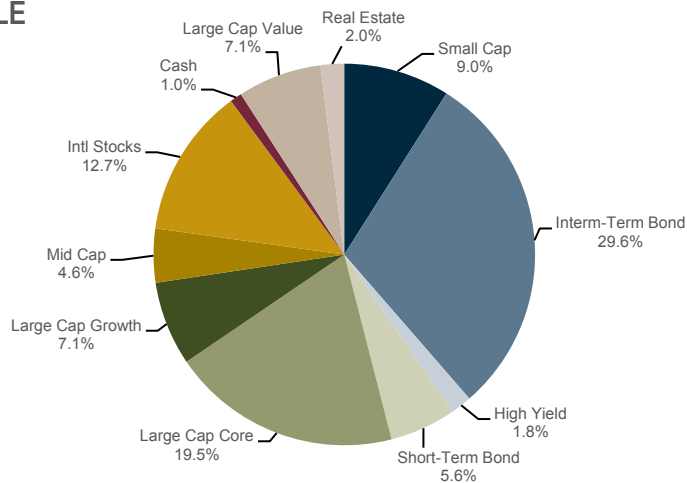
Columbia Contrarian Core I3
 Vanguard Growth & Income Adm
 Dodge & Cox Stock Fund
 iShares S&P 500 Value ETF
 Harbor Capital Appreciation - Retirement
 T. Rowe Price Growth Stock - I
 iShares Russell Mid-Cap ETF
 Vanguard Real Estate ETF
 Undiscovered Managers Behavioral Value-R6
 Victory RS Small Cap Growth - R6
 DFA Large Cap International Portfolio
 Dodge & Cox International Stock
 MFS International Growth - R6
 Hartford Schroders Emerging Markets Eq
 Vanguard Short-Term Invest-Grade Adm
 PIMCO High Yield Instl
 PIMCO Total Return Fund - Inst
 PGIM Total Return Bond - R6
 DoubleLine Core Fixed Income - I
 First American Government Obligations Z

Index Plus (Passive)

iShares Core S&P 500 ETF
 iShares S&P 500 Value ETF
 iShares S&P 500 Growth ETF
 iShares Russell Mid-Cap ETF
 Vanguard Real Estate ETF
 iShares Russell 2000 Value ETF
 iShares Russell 2000 Growth ETF
 iShares Core MSCI EAFE ETF
 Vanguard FTSE Emerging Markets ETF
 Vanguard Short-Term Invest-Grade Adm
 iShares Core U.S. Aggregate
 Vanguard High-Yield Corp Adm
 First American Government Obligations Z

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STYLE



The performance records shown represent size-weighted composites of tax exempt accounts that meet the following criteria: Accounts are managed by HighMark with full investment authority according to the PARS Balanced active and passive objectives.

The composite name has been changed from PARS Balanced/Moderately Aggressive to PARS Balanced on 5/1/2013. The adviser to the PARS portfolios is US Bank, and HighMark serves as sub-adviser to US Bank to manage these portfolios. US Bank may charge clients as much as 0.60% annual management fee based on a sliding scale. US Bank pays HighMark 60% of the annual management fee for assets sub-advised by HighMark under its sub-advisory agreement with US Bank. The 0.36% paid to HighMark, as well as other expenses that may be incurred in the management of the portfolio, will reduce the portfolio's returns. Assuming an investment for five years, a 5% annual total return, and an annual sub-advisory fee rate of 0.36% deducted from the assets at market at the end of each year, a \$10 million initial value would grow to \$12.53 million after fees (Net-of-Fees) and \$12.76 million before fees (Gross-of-Fees). Gross returns are presented before management and custodial fees but after all trading expenses and reflect the reinvestment of dividends and other income. A client's return will be reduced by the advisory fees and other expenses it may incur as a client. Additional information regarding the firm's policies and procedures for calculating and reporting performance results is available upon request. Performance results are calculated and presented in U.S. dollars and do not reflect the deduction of investment advisory fees, custody fees, or taxes but do reflect the deduction of trading expenses. Returns are calculated based on trade-date accounting.

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PARS DIVERSIFIED PORTFOLIOS CAPITAL APPRECIATION

Q1 2021

WHY THE PARS DIVERSIFIED CAPITAL APPRECIATION PORTFOLIO?

Comprehensive Investment Solution

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Rigorous Manager Due Diligence

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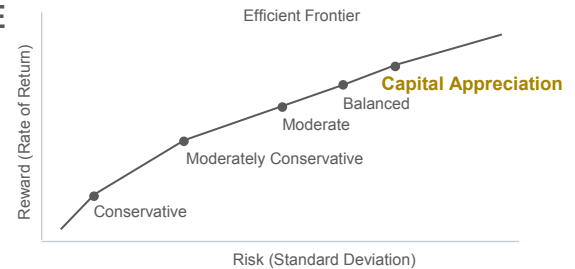
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INVESTMENT OBJECTIVE

To provide growth of principal. The major portion of the assets are invested in equity securities and market fluctuations are expected.



ASSET ALLOCATION — CAPITAL APPRECIATION PORTFOLIO

	Strategic Range	Policy	Tactical
Equity	65 - 85%	75%	78%
Fixed Income	10 - 30%	20%	21%
Cash	0 - 20%	5%	1%

ANNUALIZED TOTAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

Consolidated Composite

Current Quarter*	4.58%
Blended Benchmark*,**	4.47%
Year To Date*	4.58%
Blended Benchmark*,**	4.47%
1 Year	44.77%
Blended Benchmark**	43.99%
3 Year	11.55%
Blended Benchmark**	11.78%
5 Year	11.80%
Blended Benchmark**	11.82%
10 Year	9.19%
Blended Benchmark**	9.50%

* Returns less than one year are not annualized. **Breakdown for Blended Benchmark: 39.5% S&P500, 7.5% Russell Mid Cap, 10.5% Russell 2000, 5.25% MSCI EM (net), 10.25% MSCI EAFE (net), 16% BBG Barclays US Agg, 3% ICE BofA 1-3 Yr US Corp/Govt, 1% ICE BofA US High Yield Master II, 2% Wilshire REIT, and 5% FTSE 1 Mth US T-Bill.

ANNUAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

Consolidated Composite

2008	N/A
2009	23.77%
2010	12.95%
2011	-1.35%
2012	13.87%
2013	20.33%
2014	6.05%
2015	-0.27%
2016	8.81%
2017	16.72%
2018	-5.82%
2019	22.62%
2020	14.50%

PORTFOLIO FACTS

Consolidated Composite

Composite Inception Date	01/2009
No of Holdings in Portfolio	20

HOLDINGS

HighMark Plus (Active)

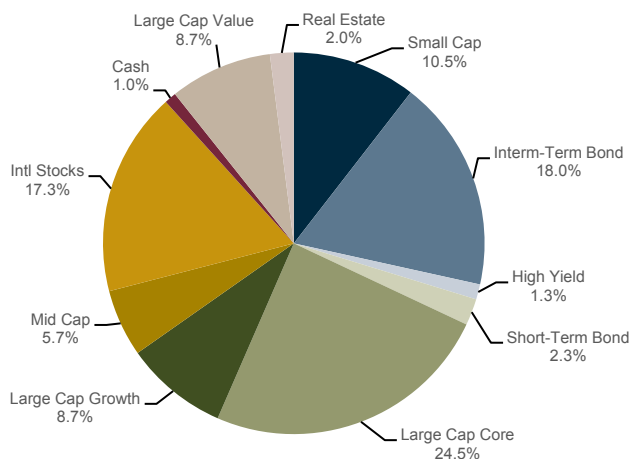
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MOJAVE DESERT AIR QUALITY MANAGEMENT DISTRICT
PARS Post-Employment Benefits Trust

Account Report for the Period
8/1/2021 to 8/31/2021

Jean Bracy
Director of Administrative Services
Mojave Desert Air Quality Management District
14306 Park Avenue
Victorville, CA 92392

Account Summary

Source	Balance as of 8/1/2021	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 8/31/2021
OPEB	\$896,165.55	\$8,740.00	\$13,160.55	\$443.39	\$0.00	\$0.00	\$917,622.71
PENSION	\$1,400,597.27	\$0.00	\$16,637.97	\$692.74	\$0.00	\$0.00	\$1,416,542.50
Totals	\$2,296,762.82	\$8,740.00	\$29,798.52	\$1,136.13	\$0.00	\$0.00	\$2,334,165.21

Investment Selection

Source	
OPEB	Balanced HighMark PLUS
PENSION	Moderate HighMark PLUS

Investment Objective

Source	
OPEB	The dual goals of the Balanced Strategy are growth of principal and income. While dividend and interest income are an important component of the objective's total return, it is expected that capital appreciation will comprise a larger portion of the total return. The portfolio will be allocated between equity and fixed income investments.
PENSION	The dual goals of the Moderate Strategy are growth of principal and income. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important. The portfolio will be allocated between equity and fixed income investments.

Investment Return

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
OPEB	1.46%	3.18%	20.49%	11.02%	10.34%	9.05%	3/5/2010
PENSION	1.19%	2.84%	17.04%	10.95%	-	-	10/31/2017

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value

Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.
Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.
Account balances are inclusive of Trust Administration, Trustee and Investment Management fees

The following page(s) contain the backup material for Agenda Item: [Presentation – Planning and Rulemaking, Ozone, SIPs and More](#). Presenter: [Alan De Salvio, Deputy APCO](#).

Please scroll down to view the backup material.

Planning and Rulemaking Ozone, SIPs and More

Alan J. De Salvio

Deputy APCO

Planning and Rulemaking Section

- Federal and some State plan preparation – how the District will come into attainment of ozone and particulate standards we are not meeting
- Also CEQA and NEPA land use/transportation project air expert agency (comment and recommendation)
- Adoption of new and amendment of rules and regulations (public, industry, state/federal/Governing Board interaction, documentation) – concludes with a State Implementation Plan (SIP) submission
- Limited area source emission inventory (not stationary, not mobile, and not state categories)

New Source Review (NSR) (SIP issue)

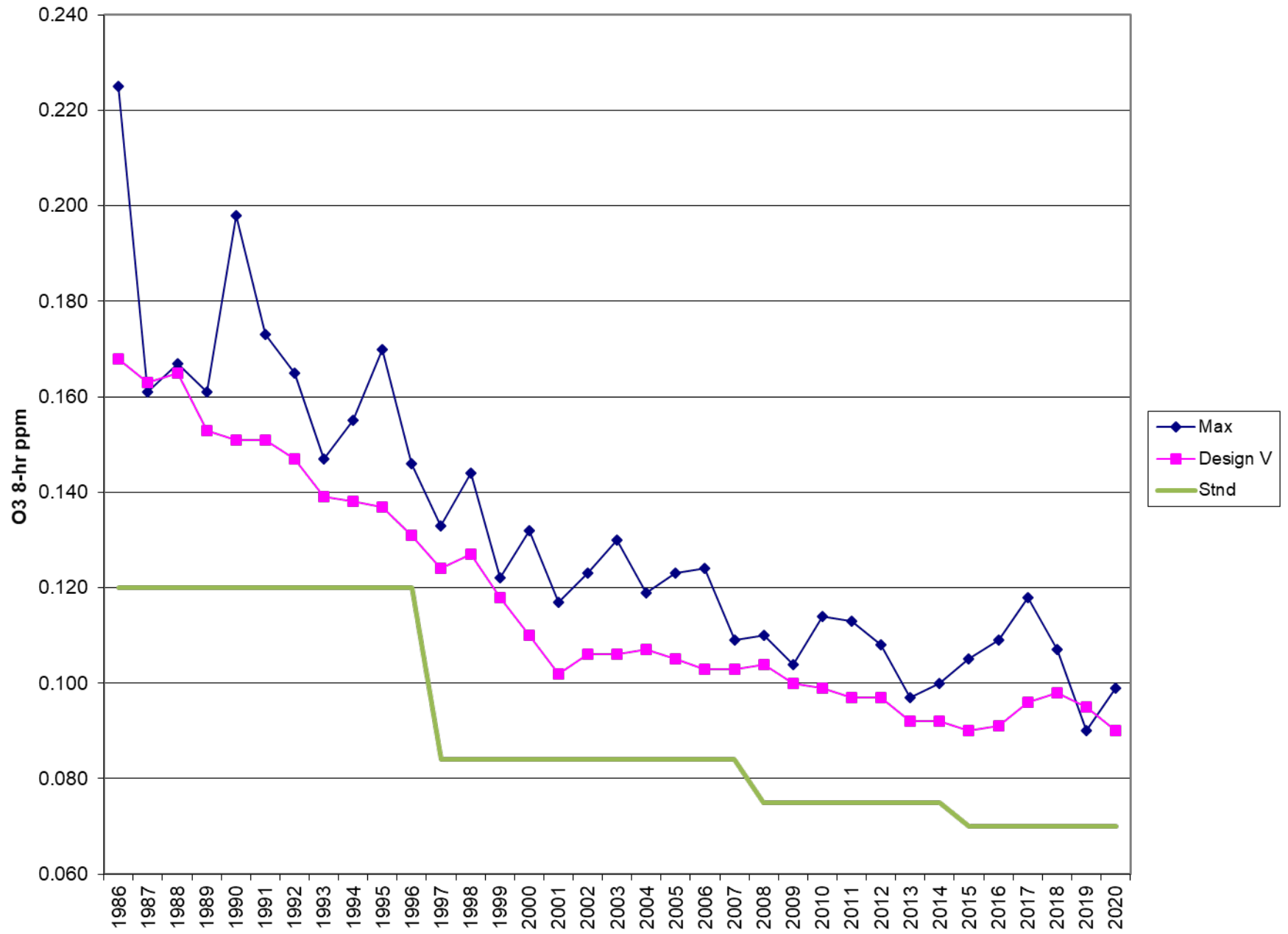
- New Source Review (or NSR – Regulation XIII) is our most important regulation; it applies to every permit and permit action
- USEPA was sued and lost – they had not acted on many (many) SIP submissions, including pieces of our New Source Review regulation
- USEPA then looked at our NSR rule and told us to fix a few things and readopt – which you did in March
- USEPA does not like an element they approved in the 1990s; we like it though
- USEPA has not acted on our NSR package – if they disapprove over that element, we will review options for litigation

Current Focus: Ozone

- Most recent (2015 federal ozone standard - 70 ppb) attainment plan will be due next year – we expect to adopt in late spring/early summer 2022
- Attainment year will be 2032
- Still dependent on upwind (SCAQMD) and state/federal (mobile source) reductions
- For MDAQMD/AVAQMD, plan will have baseline inventory (done and federally approved), attainment forecast (modeling not yet done), control measures (we expect no local measures), and contingency measure

Contingency Measure (SIP issue)

- Federal attainment plans must include contingency measures
- Every MDAQMD ozone attainment plan has included expanded enhanced smog check as contingency measure
- Recently USEPA was sued over contingency measures and lost – this affects our contingency measure
- Last month's action keeps us current, but we are working with CARB and USEPA on a legally sufficient ultimate solution; we are suggesting upwind commitments (i.e. SCAQMD) to meet the requirement



Section 185 Rules (SIP issues)

- Federal Clean Air Act has a mandatory penalty provision for severe and worse nonattainment areas that fail to meet an ozone standard (Section 185) – requires major sources to pay an emissions-based penalty each year until ozone standard is met (applies to 40 facilities in MDAQMD)
- This requirement was not triggered in MDAQMD for initial 1990 standard – we attained in 2010. This requirement does apply for every current standard (1997 - 84 ppb, 2008 - 75 ppb and ultimately 2015 - 70 ppb)
- We will be bringing you rules next year to implement this federal requirement – Feds have been sued and lost
- Any penalty revenue will be reinvested in sources through grants; we do not anticipate this requirement to be implemented due to transport

Conclusion

- Wildfire smoke and ozone is not helping
- Last decade shows warmer summer trend – not helping
- Not sure who is moving out of California – state vehicles, travel and emissions continue to increase
- Solutions will be complex as always
- Questions?