

NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT

Headquarters

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NORTHERN SIERRA

AIR QUALITY MANAGEMENT DISTRICT

BOARD OF DIRECTORS

REGULAR BOARD MEETING

MONDAY

August 28, 2017

1:00 p.m.

**NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT
BOARD OF DIRECTORS REGULAR MEETING**

August 28, 2017

1:00 p.m.

**This meeting will be held by videoconference/teleconference at the
following locations:**

(Site A) VIDEOCONFERENCE/TELEPHONE CONFERENCE

Northern Sierra Air Quality Management District (Headquarters)

200 Litton Drive, Conference Room 316

Grass Valley, California

(Site B) VIDEOCONFERENCE/TELEPHONE CONFERENCE

Northern Sierra Air Quality Management District (Northern Office)

257 E. Sierra Street, Unit E

Portola, California

(Site C) TELEPHONE CONFERENCE

10879A Donner Pass Road, CONFERENCE ROOM

Truckee, California

All items on the agenda may be acted upon by the Board of Directors. No action will be taken nor discussion held at the meeting on business not appearing on the posted agenda.

I. Standing Orders:

Call to Order.

Roll call and determination of quorum.

II. Public Comment: For items **NOT** appearing on the agenda and within the jurisdiction of the Board. The public may comment on Agenda items as they are discussed.

III. Consent Calendar These Items Are Expected to Be Routine and Noncontroversial. They Will Be Acted on By the Board at One Time Without Discussion. Any Board Member, Staff Member, or Interested Party May Request That an Item Be Removed From the Consent Calendar for Discussion.

A. Approval of regular meeting minutes – June 26, 2017

IV. Administrative Report

A. Carl Moyer Issues/Discussion

V. Director's Report

A. Status on Portola PM2.5 Nonattainment Area

B. Cap and Trade

- C. California Air Resources Board's Draft Woodstove Guidelines
- D. Loyalton Biomass Plant Quick Fact Sheet

VI. Concerns of Board - The Board may at this time bring up matters it wishes to discuss at the next Board Meeting, as long as no discussions are conducted and no actions are taken, in compliance with the Brown Act.

VII. Schedule next Meeting – September 25, 2017 – Videoconference/Telephone

VIII. Adjournment

PERSONS DESIRING TO ADDRESS THE BOARD

Meetings of the Board of Directors shall be conducted by the Chairperson in a manner consistent with the policies of the District. The latest edition of Robert's Rules of Order, Revised shall also be used as a general guideline for meeting protocol. District policies shall prevail whenever they are in conflict with Robert's Rules of Order, Revised.

All Board meetings shall commence at the time stated on the agenda and shall be guided by same.

PUBLIC COMMENT:

Provisions for permitting any individual or group to address the Board concerning any item on the agenda of a special meeting, or to address the Board at a regular meeting on any subject that lies within the jurisdiction of the Board of Directors, shall be as follows:

Three (3) minutes may be allotted to each speaker and a maximum of fifteen (15) minutes to each subject matter;

No boisterous conduct shall be permitted at any Board meeting. Persistence in boisterous conduct shall be grounds for summary termination, by the Chairperson, of that person's privilege of address.

No oral presentation shall include charges or complaints against any District employee, regardless of whether or not the employee is identified in the presentation by name or by another reference which tends to identify. All charges or complaints against employees shall be submitted to the Board of Directors under provisions contained in District Policy 1030.

Willful disruption of any of the meetings of the Board of Directors shall not be permitted. If the Chairperson finds that there is in fact willful disruption of any meeting of the Board, he/she may order the room cleared and subsequently conduct the Board's business without the audience present. In such an event, only matters appearing on the agenda may be considered in such a session.

After clearing the room, the Chairperson may permit those persons who, in his/her opinion, were not responsible for the willful disruption to re-enter the meeting room.

Duly accredited representatives of the news media, whom the Chairperson finds not to have participated in the disruption, shall be admitted to the remainder of the meeting.

Members of the public are given the opportunity to address the Board of Directors directly at each teleconference location.

POSTING AGENDA:

This agenda was posted at least 72 hours prior to the regular meeting at the following locations: Eric Rood Government Center in Nevada City, The Plumas County Courthouse in Quincy, the Litton Building in Grass Valley, the Plumas County Board of Supervisors Chambers in Quincy, Sierra County Courthouse Square in Downieville. **The agenda and board packet are available on-line prior to the Board Meeting at www.myairdistrict.com**

To: Northern Sierra Air Quality Management District Board of Directors

From: Gretchen Bennett, Air Pollution Control Officer

Date: August 28, 2017

Agenda Item: III.A

Agenda Description: Approval of regular meeting minutes – June 26, 2017

Issues:

The Minutes are attached for Board review/comment/approval.

Requested Action:

1. Approval of Regular meeting minutes from June 26, 2017

ROLL CALL VOTE REQUESTED

Attachments:

1. Draft meeting minutes from June 26, 2017

DISTRICT HEADQUARTERS

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MINUTES

**NORTHERN SIERRA AIR QUALITY MANAGEMENT DISTRICT
BOARD OF DIRECTORS REGULAR MEETING**

June 26, 2017

1:00 p.m.

The meeting was held at the Northern Sierra Air Quality Management District

(Northern Office)

257 E. Sierra Street, Unit E

Portola, California

Members Present:

**Supervisor Thrall
Supervisor Huebner
Supervisor Scofield
Supervisor Anderson
Supervisor Roen
Supervisor Sanchez**

Members Absent:

None

I. Standing Orders:

Call to Order. Roll Call and Determination of Quorum.

Chairman Roen called the meeting to order at 1:00 P.M. A quorum was confirmed. Julie Ruiz, Air Pollution Control Specialist II and Gretchen Bennett, APCO were also in attendance.

II. Public Comment: For Items NOT Appearing on the Agenda and Within the Jurisdiction of the Board. The Public May Comment on Agenda Items As They Are Discussed. Both Teleconference Sites are Allowed an Opportunity for Public Comment.

Chairman Roen called for public comment at all sites. There was no public comment at any sites.

III. Consent Calendar

A. Approval of regular meeting minutes – May 22, 2017

Supervisor Sanchez made a motion to approve the Regular Meeting Minutes – May 22, 2017. Supervisor Thrall seconded the motion. The motion was unanimously approved upon a roll call vote.

IV. Administrative Report

A. Proposed Adoption of the District's FY 2017-2018 Capital and Operating Budget

The Board discussed the budget and adopted the FY 2017-2018 Capital and Operating Budget by authorizing the Chair to sign Resolution # 2017-03. With the adoption of the Budget, the Board also agreed that there were sufficient funds for the 2% COLA increase for July 1, 2017.

B. Modification of AB 2766 AB 2016-03 Agreement With Hansen Bros.

In the original agreement AB 2016-03, Hansen Bros. Enterprises (HBE) requested \$35,700 to replace 7 diesel particulate filters on 7 of their diesel trucks. Since the signing of that agreement, one of those trucks was involved in an accident and had to be scrapped. Additionally, the cost of modifying the existing trucks to accept the new filters has increased considerably beyond the original estimates. Therefore, HBE is requesting to use the original grant amount to replace 6 diesel particulate filters. Such a change will reduce the cost effectiveness of the project by approximately 15%.

Supervisor Scofield made a motion to approve the modification of the Agreement to replace 6 filters instead of 7 filters at the original grant amount of \$35,700. Supervisor Anderson seconded the motion.

V. Director's Report

A. Status on Portola PM2.5 Nonattainment Area

Julie Ruiz provided an update on the Portola Wood Stove program.

B. Update on Air Quality Data for 2016 (ozone and PM2.5)

Ms. Bennett provided charts depicting the air quality summaries for the two pollutants of concern; Particulate Matter and Ozone. The charts depicted the annual monitoring results from all monitors within the District. Ms. Bennett also provided a discussion of the air quality monitoring results.

C. Cannabis Air Quality Issues

District staff presented the various air quality issues surrounding the regulation of cannabis. The District discussed that state agencies have proposed a cultivation regulation, and expect to have a licensing program in place by January 2018.

VI. Concerns of Board

Chairman Roen called for any concerns of the Board at all sites. There were none.

VII. Schedule next Meeting – August 28, 2017 ----- Videoconference/Teleconference

VIII. Adjournment

The meeting adjourned at 2:35 p.m.

To: Northern Sierra Air Quality Management District Board of Directors
From: Gretchen Bennett, Air Pollution Control Officer
Date: August 28, 2017

Agenda Item: IV.A.

Agenda Description:

Issues:

In the recent past, the district would distribute the annual Carl Moyer funds through the following procedure: the District would be contacted by a proposed contractor, the district would determine the maximum amount the contractor is eligible to receive under Moyer Guidelines, and those funds were generally available. The district disbursed the funds on a first-come, first serve basis and very rarely would a contractor be turned down due to lack of funds.

Current Carl Moyer Guidelines cap grant levels at a maximum of 80% of the total project cost. For example: if a tractor replacement cost is \$200,000, then the maximum Carl Moyer grant would be \$160,000. However, air districts have the option of capping their grant awards at an amount less than 80% of the total project cost. Frequently, based on the Cost Effectiveness calculation, the Carl Moyer grant can be much less than 80% of the total project cost.

In the last 2 years, the competition for Carl Moyer funds has increased, so the Board recommended that the district consider an equitable system for allocating funds to potential recipients. Staff has drafted two separate funding schedules for the Board's consideration and action. Please refer to the attached document – Carl Moyer Program Issues/Proposed Solutions.

Requested Action:

1. Direct Staff to implement either Funding Schedule A or Funding Schedule B.
2. Direct Staff to implement that only one project per applicant is allowed per year.

ROLL CALL VOTE REQUESTED

Attachment:

1. Carl Moyer Program Issues/Proposed Solutions
2. Northern Sierra Air Quality Management District Policies and Procedures for Administration of the Carl Moyer Memorial Air Quality Standards Attainment Program - Year 19 (appendices not included, but available upon request)

Carl Moyer Program Issues/Proposed Solutions

Background

Since the beginning of the Air District's participation in the Carl Moyer program, circa 1999, there has often been a shortage of qualified applicants. The Carl Moyer program requires that each year's grant money be disbursed within 3 years of the District receiving the grant money. If the money is not spent, then it must be returned to the State of California Air Resources Board. Hence, the District was motivated to give away as much money as possible as quickly as possible. And for many years that was how the program operated. Traditionally, the program only paid for engine replacements (aka re-powers) and diesel particulate filters (aka retrofits). As time went by the issue of finding qualified applicants became more problematic. To resolve this issue and in response to the requests of the public, the Air District expanded our Carl Moyer program to include the replacement of off-road equipment. That change created a situation where we now have more applicants than money. That change brings us to the issues that need clarification as the result of our program changes.

Issue #1 – How many projects should be funded with Carl Moyer grant money?

The District receives \$175,000 per year of Carl Moyer grant money. The funding schedule currently in place, the Carl Moyer funding schedule, funds each project at up to 80% of the project cost on a first come first serve basis. Such a funding schedule could easily result in the District funding just one very expensive project per year. At a previous Board meeting, the Board expressed a desire to fund more projects with the annual grant money. Staff created a funding schedule that appeared to further the accomplishment of that desire. The new funding schedule, Funding Schedule A, gave the District the potential to fund anywhere from 3 to 7 projects per year, depending on the cost of each project. Below is Funding Schedule A:

Project Cost > \$150k	Project Cost >\$80k and <\$150K	Project Cost < \$80k
<i>Grants will be capped at:</i>	<i>Grants will be capped at:</i>	<i>Grants will be capped at:</i>
\$ 100,000.00	\$ 50,000.00	\$ 25,000.00

Below is an example of this funding schedule applied to real world projects (current 2017 applicants):

	Total Project Cost	Grant awards under current Carl Moyer funding schedule	Grant Awards under proposed Funding Schedule A
Applicant #1	\$ 145,000.00	\$ 116,000.00	\$ 50,000.00
Applicant #2	\$ 80,000.00	\$ 64,000.00	\$ 50,000.00
Applicant #3	\$ 68,660.00	\$ 54,929.00	\$ 25,000.00
Applicant #4	\$ 55,317.00	\$ 44,254.00	\$ 25,000.00
Total:		\$ 279,183.00	\$ 150,000.00
Over the funding limit:		\$ 104,183.00	
Unspent grant money:			\$ 25,000.00

As can be seen in the table above, under the current Carl Moyer funding schedule (first come, first serve and 80% of project cost), the District would only fund the first 2 applicants projects. Under the proposed Funding Schedule A the District will be able to fund at least 4 projects, maybe 5. But as can be seen, Applicant #1 receives the same grant award as Applicant #2, even though his project cost \$65,000 more than Applicant #2. In response to this perceived inequity staff came up with a different funding schedule, Funding Schedule B, which funds projects at a maximum amount of 50% of

the total project cost or less depending on the remaining Carl Moyer fund balance. Below are the results of Funding Schedule B:

	Total Project Cost	Grant awards under current Carl Moyer funding schedule	Grant Awards under proposed Funding Schedule A	Grant Awards under proposed Funding Schedule B
Applicant #1	\$ 145,000.00	\$ 116,000.00	\$ 50,000.00	\$ 72,500.00
Applicant #2	\$ 80,000.00	\$ 64,000.00	\$ 50,000.00	\$ 40,000.00
Applicant #3	\$ 68,660.00	\$ 54,929.00	\$ 25,000.00	\$ 34,330.00
Applicant #4	\$ 55,317.00	\$ 44,254.00	\$ 25,000.00	\$ 27,658.50
	Total:	\$ 279,183.00	\$ 150,000.00	\$ 174,488.50
	Over the funding limit:	\$ 104,183.00		
	Unspent grant money:		\$ 25,000.00	\$ 511.50

No doubt there are more than a few ways of deciding how grant money should be disbursed. However, it should be noted that if the grant awards are too large, then the number of fundable projects decreases. If the grant awards are too small, then the likelihood of program participation could also decrease. Staff believes our goal should be funding the maximum number of projects with the annual \$175,000 available.

Issue #2 – Should applicants be limited to one project/year?

Staff proposes that applicants that receive funding for a project should be limited to only one project per year to allocate the funds more equitably.