

Antelope Valley Air Quality Management District Governing Board Regular Meeting

Agenda

LOCATION

**ANTELOPE VALLEY AQMD District Office
43301 Division Street, Suite 206
Lancaster, CA 93535
661.723.8070
TUESDAY, JUNE 19, 2018
10:00 A.M.**

BOARD MEMBERS

Marvin Crist, Chair, City of Lancaster
Austin Bishop, Vice Chair, City of Palmdale
Ron Hawkins, Los Angeles County
Howard Harris, Los Angeles County
Ken Mann, City of Lancaster
Steven Hofbauer, City of Palmdale
Newton Chelette, Public Member

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 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 FIVE MINUTES PER SPEAKER. YOU MAY WISH TO MAKE YOUR COMMENTS IN WRITING TO ASSURE THAT YOU ARE ABLE TO EXPRESS YOURSELF ADEQUATELY.

Except where noted, all scheduled items will be heard in the District Office of the Governing Board, 43301 Division Street, Suite 206, Lancaster, CA 93535 and the teleconference location(s), if applicable. 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.

Public Comments on any Agenda Item will be heard at the time of discussion of the Agenda Item. Public Comments not pertaining to Agenda Items will be heard during the PUBLIC COMMENT period below.

CALL TO ORDER 10:00 A.M.

Pledge of Allegiance.

Swear in New Board Member

Roll Call

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, staff member or a member of the public request an item be held for discussion under DEFERRED ITEMS.

1. [Approve Minutes from Regular Governing Board Meeting of May 15, 2018.](#)
2. [Monthly Activity Report. Receive and File. Presenter: Bret Banks.](#)
3. [Monthly Grant Fund Summary. Receive and File. Presenter: Bret Banks.](#)
4. [Reappoint Newton Chelette as the Public Member on the Governing Board of the Antelope Valley Air Quality Management District \(AVAQMD\). Presenter: Bret Banks.](#)
5. [Amend Governing Board Policy 07-01 – Financial Reserves. Presenter: Bret Banks.](#)
6. [Approve payment to MDAQMD in the total amount of \\$96,362.58, subject to availability of funds, for services provided during the month of April 2018. Presenter: Bret Banks.](#)

ITEMS FOR DISCUSSION

DEFERRED ITEMS

NEW BUSINESS

7. Conduct a Continued Public Hearing to receive comments and staff presentation for the proposed AVAQMD Budget for FY 2018-19: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Adopt a resolution approving and adopting the budget for FY 2018-19. Presenter: Bret Banks.
8. Approve spending authority for the District consistent with the Fiscal Year 2017-18 Budget until the FY 2018-19 Budget is adopted. Presenter: Bret Banks.
9. 1) Authorize the acceptance of Community Air Protection (CAP) Funding and 2) Authorize the Executive Director/APCO and staff to execute the agreement, approved as to legal form, and to negotiate and execute agreements for eligible projects. Presenter: Bret Banks.
10. 1) Authorize the acceptance of Voluntary NOx Remediation Measure (NRM) Funding and 2) Authorize the Executive Director/APCO and staff to execute the agreement, approved as to legal form, and to negotiate and execute agreement for eligible project. Presenter: Bret Banks.
11. 1) Award an amount not to exceed \$94,211 in Carl Moyer Program funds to Gall Brothers General Engineering for the replacement of an older diesel excavator with newer, cleaner technology; and 2) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel. Presenter: Julie McKeehan.
12. Reports: Governing Board Counsel, Executive Director/APCO, Staff.
13. Board Member Reports and Suggestions for Future Agenda Items.
14. Adjourn to Regular Governing Board Meeting of Tuesday, July 17, 2018.

In compliance with the Americans with Disabilities Act, if special assistance is needed to participate in the Board Meeting, please contact the Executive Director during regular business hours at 661.723.8070 x2. 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 the District Office at 43301 Division Street, Suite 206, Lancaster, CA 93535 or by contacting Deanna Hernandez at 760.245.1661 x6244 or by email at dhernandez@mdaqmd.ca.gov .

Mailed & Posted on: Tuesday, June 12, 2018

Deanna Hernandez

The following page(s) contain the backup material for Agenda Item: [Approve Minutes from Regular Governing Board Meeting of May 15, 2018.](#)

**ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
GOVERNING BOARD MEETING
TUESDAY, MAY 15, 2018
ANTELOPE VALLEY DISTRICT OFFICE
LANCASTER, CA**

MINUTES

Board Members Present:

Marvin Crist, Chair, City of Lancaster
Austin Bishop, Vice Chair, City of Palmdale
Newton Chelette, Public Member
Ron Hawkins, Los Angeles County
Raj Malhi, City of Lancaster
Steve Hofbauer, City of Palmdale

Board Members Absent:

CALL TO ORDER

Chair **CRIST** called the meeting to order at 10:01 a.m. Board Member **CHELETTE** led the Pledge of Allegiance. Roll call was taken.

PUBLIC COMMENT

None.

CONSENT CALENDAR – Consent items were acted upon by the Board at one time without discussion.

Agenda Item #1 - Approve Minutes from Regular Governing Board Meeting of April 17, 2018.

Upon motion by **BISHOP**, seconded by **CHELETTE**, and unanimously approved, the Board **Approved** Minutes from Regular Governing Board Meeting of April 17, 2018.

Agenda Item #2 – Monthly Activity Report. Receive and file. Presenter: Bret Banks.

Upon motion by **BISHOP**, seconded by **CHELETTE**, and unanimously approved, the Board **Received and Filed** the Monthly Activity Report.

Agenda Item #3 – Monthly Grant Fund Summary. Receive and file.

Presenter: Bret Banks.

Upon motion by **BISHOP**, seconded by **CHELETTE**, and unanimously approved, the Board **Received and Filed** the Monthly Grant Fund Summary.

Agenda Item #4 - Amend Governing Board Policy 13-01 — Provision and Retention of Public Records.

Presenter: Bret Banks.

Upon motion by **BISHOP**, seconded by **CHELETTE**, and unanimously approved, the Board **Amended** Governing Board Policy 13-01 – Provision and Retention of Public Records.

Agenda Item #5 - Approve payment to MDAQMD in the total amount of \$95,556.10, subject to availability of funds, for services provided during the month of March 2018.

Presenter: Bret Banks.

Upon motion by **BISHOP**, seconded by **CHELETTE**, and unanimously approved, the Board **Approved** payment to MDAQMD in the total amount of \$95,556.10, subject to availability of funds, for services provided during the month of March 2018.

ITEMS FOR DISCUSSION

DEFERRED

None.

PUBLIC HEARINGS

None.

NEW BUSINESS

Agenda Item #6 - Conduct Public Hearing to consider the proposed AVAQMD Budget for FY 2018-19: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Continue to the meeting of June 19, 2018 for adoption.

Presenter: Bret Banks.

Chair **CRIST** opened the public hearing. Executive Director/APCO Bret Banks presented background information and answered questions from the Board. A 5% fee increase was public noticed, Board consensus is for a 10% fee increase. After discussion, Chair **CRIST** solicited public comment, being none; Chair **CRIST** continued item to the meeting of June 19, 2018 for adoption.

Agenda Item #7 - 1) Authorize \$15,000 in Mobile Emission Reductions Program (AB 2766) funds to the Alternative Fuel Vehicle Program; and 2) Authorize the Executive Director/APCO and staff to execute the Alternative Fuel Vehicle Program as outlined in the Work Plan.

Presenter: Julie McKeehan.

Julie McKeehan shared background information and answered questions from the Board. After discussion and upon Motion by **HOFBAUER**, seconded by **BISHOP**, and unanimously approved, the Board: 1) **Authorized** \$15,000 in Mobile Emission Reductions Program (AB 2766) funds to the Alternative Fuel Vehicle Program; and 2) **Authorized** the Executive Director/APCO and staff to execute the Alternative Fuel Vehicle Program as outlined in the Work Plan.

Agenda Item #8 - 1) Award an amount not to exceed \$15,200 in Mobile Source Emission Reductions Program (AB 923) funds to Home2 Suites by Hilton Palmdale toward infrastructure and installation of Electric Vehicle Charging Stations; and 2) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel.

Presenter: Julie McKeehan.

Julie McKeehan shared background information and answered questions from the Board. After discussion and upon Motion by **BISHOP**, seconded by **HOFBAUER**, and unanimously approved, the Board: 1) **Awarded** an amount not to exceed \$15,200 in Mobile Source Emission

Reductions Program (AB 923) funds to Home2 Suites by Hilton Palmdale toward infrastructure and installation of Electric Vehicle Charging Stations; and 2) **Authorized** the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel.

Agenda Item #9 - 1) Award an amount not to exceed \$59,155 in Carl Moyer Program funds to McCarthy Steel to replace an older diesel-powered heavy-duty forklift with new, clean technology; and 2) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel.

Presenter: Julie McKeehan.

Julie McKeehan shared background information and answered questions from the Board. After discussion and upon Motion by **HAWKINS**, seconded by **BISHOP**, and unanimously approved, the Board: 1) **Awarded** an amount not to exceed \$59,155 in Carl Moyer Program funds to McCarthy Steel to replace an older diesel-powered heavy-duty forklift with new, clean technology; and 2) **Authorized** the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel.

Agenda Item #10 - 1) Award an amount not to exceed \$30,640 in Mobile Source Emission Reductions Program (AB 923) funds to Sierra Commons SPE, LLC toward infrastructure and installation of Electric Vehicle Charging Stations; and 2) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel.

Presenter: Julie McKeehan.

Julie McKeehan shared background information and answered questions from the Board. After discussion and upon Motion by **BISHOP**, seconded by **MALHI**, and unanimously approved, the Board: 1) **Awarded** an amount not to exceed \$30,640 in Mobile Source Emission Reductions Program (AB 923) funds to Sierra Commons SPE, LLC toward infrastructure and installation of Electric Vehicle Charging Stations; and 2) **Authorized** the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel.

Agenda Item #11 - Reports

Governing Board Counsel –

- None.

Executive Director/APCO –

- Bret Banks commented on a Los Angeles Times article regarding South Coast Air Quality Management District developing rules to reduce air pollution around warehousing; Mr. Banks will be keeping a close eye on this issue.
- Bret Banks informed the Board that Scott Pruitt, Administrator of the Environmental Protection Agency, has signed the 2015 Ozone Standard Plan; No change to the Antelope Valley’s non-attainment designation of Severe-17. Mr. Banks will be keeping a close eye on this regarding potential rule development impacts.
- Bret Banks reminded the Board of the Annual Lawn Mower Exchange Event “Mow Down Air Pollution” will be held Saturday, June 2, 2018 at the Antelope Valley

Environmental Collection Center in Palmdale and on Saturday, June 23, 2018 at the City of Lancaster Maintenance Yard in Lancaster.

Staff – None.

Agenda Item #12 - Board Member Reports and Suggestions for Future Agenda Items.

- Board Member **Crist** requested an update on electronic commercial lawn mowers.
- Board Member **Hawkins** requested that the AVAQMD Incentive and Grant Programs flyer be update. Board Member **Hawkins** also publicly thanked the City of Lancaster for their support of the Valley Fever Symposium and on June 23, 2018 the City of Hope will be hosting a Valley Fever event.

Agenda Item #13 – Meeting Adjourned at 10:48 a.m. to Regular Governing Board Meeting of Tuesday, June 19, 2018.

The following page(s) contain the backup material for Agenda Item: [Monthly Activity Report. Receive and File. Presenter: Bret Banks.](#)

Item #2 Monthly Activity Report – May 2018

	<u>May 2018</u>	<u>May 2017</u>	<u>YTD (7/1/18)</u>
Complaints	0	1	11
Complaint Investigations	0	1	11
Asbestos Notifications	13	10	57
Asbestos Inspections	0	0	0
Permit Inspections	63	62	1044
Permit Inspections in Compliance (%)	100	99	100
Notice of Violation (NOV)	0	2	4

***Outstanding NOVs**

- AV00000187, Issued 02/2016
- AV00000207, Issued 06/2017
- AV00000208, Issued 07/2017
- AV00000210, Issued 02/2018
- AV00000211, Issued 03/2018

Number of Active Companies: 274
Number of Active Facilities: 519
Number of Active Permits: 1,073

Project Comment Letters – May 2018

Attached

		AVAQMD CEQA PROJECTS				
		BOARD MEETING				
		6/19/2018				
Date Rec'd	Location	Project Name	Description	Comment	Date Due	Date Sent
5/7/2018	COP	Horizon Tower	CUP 18-008 to construct a wireless telecommunication facility at 39007 15th Street East	DCP, Rule 219 ARB Construction Equip	5/9/2018	5/7/2018
5/7/2018	COP	Triplex Residential Project-Palm Investment Group	Pre-Application 18-010 to develop a residential use consisting of 20 buildings with 60 triplex residential units, 1 detention basin lot, and a park totaling approx 76,510 sf on 5 acres to be located on the north side of Rancho Vista Blvd and west of 15th St West	DCP ARB Construction Equip	5/9/2018	5/7/2018
5/7/2018	COP	Fairway Aerospace Camous	SPR 18-009 to construct six industrial buildings on approx. 10 acres located at the southeast corner of Avenue O and Legacy Lane	DCP	5/9/2018	5/7/2018
5/7/2018	COP	Commercial Shopping Center	SPR 18-008 to construct a commercial shopping center located on approx 15.3 acres located approx 500 feet south of Avenue S on the west side of 47th Street East	DCP CARB Equip	5/9/2018	5/7/2018

		AVAQMD CEQA PROJECTS				
		BOARD MEETING				
		6/19/2018				
Date Rec'd	Location	Project Name	Description	Comment	Date Due	Date Sent
5/7/2018	COP	Palmdale Aerospace Academy	GPA 18-004, ZC 18-004, CUP 15-036, Major Mod request to change the Land Use Designation from CC to PF on 2.67 acres; change zone from C-3 to PF on 2.67 acres; 18.75 acres-modify the existing charter school with the addition of two, two story buildings, athletic fields, and additional parking located at the northeast corner of 35th Street East and Palmdale Blvd.	DCP CARB Equip	5/9/2018	5/7/2018
5/7/2018	COP	NEC Tierra Subida and Avenue S	GPA 17-003, ZC 17-018, PD 17-001, CUP 17-020 SPR 17-007-a request to develop a commercial shopping center; request to constructs luxury apartment community on approx 13.13 acres	DCP Permits is necessary CARB Equip	5/9/2018	5/7/2018
5/4/2018	COL	GAMA Lancaster, LLC	CUP 18-12 for a proposed medical cannabis cultivation facility in an existing building located at 166 West Avenue J-5	Asbestos DEMO/RENO Permits if necessary	6/4/2018	5/7/2018

		AVAQMD CEQA PROJECTS				
		BOARD MEETING				
		6/19/2018				
Date Rec'd	Location	Project Name	Description	Comment	Date Due	Date Sent
5/7/2018	COP	Royal Investors	TTM 81337 to subdivide 39.85 acres into 97 single family residential lots located at the southeast corner of Avenue M and 70th Street West	DCP CARB Equip	5/9/2018	5/7/2018
5/23/2018	COP	Palmdale Self Storage	SPR 17-001 personal storage facility located approx 400 feet south of Avenue R-8 and east of Sierra Highway on approx 4.16 acres	No Comment	5/23/2018	n/a
5/23/2018	COP	Iglesia Misionera Antioquia	CUP 11-023 to develop a religious assembly use to include a commercial daycare as an accessory use to be located at 38111 15th Street East	No Comment	5/23/2018	n/a
5/23/2018	COP	LLJ Palmdale Office, LLC	Pre Application 18-011 to develop a commercial building totaling 4,663 sf to be located behind an existing building on the south side of Palmdale Blvd, west of 6th Street East	No Comment	5/23/2018	n/a

		AVAQMD CEQA PROJECTS				
		BOARD MEETING				
		6/19/2018				
Date Rec'd	Location	Project Name	Description	Comment	Date Due	Date Sent
5/23/2018	COP	Palmdale Aerospace Academy	SPR 18-010 to install a storm drain pipe on two vacant parcels, 1.77 ac, located on the south side of Palmdale Boulevard, west of 32nd Street East	No Comment	05/23/218	n/a
5/23/2018		TTM 82010	TTM 82010 located east of Tierra Subida and north of Avenue S	No Comment	5/23/2018	n/a

The following page(s) contain the backup material for Agenda Item: [Monthly Grant Fund Summary. Receive and File. Presenter: Bret Banks.](#)

AB 923 PROJECT FUNDS

<i>Action Date</i>	<i>Project Name</i>	<i>Approved Action</i>
Apr-15	Calandri SonRise Farms ERP Project #3 AV0415#8	-78,372.75 paid
Apr-15	2016 Lawn Mower Exchange Program	-11,200.00 paid
May-15	Gene Wheeler Farms ERP Project #2 AV0515#10	-142,010.00 paid
Aug-15	VAVR Program - Projects & Admin. to EES AV0815#6	-60,000.00 paid
Nov-15	Calandri SonRise Farms Repower Project #4 AV1115#9	-116,471.00 paid
Jan-16	Antelope Valley Farming ERP Project #1 AV0116#8	-181,530.00 paid
Mar-16	Ebee Streetlight EV Charging Project AV0316#10	-25,000.00 paid
Apr-16	VAVR Program - Admin to EES AV0416#10	-60,000.00 paid
Apr-16	2016 Lawn Mower Exchange Program	-11,200.00 paid
Aug-16	Calandri SonRise Farms Harvesting Project AV0816#8	-406,065.00 paid
Oct-16	Antelope Valley Farming ERP Project #2 AV1016#10	-12,940.38 paid
Dec-16	AVSTA CNG Tank Replacement AV1216#11	-63,377.00 paid
Dec-16	AV Hospital/SCE Charge Ready Pilot Project AV1216#10	-37,635.11 paid
Feb-17	City of Pamdale Vanpool/Infrastructure Project AV0117#12	-124,137.00 pending
Feb-17	City of Lancaster Vanpool/Infrastructure Project AV0117#11	-61,925.00 pending
Mar-17	2017 Lawn Mower Exchange Program AV0317#10	-10,730.00 paid
Jul-17	Palmdale Water District EV Charging Project AV0717#9	-18,520.00 paid
Sep-17	City of Palmdale/SCE EV Charging Project AV0917#11	-17,218.00 pending
Sep-17	AVSTA CNG Tank Replacement AV0917#12	-15,949.12 pending
Oct-17	AV Farming ERP Project #1 AV1017#11	-38,622.00 pending
Oct-17	AVTA Electric Transit Bus Project AV1017#7	-207,387.32 pending
Jan-18	Wilsona School District EV School Bus Charging Project AV0118#8	-49,976.00 pending
Feb-18	VAVR Program - Projects to EES AV0218#7	-47,000.00 paid
Mar-18	2018 Lawn Mower Exchange Program AV0318#12	-10,000.00 pending
Mar-18	Robertsons Palmdale Honda EV Charging Project AV0318#9	-86,000.00 pending

AB 923 PROJECTS CURRENT BALANCE

\$256,654.92
Pending Action

AB 923 PROJECTS BALANCE PENDING APPROVAL

\$256,654.92

CARL MOYER PROGRAM PROJECT FUNDS

<i>Action Date</i>	<i>Project Name</i>	<i>Approved Action</i>
Mar-15	Carl Moyer Prog. Funds Year 17 (FY 14-15) Deposit	637,511.00 recv'd
Mar-15	Carl Moyer Interest (FY 13-14) added to Year 17 Deposit	834.45 recv'd
Apr-15	Calandri SonRise Farms ERP Project #3 AV0415#8	-284,211.25 paid
Apr-15	High Desert Dairy ERP Project #3 AV0415#7	-134,239.00 paid
Nov-15	Bill's Landscaping ERP Project #1 AV1115#7	-78,873.00 paid
Nov-15	Gall Brothers Engineering ERP Project #1 AV1115#8	-138,715.00 paid
Feb-16	MDAQMD Year 16 Transfer AV0216#7 Deposit	324,480.00 recv'd
Mar-16	High Desert Dairy ERP Project #4 AV0316#8	-139,224.00 paid
Mar-16	Calandri SonRise Farms ERP Project #5 AV0316#9	-83,983.00 paid
Mar-15	Carl Moyer Prog. Funds Year 18 (FY 15-16) Deposit	659,588.00 recv'd
Mar-15	Carl Moyer Interest (FY 14-15) added to Year 18 Deposit	1,573.18 recv'd
Apr-16	Lane Ranch & Co. ERP Project AV0416#8	-99,989.56 paid
Apr-16	Bill's Landscaping ERP Project #2 AV0416#9	-79,916.00 paid
Jun-16	Calandri SonRise Farms Forklift Project #6 AV0616#8	-60,985.00 paid
Jun-16	Antelope Valley Fair Assoc. Forklift Project AV0616#9	-51,460.00 paid
Jul-16	Bolthouse ERP Project AV0716#11	-18,927.00 paid
Jul-16	South Pac Industries ERP Project AV0716#9	-181,114.00 paid
Sep-16	High Desert Dairy ERP Project #4 AV0916#9	-158,663.00 paid
Sep-16	Gall Brothers Engineering ERP Project #2 AV0916#10	-77,896.00 paid
Oct-16	Antelop Valley Farming ERP Project #2 AV1016#10	-34,943.62 paid
Apr-17	Carl Moyer Prog. Funds Year 19 (FY 16-17) Deposit	669,301.00 recv'd
Apr-17	Carl Moyer Interest (FY 15-16 & FY 16-17) added to Year 19 Depos	7,375.00 recv'd
May-17	AV Fair Assoc. AV0517#9	-15,130.00 pending
Jun-17	High Desert Dairy ERP Project #6 AV0617#12	-170,159.00 paid
Oct-17	AV Farming ERP Project #1 AV1017#	-9,814.00 pending
Oct-17	Miller Equipment ERP Project #1 AV1017#11	-284,887.00 paid
Oct-17	New West Metals ERP Project #1 AV1017#6	-98,581.00 pending
Oct-17	Nick Van Dam Farms ERP Project #1 AV1017#10	-49,600.00 paid
Apr-18	Carl Moyer Prog. Funds Year 20 (FY 17-18) Deposit	701,526.00 recv'd
Apr-18	McWhirter Steel Forklift Repl. Proj. #1 AV0418#6 Rd. 19	-50,000.05 pending
Apr-18	McWhirter Steel Forklift Repl. Proj. #1 AV0418#6 Rd. 20	-135,942.95 pending
May-18	McCarthy Steel Forklift Repl. Proj. #1 AV0518# Rd. 20	-59,155.00

CARL MOYER PROJECTS CURRENT BALANCE

\$506,428.05

<i>Action Date</i>	<i>Project Name</i>	<i>Pending Action</i>
Jun-18	Fine Grade Equipment Repl. Proj. #1 AV0618#? Rd. 20	-358,726.00
Jun-18	Gall Brothers Engineering ERP Proj. #3 AV0618#? Rd. 20	-94,211.00

\$53,491.05

CARL MOYER PROJECTS BALANCE PENDING APPROVAL

NOx Remediation Measure Funding

<i>Action Date</i>	<i>Project Name</i>	<i>Approved Action</i>
May-18	NRM Funding Deposit	26,634.00

\$26,634.00

NOx Remediation Measure Funding

\$26,634.00

The following page(s) contain the backup material for Agenda Item: [Reappoint Newton Chelette as the Public Member on the Governing Board of the Antelope Valley Air Quality Management District \(AVAQMD\)](#). Presenter: Bret Banks.

**MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM #4

DATE: June 19, 2018

RECOMMENDATION: Reappoint Newton Chelette as the Public Member on the Governing Board of the Antelope Valley Air Quality Management District (AVAQMD).

SUMMARY: This item reappoints Newton Chelette as the Public Member on the Governing Board.

BACKGROUND: The AVAQMD Governing Board is required to appoint a public member (Health & Safety Code §41310(d)). Newton Chelette has served in this capacity since July 17, 2012.

REASON FOR RECOMMENDATION: Mr. Chelette has expressed his desire and willingness to continue to serve on the AVAQMD Governing Board. This appointment of the Public Member is effective until resignation or until removal by the Governing Board. The appointment of the Public Member must be made by the AVAQMD Governing Board (Health & Safety Code §41310(d)).

REVIEW BY OTHERS: This item was reviewed by Allison Burns, District Counsel as to legal form and by Bret Banks, Executive Director on or about June 8, 2018.

FINANCIAL DATA: No increase in appropriation is anticipated.

PRESENTER: Bret Banks, Executive Director

HEALTH AND SAFETY CODE

SECTION 41310-41312

41310. The Antelope Valley district shall be governed by a district board consisting of seven members, as follows:

(a) Two members of the City Council of the City of Lancaster appointed by the city council.

(b) Two members of the City Council of the City of Palmdale appointed by the city council.

(c) Two persons appointed by the member of the Board of Supervisors of the County of Los Angeles who represents a majority of the population of the Antelope Valley district, one of whom may be that supervisor.

(d) A public member who shall be appointed by the members appointed pursuant to subdivisions (a) to (c), inclusive.

41311. Voting by the Antelope Valley district board on the adoption of all items on its agenda shall be by rollcall. Unless any board member objects, a substitute rollcall may be used on any agenda item. For purposes of this requirement, any consent calendar is a single item.

41312. Notice of the time and place of a public hearing of the Antelope Valley district board to adopt, amend, or repeal any rule or regulation relating to an air quality objective shall be given not less than 30 days prior to the hearing and shall be published in each county in the Antelope Valley district in accordance with Section 6066 of the Government Code. The period of notice shall commence on the first day of publication.

The following page(s) contain the backup material for Agenda Item: [Amend Governing Board Policy 07-01 – Financial Reserves. Presenter: Bret Banks.](#)

**MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM #5

DATE: June 19, 2018

RECOMMENDATION: Amend Governing Board Policy 07-01 – Financial Reserves.

SUMMARY: This item amends existing Governing Board Policy 07-01 – Financial Reserves pursuant to Generally Accepted Accounting Principles that sufficient funds be retained by the District to provide stability to District financial resources at all times.

BACKGROUND: Generally Accepted Accounting Principles require that sufficient funds be retained by the District to provide stability to District financial resources at all times. As such, the District must maintain a fund balance sufficient to fund District operations and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. The committed, assigned and unassigned fund balance in the General Fund is considered unrestricted.

The APCO shall establish and include in the annual operating Budget of the District a commitment of the fund balance as Cash Reserves equivalent to 30% of total General Fund Revenue.

A redline copy of the proposed changes is attached.

REASON FOR RECOMMENDATION: Governing Board action is necessary to approve changes to the policies of the Governing Board.

REVIEW BY OTHERS: This item was reviewed by Allison Burns, Special Counsel to the Governing Board as to legal form and by Bret Banks, Executive Director/APCO (AVAQMD) on or about May 1, 2018.

FINANCIAL DATA: No increase in appropriation is anticipated

PRESENTER: Bret Banks, Executive Director/APCO

GOVERNING BOARD POLICY
Antelope Valley Air Quality Management District

Policy No: 07-01

Effective Date: July ~~124~~, 201807

Adopted: July 17, 2007

Amended: ~~June 19~~May 15,

20182

/s/

Last Review: ~~June 04~~February 17,

20185

Marvin Crist, Board Chair

SUBJECT: FINANCIAL RESERVES

POLICY:

It is the policy of the Governing Board of the Antelope Valley Air Quality Management District (District) to direct the Air Pollution Control Officer (APCO) to establish and maintain certain fund balances to ensure the sound fiscal management of District resources. This policy is designed to conform to Government Accounting Standards Board Statement No. 54 (GASB 54).

AMPLIFICATION OF POLICY:

A. General

Generally Accepted Accounting Principles require that sufficient funds be retained by the District to provide stability to District financial resources at all times. As such, the District must maintain a fund balance sufficient to fund District operations and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. The committed, assigned and unassigned fund balance in the General Fund is considered unrestricted.

~~The District believes that sound financial management principles require that sufficient funds be retained by the District to provide a stable financial base at all times. To retain this stable financial base, the District needs to maintain unrestricted fund balance in its funds sufficient to fund cash flows of the District and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. All committed, assigned and unassigned fund balance in the General Fund is considered unrestricted.~~

The purposes of the District's fund balance policy include maintaining prudent level of financial resources to protect against reducing service levels or raising fees because of temporary revenue shortfalls or unpredicted one-time expenditures. Another purpose is to reserve funds for unanticipated large expenditures, such as capital expenses; or extraordinary costs associated with defending the District's regulatory activities.

B. Classification of Funds

The following classifications conform to GASB 54. Examples are provided to illustrate how the classification might be used in practice.

1. Non-spendable Fund Balance includes amounts that are not in spendable form (tangible assets such as property, inventory), or are required to remain intact, and will never convert to cash. The District is likely to report these as Capital or Fixed Assets.
2. Restricted Fund Balance includes amounts that can be spent only for the specific purposes stipulated by the external source, government code, enabling legislation, or other legal restriction. The District is likely to establish separate trust funds for these funding types; for example: Mobile Emission Reduction Revenue (AB 2766), Incentive Based Emission Reduction Funding (AB 23), and Carl Moyer Grant Program Funds are held in separate trust accounts and are reported separate from the District's General Fund. This category could be further distinguished as follows:
 - a. Special Revenue Funds. Special revenue funds are created to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.
 - b. Debt Service Funds. Debt service funds contain specific debt reserve amounts that are subject to the requirements set forth by the ordinances or resolutions that authorize the issuance of debt. It is the District's policy that debt reserve requirements for any outstanding debt issue will be consistent with the resolution authorizing the issuance of debt.
3. Committed Fund Balance are designated and described by specific policy and includes amounts that can be used only for the specific purposes determined by a formal action of the Governing Board. Commitments may be changed only by action of the Governing Board. The District's Operating Cash Reserves is an example of this classification.
4. Assigned Fund Balance is used to describe the portion of the fund balance that reflects the intended use of resources; the intent being established by the Governing Board, or the Board's designee. From time to time the Governing Board may establish other designations of fund balance through the budget process. Such fund balance will be allocated and defined in the District's annual adopted budget.
5. Unassigned Fund Balance is the net resources not allocated to the categories as described above.

C. Establishment of Specific Funds

1. Cash Reserve

The APCO shall establish and include in the annual operating Budget of the District a commitment of the fund balance as Cash Reserves equivalent to 30% of total General Fund Revenue.

~~1. Operating Cash Reserve~~

~~The APCO shall establish and include in the annual operating Budget of the District a commitment of the fund balance as an Operating Cash Reserve in the amount equivalent to the operating expenses (the combined total of budget categories Salaries & Benefits and Supplies and Services) required for ninety (90) days of District operations (calculated as 25% of the annual amounts budgeted). In no case shall the Operating Cash Reserve be more than 25% of the total expenditure budget for the current fiscal year.~~

2. Budgetary Reserves

Any reserve identified by line item in the District's most recently adopted budget. These will usually be identified in the budget as "Assigned Fund Balance" and use of these funds is subject to the appropriate authority as determined by policy.

Signed:

_____, Chairman
Antelope Valley Air Quality Management District

Approved as to Legal Form

_____, Karen K. Nowak
Deputy District Counsel

The following page(s) contain the backup material for Agenda Item: [Approve payment to MDAQMD in the total amount of \\$96,362.58, subject to availability of funds, for services provided during the month of April 2018. Presenter: Bret Banks.](#)

**MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM #6

DATE: June 19, 2018

RECOMMENDATION: Approve payment to MDAQMD in the total amount of \$96,362.58, subject to availability of funds, for services provided during the month of April 2018.

SUMMARY: The District contracts for services with MDAQMD; invoices for services are presented for payment.

CONFLICT OF INTEREST: None

BACKGROUND: Key expenses are staff; five positions are assigned to the local office. This payment request represents services rendered for April 2018 in the amount of \$96,362.58.

REASON FOR RECOMMENDATION: The AVAQMD Governing Board must authorize all payments to the MDAQMD.

REVIEW BY OTHERS: This item was reviewed by Allison Burns, Special Counsel as to legal form; and by Bret Banks, Executive Director/APCO, on or before June 19, 2018.

FINANCIAL DATA: The contract and direct expenditure amounts are part of the approved District budget for FY 18. No change in appropriations is anticipated as a result of the approval of this item.

PRESENTER: Bret Banks, Executive Director/APCO



Mojave Desert AQMD
 14306 Park Avenue
 Victorville, CA 92392
 760.245.1661

Due Date **DUE UPON RECEIPT**
 Invoice Date **4/30/2018**
 Invoice Number **41868**

INVOICE

Bill To :
ANTELOPE VALLEY AQMD 43301 DIVISION ST. SUITE 206 LANCASTER, CA 93535
Company ID 10193

FY18	Amount	
Program Staff	83,266.67	
Professional Services	12.22	
Travel & Training	43.48	
Capital Expenditures	1,206.21	
Overhead	11,834.00	
<p>TO INSURE PROPER CREDIT - PLEASE INCLUDE A COPY OF THE INVOICE WITH YOUR PAYMENT</p> <p>FOR CREDIT CARD PAYMENTS PLEASE VISIT www.mdaqmd.ca.gov</p>		
MAKE CHECKS PAYABLE TO MOJAVE DESERT AQMD PLEASE INCLUDE THE INVOICE NUMBER ON THE CHECK	Invoice Total	96,362.58
	Amount Paid	0.00
	Balance Due	96,362.58

**ANTELOPE VALLEY AQMD
Program Staff
FY 2016-17**

Program	FY 16-17 Contracted Hours	Calendar Yr 2016 Actual Hours*	FY 17-18 Contracted Hours	Average Contract Cost/hr	Annual Contract Cost	FTE
Lancaster Office	12,480	11,723	12,480	\$70.00	\$873,600	6.00
Planning, Grants, and Rulemaking	265	146	175	80	\$14,000	0.08
Air Monitoring and Surveillance	440	279	300	95	\$28,500	0.14
Compliance	310	-	-	-	-	-
Stationary Sources	270	273	300	85	\$25,500	0.14
Executive Management and Legal	630	239	250	140	\$35,000	0.12
Community Relations & Education	80	56	65	100	\$6,500	0.03
Administration	1,115	1,139	1,169	100	\$116,900	0.56
TOTAL	15,590	13,855	14,739		\$ 1,100,000	7.09
Full Time Equivalents (FTE) Administrative Costs	7.50	6.66	7.09			14.00%

Fiscal Year Comparison:	Contract Cost	FTE
Fiscal Year 2016-17	\$ 1,111,365	7.50
Fiscal Year 2017-18	\$ 1,100,000	7.09
Fiscal Year 17-18 Monthly	\$91,666.67	

*Hours for year 2017 are provided as a point of reference compared to last fiscal year and next fiscal year.

The following page(s) contain the backup material for Agenda Item: [Conduct a Continued Public Hearing to receive comments and staff presentation for the proposed AVAQMD Budget for FY 2018-19: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Adopt a resolution appr](#)

**MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM #7

DATE: [June 19, 2018](#)

RECOMMENDATION: Conduct a Continued Public Hearing to receive comments and staff presentation for the proposed AVAQMD Budget for [FY 2018-19](#): a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Adopt a resolution approving and adopting the budget for [FY 2018-19](#).

SUMMARY: The AVAQMD Budget for Fiscal Year [2018-19](#) is presented to the Governing Board for adoption and implementation beginning [July 1, 2018](#).

BACKGROUND: The proposed AVAQMD [FY 2018-19](#) Budget document included in this item identifies the budget expenses estimated to perform the District's services, activities and projects and the estimated available revenues to meet those expenses for the fiscal year beginning [July 1, 2018](#).

A proposed budget summary and supporting documentation was prepared and made available in accordance with the 30 day Public Notice Requirement of Health and Safety Code §40131(a)(1). All persons within the Antelope Valley Air Quality Management District jurisdiction who were subject to fees during the prior fiscal year were properly notified of the availability of the information (pursuant to H&S §40131(a)(2)). A Public Hearing for the purpose of reviewing the budget and taking public comment, as required by H&S § 40131(a)(3), was held [May 15, 2018](#), and continued to this meeting.

REASON FOR RECOMMENDATION: Health and Safety Code §40131 requires that Districts adopt an annual budget. Adoption of the budget will enable the AVAQMD Governing Board to make adequate financial plans and will ensure that the District can administer their respective functions in accordance with such plans.

REVIEW BY OTHERS: This item was reviewed by Allison K. Burns, Special Counsel as to legal form on or about [June 4, 2018](#).

FINANCIAL DATA: The [FY 2018-19](#) Budget for expenses (all funds) totals \$3,453,419 with anticipated revenues of \$3,651,994. A Committed Fund Balance designated for Operating Cash Reserves will be funded in the amount of \$543,000.

PRESENTER: Bret Banks, Executive Director/APCO

RESOLUTION NO.

A RESOLUTION OF THE GOVERNING BOARD OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT APPROVING AND ADOPTING THE PROPOSED OPERATING BUDGET FOR FISCAL YEAR 2018-19.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

On June 19, 2018, on motion by Member _____, seconded by Member _____, and carried, the following resolution is adopted:

WHEREAS, the Air Pollution Control Officer has submitted to the Governing Board an annual budget for the Antelope Valley Air Quality Management District (AVAQMD) for the fiscal year 2018-19; and

WHEREAS, a proposed budget summary and supporting documentation were prepared and made available in accordance with the 30 day Public Notice requirement (Health and Safety Code §40131(a)(1)); and

WHEREAS, all persons within the District area who were subject to fees during the prior fiscal year were properly notified of the availability of the information (Health and Safety Code §40131(a)(2)); and

WHEREAS, a separate Public Hearing for the exclusive purpose of reviewing the budget and taking public comment, as required by Health and Safety Code §40131(a)(3), was held on May 15, 2018 and continued to June 19, 2018; and

WHEREAS, the annual budget contains estimates of the services, activities and programs comprising the budget, and contains expenditure requirements and their resources available to the AVAQMD; and

WHEREAS, the expenses budgeted for all funds for fiscal year 2018-19 are \$3,453,419.00 (Three Million Four Hundred Fifty Three Thousand, Four Hundred Nineteen Dollars); and

WHEREAS, the revenue budgeted from all funds for fiscal year 2018-19 is \$3,651,994.00 (Three Million Six Hundred Fifty One Thousand, Nine Hundred Ninety Four Dollars); and

WHEREAS, the annual budget will enable the AVAQMD Governing Board to make adequate financial plans and will ensure that the AVAQMD officers can administer their respective functions in accordance with such plans,

RESOLUTION NO.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

NOW, THEREFORE, BE IT RESOLVED, by the AVAQMD Governing Board, the following:

The Air Pollution Control Officer, or designee, is authorized and hereby directed to execute the initial and final applications for potential State subvention funds and CAP funds for Fiscal Year 2018-19.

The annual budget for the AVAQMD for the fiscal year 2018-19 is hereby approved and adopted, and the amounts of proposed expenditures, as specified, are appropriate for the account classifications as herein specified.

A. The 2018-19 Budget for expenses is hereby adopted, establishing the following:

<u>ACCOUNT CLASSIFICATION</u>	<u>2018-19 ADOPTED BUDGET</u>
Personnel Expenses	\$1,200,218
Operating Expenses	424,375
Program (Grant) Expenses	1,738,826
Capital Expenses	<u>90,000</u>
TOTAL EXPENSE BUDGET	\$3,453,419

B. The 2018-19 Budget for revenue is hereby adopted, establishing a revenue base for the expenditures noted above:

<u>ACCOUNT CLASSIFICATION</u>	<u>2018-19 ADOPTED BUDGET</u>
Permit Fees	\$842,150
Application Fees	42,000
Fines & Penalties	9,000
Interest Income (all funds)	14,300
Revenue from (Grant) Programs	2,603,044
State Revenue	<u>141,500</u>
TOTAL REVENUE BUDGET	\$3,651,994
Committed Fund Balance for Cash Reserves	\$543,000

RESOLUTION NO.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Pursuant to Section 53901 of the California Government Code, the Clerk of the Board shall file a copy of this resolution with the Auditor of the County of Los Angeles, as required.

BE IT FURTHER RESOLVED, that this Resolution shall take effect immediately upon adoption.

PASSED, APPROVED AND ADOPTED by the Governing Board of the Antelope Valley Air Quality Management District by the following vote:

AYES: MEMBER:
NOES: MEMBER:
ABSENT: MEMBER:
ABSTAIN: MEMBER:

STATE OF CALIFORNIA)
)
) ss:
COUNTY OF LOS ANGELES)

I, Deanna Hernandez, Senior Executive Analyst of the Governing Board of the Antelope Valley Air Quality Management District, hereby certify the foregoing to be a full, true and correct copy of the record of the action as the same appears in the Official Minutes of said Governing Board at its meeting of June 19, 2018.

_____,
Deanna Hernandez
Senior Executive Analyst
Governing Board, Antelope Valley Air Quality Management District

The following page(s) contain the backup material for Agenda Item: [Approve spending authority for the District consistent with the Fiscal Year 2017-18 Budget until the FY 2018-19 Budget is adopted. Presenter: Bret Banks.](#)

**MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM #8

DATE: June 19, 2018

RECOMMENDATION: Approve spending authority for the District consistent with the Fiscal Year 2017-18 Budget until the FY 2018-19 Budget is adopted.

SUMMARY: Spending authority under the FY 2017-18 Budget effectively expires June 30, 2018. This extension of spending authority will allow the District to continue business until the adoption of a budget for FY 2018-19.

BACKGROUND: In the event the Governing Board does not adopt a budget for FY 2018-19, this item will allow the District to continue conducting business until such time as a budget is adopted.

This action is consistent with Governing Board Policy 11-05 adopted by the Governing Board on January 18, 2011. This policy authorizes the amount in the budget from the preceding year to be deemed appropriate, excluding capital expenses and residual equity transfers unless specifically approved by the Governing Board.

REASON FOR RECOMMENDATION: The Governing Board has the authority to continue the spending authority of the current budget into the next fiscal year.

REVIEW BY OTHERS: This item was reviewed by Allison K. Burns, Special Counsel as to legal form on or about June 6, 2018.

FINANCIAL DATA: This action will not require any additional appropriation.

PRESENTER: Bret Banks, Executive Director/APCO

The following page(s) contain the backup material for Agenda Item: [1\) Authorize the acceptance of Community Air Protection \(CAP\) Funding and 2\) Authorize the Executive Director/APCO and staff to execute the agreement, approved as to legal form, and to negotiate and execute agreements for eligible projects. Presenter: B](#)

**MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM #9

DATE: June 19, 2018

RECOMMENDATION: 1) Authorize the acceptance of Community Air Protection (CAP) Funding; 2) Accept the terms and conditions for the funds; and 3) Authorize the Executive Director/APCO and staff to execute the agreement, approved as to legal form, and to negotiate and execute agreements for eligible projects.

SUMMARY: This action formally accepts the Community Air Protection Funding in the amount of \$500,000 allocated to the AVAQMD. The funding consists of \$468,750 for projects and \$31,250 for administrative. This action also accepts the terms and conditions for the funds as appropriated under Schedule 3 of AB 134 in the amended Budget Act of 2017, and authorizes staff to negotiate and execute project agreements consistent with the terms and conditions.

BACKGROUND: On September 16, 2017, the Governor approved AB 134 to amend the Budget Act of 2017. This amendment adds appropriations to the Budget Act of 2017, taking effect immediately as a Budget Bill. Under Schedule 3 of this Bill, \$250 million is to be distributed by CARB to air districts for implementation of projects pursuant to the Carl Moyer Program. The purpose of the funds are to support Greenhouse Gas reductions and early actions that reduce emissions and improve public health in communities with high burdens of cumulative pollutant exposure, consistent with the goals of Assembly Bill (AB) 617 (Chapter 254, Statutes of 2017). The Air District will select projects eligible under the Carl Moyer Program 2017 Guidelines focusing in particular on vehicles and equipment that operate in any AB 617 communities.

REASON FOR RECOMMENDATION: CARB requires the Governing Board formally approve District acceptance of the funds and participation in the program.

REVIEW BY OTHERS: This item was reviewed by Allison E. Burns Special Counsel to the Governing Board as to legal form and by Bret Banks, Executive Director/APCO – Antelope Valley Operations on or before June 5, 2018.

FINANCIAL DATA: Community Air Protection Funds are supplementary to the AVAQMD budget.

PRESENTER: Bret Banks, Executive Director/APCO

cc: Jean Bracy
Laquita Cole
Michelle Powell
Julie McKeehan

The following page(s) contain the backup material for Agenda Item: [1\) Authorize the acceptance of Voluntary NOx Remediation Measure \(NRM\) Funding and 2\) Authorize the Executive Director/APCO and staff to execute the agreement, approved as to legal form, and to negotiate and execute agreement for eligible project. Presen](#)

**MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM #10

DATE: June 19, 2018

RECOMMENDATION: 1) Authorize the acceptance of Voluntary NOx Remediation Measure (NRM) Funding and 2) Authorize the Executive Director/APCO and staff to execute the agreement, approved as to legal form, and to negotiate and execute agreement for eligible project.

SUMMARY: This action formally accepts the Voluntary NOx Remediation Measure Funding in the amount of \$26,634 allocated to the AVAQMD, approves the District's participation pursuant to the NRM Funding Guidelines, and authorizes staff to negotiate and execute project agreement with grantee.

BACKGROUND: California Air Resources Board staff have found that although biodiesel use is health beneficial overall, biodiesel can, in certain engines, contribute to an increase in oxides of nitrogen (NOx). As a result, CARB has established a program to fund reduction projects related to heavy-duty diesel engines in a new NOx Remediation Measure (NRM). The structure of the measure is similar to the Carl Moyer Program that provide grants for cleaner-than-required engines and equipment. Eligible projects must reduce NOx, and those reductions must be permanent, surplus, and quantifiable.

REASON FOR RECOMMENDATION: CARB requires the Governing Board formally approve District acceptance of the funds and participation in the program.

REVIEW BY OTHERS: This item was reviewed by Allison E. Burns Special Counsel to the Governing Board as to legal form and by Bret Banks, Executive Director/APCO – Antelope Valley Operations on or before June 5, 2018.

FINANCIAL DATA: NRM Funds are supplementary to the AVAQMD budget.

PRESENTER: Bret Banks, Executive Director/APCO

cc: Jean Bracy
Laquita Cole
Michelle Powell
Julie McKeehan

The following page(s) contain the backup material for Agenda Item: 1) Award an amount not to exceed \$94,211 in Carl Moyer Program funds to Gall Brothers General Engineering for the replacement of an older diesel excavator with newer, cleaner technology; and 2) Authorize the Executive Director/APCO and staff to negotiate

**MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM #11

DATE: June 19, 2018

RECOMMENDATION: 1) Award an amount not to exceed \$94,211 in Carl Moyer Program funds to Gall Brothers General Engineering for the replacement of an older diesel excavator with newer, cleaner technology; and 2) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel.

SUMMARY: This item awards an amount not to exceed \$94,211 in Carl Moyer Program funds to Gall Brothers General Engineering to retire one (1) 1999 Tier 1 diesel excavator and replace with a new lower-emissions diesel excavator certified to the Final Tier 4 current emission standards.

BACKGROUND: AVAQMD received an application from Gall Brothers General Engineering (Gall Brothers) requesting grant funding under the Carl Moyer Program (CMP) towards retirement and replacement of older diesel-powered construction equipment. Gall Brothers proposes voluntary participation in the Carl Moyer Program in effort to reduce emissions. Grantee proposes to retire (1) 1999 JD Excavator to receive an amount not to exceed \$94,211 in grant funding to off-set the costs to purchase one (1) new 2017 CAT Excavator with the cleanest off-road technology. Staff has evaluated the project pursuant to the Carl Moyer guidelines and applicant is eligible to receive a maximum of 45 percent toward the replacement costs. The new equipment proposed in this project replaces the operation of the existing equipment creating significant emission reductions of 1.75 tons/yr. claimed for 3 years project life. Early fleet turnover provides emission reductions that help the Valley towards attainment of the national ambient air quality standards.

cc: Jean Bracy
Laquita Cole
Michelle Powell
Julie McKeehan

**MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM #11

PAGE 2

REASON FOR RECOMMENDATION: Governing Board approval is needed to fund Carl Moyer projects. Additionally, Governing Board authorization is needed for the Executive Director/APCO to negotiate and execute an agreement with the grant recipient.

REVIEW BY OTHERS: This item was reviewed by Allison E. Burns Special Counsel to the Governing Board as to legal form and by Bret Banks, Executive Director/APCO – Antelope Valley Operations on or about May 30, 2018.

FINANCIAL DATA: Sufficient funds are available from the District's Carl Moyer Program funds.

PRESENTER: Julie McKeehan, Grants Analyst