



TAMI RITTER, CHAIR
Supervisor, District #3

ADDISON WINSLOW, VICE CHAIR
Councilmember, Chico

BILL CONNELLY
Supervisor, District #1

PETER DURFEE
Supervisor, District #2

TOD KIMMELSHUE
Supervisor, District #4

DOUG TEETER
Supervisor, District #5

CHUCK NUCHOLS
Vice Mayor, Biggs

ANGEL CALDERON
Councilmember, Gridley

ERIC SMITH
Vice Mayor, Oroville

ROSE TRYON
Councilmember, Paradise

STEPHEN ERTL
Air Pollution Control Officer

PATRICK LUCEY
Assistant Air Pollution Control Officer

**REGULAR MEETING NOTICE OF THE
BUTTE COUNTY AIR QUALITY
MANAGEMENT DISTRICT GOVERNING BOARD
March 28, 2024 - 10:00 a.m.**

Meeting Location:

**Butte County Association of Governments Board Room
326 Huss Drive, Suite 100, Chico, California**

Members of the public are encouraged to attend the meeting in real time using the Zoom information listed below. Please note: To join the video conference, you will need a webcam and computer audio (speakers and microphone). If you do not have either, you may dial 1-669-900-9128 to join by audio only.

<https://us02web.zoom.us/j/87111751705?pwd=em1GWGk2cVJZTExqYmwraGw2T1pgdz09>

Zoom Meeting ID: 871 1175 1705 Passcode: 298155

The Governing Board is committed to making its proceedings accessible to all citizens. Individuals with special needs should call the Clerk of the Board at (530) 332-9400, Monday through Friday, 7:30 a.m. to 4:30 p.m. to request disability-related modifications, accommodations or to request materials in alternate formats. All requests for special accommodations and/or alternative format documents must be made 48 hours prior to the meeting. Every reasonable attempt will be made to provide such accommodations.

- | | |
|---|--------------|
| 1. Call to Order and Roll Call. | Chair |
| Consider approval of Directors request to participate remotely and utilize Just Cause or Emergency Circumstance per AB 2449. | |
| 2. Additions and Deletions to the Consent Agenda. | Chair |

CONSENT AGENDA

- | | | |
|------------|---|----------------------|
| 3.1 | Minutes of the February 22, 2024 Meeting of the Board of Directors | Kelly Towne |
| 3.2 | Activity Report on Butte County Air Quality Management District Activities | Stephen Ertle |
| 3.3 | Financial Status Report Fiscal Year 2023-2024 | Aleah Ing |
| 3.4 | Calendar of Events | Stephen Ertle |
| 3.5 | Status Report on Communications | Kelly Towne |

REGULAR AGENDA

ITEMS FOR ACTION

- | | |
|---|----------------------|
| 4. Items removed from the consent agenda for Board consideration and action - <i>if any</i> | <i>Chair</i> |
| 5. Budget Amendments | <i>Aleah Ing</i> |
| 6. FARMER Grant Program Policy & Procedure Update | <i>Jason Mandly</i> |
| 7. Position Compensation Study Proposal Review and Approval | <i>Stephen/Aleah</i> |
| 8. CEQA Handbook Update Adoption Hearing | <i>Jason Mandly</i> |

ITEMS FOR INFORMATION

- | | |
|---|----------------------|
| 9. Ca Health & Safety Code Section 42409 Penalty Limits | <i>Patrick Lucey</i> |
| 10. APCO Report | <i>Stephen Ertle</i> |
| 11. Other Business | <i>Chair</i> |
| 12. Public Comment Period. Any person may address the Board of Directors on any matter within the jurisdiction of the Board that is not on the agenda for this meeting. Any person may address the Board on an agenda item when that time is called. The chair requests that each person addressing the Board limits their presentation to five (5) minutes. | <i>Chair</i> |
| 13. Adjourn to Closed Session.
Conference with Labor Negotiators/Potential Litigation | <i>Chair</i> |
| 14. Report from Closed Session | <i>Chair</i> |

ADJOURNMENT

- | | |
|---|--------------|
| 15. The next Board of Directors Meeting is scheduled for April 25, 2024, at 10:00 a.m. at the Butte County Association of Governments Board Room, 326 Huss Drive, Suite 100, Chico, California. | <i>Chair</i> |
|---|--------------|

Questions, comments, and correspondence may be directed to:
Kelly Towne, Clerk of the Board
629 Entler Avenue, Suite 15
Chico, CA 95928
ktowne@bcaqmd.org or 530-332-9400 ext. 109





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PATRICK LUCEY
Assistant Air Pollution Control Officer

Draft Minutes of the Butte County Air Quality Management District Governing Board of Directors Meeting of February 22, 2024

Members Present:

Tami Ritter	Supervisor, District 3
Bill Connelly	Supervisor, District 1
Doug Teeter	Supervisor, District 5
Rose Tryon	Councilmember, Town of Paradise
Eric Smith	Vice Mayor, City of Oroville
Addison Winslow	Councilmember, Chico
Chuck Nuchols	Vice Mayor, Biggs
Angel Calderon	Councilmember, Gridley

Members Absent:

Peter Durfee	Supervisor, District 2
Tod Kimmelshue	Supervisor, District 4

Staff Present:

Stephen Ertle	Air Pollution Control Officer (APCO)
Kelly Towne	Clerk of the Board
Aleah Ing	Administrative Services Officer (ASO)
Patrick Lucey	Assistant Air Pollution Control Officer
Samuel Nassie	Air Quality Compliance Specialist

Remote Staff:

Jason Mandly	Senior Air Quality Planner
David Campbell	Air Quality Compliance Specialist II
Rhianna Dutra	

Due to the COVID-19 pandemic, members of the public are encouraged to attend the meeting using Zoom. Public comments were accepted before and during the meeting by emailing ktowne@bcaqmd.org.

1. **Call to Order and Roll Call.**

Chair Ritter called the meeting to order at 10:07 a.m. at the BCAG Board Room, 326 Huss Drive, Suite 100, Chico, California.

2. **Adjourn to Closed Session.**

Update regarding Labor Negotiations/Potential Litigation.

629 Entler Avenue, Suite 15 ♦ Chico, CA 95928

Agenda Item 3.1

3. Report From Closed Session.

None.

4. Additions and Deletions to the Consent or Regular Agenda.

No additions or deletions.

5. Consent Agenda.

- 5.1 Minutes of the January 25, 2024 Meeting of the Board of Directors.
- 5.2 Activity Report on Butte County Air Quality Management District Activities.
- 5.3 Financial Status Report Fiscal Year 2023-2024.
- 5.4 Status Report on Calendar of Events.
- 5.5 Status Report on Communications.
- 5.6 Approve Additional FY2022-2023 Funds for Woodsmoke Reduction Program.

ACTION REQUESTED: Approve Consent Agenda Items.

Board comments: None.

Public comments: None.

A motion was made by Supervisor Teeter and seconded by Supervisor Connelly to approve the Consent Agenda Items.

Motion carries by the following vote:

AYES: Supervisor Ritter, Supervisor Teeter (motion), Supervisor Connelly (second), Councilmember Winslow, Councilmember Tryon, Vice Mayor Nuchols, Councilmember Calderon and Vice Mayor Smith.

NOES: None.

ABSTAIN: None.

ABSENT: Supervisor Durfee and Supervisor Kimmelshue.

ITEMS FOR ACTION

6. Items removed from the Consent Agenda for Board consideration and actions.

No items removed from the Consent Agenda.

7. Budget 2024/2025 Fiscal Budget Development and Adoption Schedule.

ACTION REQUESTED: Adopt the Fiscal Budget Development and Adoption Schedule.

The Fiscal Budget Development and Adoption Schedule was presented by Aleah Ing, Administrative Services Officer.

Board Discussion: None.

Public comments: None.

A motion was made by Councilmember Winslow and seconded by Vice Mayor Nuchols to Approve the Fiscal Budget Development and Adoption Schedule.

Motion carries by the following vote:

AYES: Supervisor Ritter, Supervisor Teeter, Supervisor Connelly, Councilmember Winslow(motion), Councilmember Tryon, Vice Mayor Nuchols(second), Councilmember Calderon and Vice Mayor Smith.
NOES: None.
ABSTAIN: None.
ABSENT: Supervisor Durfee and Supervisor Kimmelshue.

8. District Compensation Study Update and Review.

ACTION REQUESTED: Review update on options and provide direction.

The District Compensation Study Update and Review was presented by Stephen Ertle, Air Pollution Control Officer.

Board discussion: Supervisor Ritter recommended moving the item to the March Governing Board meeting.
Public comments: None.

A motion was made by Supervisor Connelly and seconded by Vice Mayor Smith to move Agenda Item 8, District Compensation Study Update and Review to the March 28, 2024 Governing Board meeting.

Motion carries by the following vote:

AYES: Supervisor Ritter, Supervisor Teeter, Supervisor Connelly(motion), Councilmember Winslow, Councilmember Tryon, Vice Mayor Nuchols, Councilmember Calderon and Vice Mayor Smith(second).
NOES: None.
ABSTAIN: None.
ABSENT: Supervisor Durfee and Supervisor Kimmelshue.

ITEMS FOR INFORMATION

9. APCO Report.

ACTION REQUESTED: None. This item is provided for information and discussion.

See Addendum to the minutes for the report.

Board Discussion: Board discussion ensued.
Public Comment: None.

10. Other Business.

None.

11. **Public Comment Period.** Any person may address the Board of Directors on any matter within the jurisdiction of the Board that is not on the agenda for this meeting. Any person may address the Board on an agenda item when that time is called. The Chair requests that each person addressing the Board limits their presentation to five (5) minutes. No public comments.

12. **The meeting adjourned at 10:59 a.m. The next Board of Directors Meeting is scheduled for April 25, 2024 at 10:00 a.m. at the Butte County Association of Governments Board Room, 326 Huss Drive, Suite 100, Chico, California.**

Stephen Ertle, Air Pollution Control Officer
Butte County Air Quality Management District

I hereby attest that this is a true and correct copy of the action taken by the Butte County Air Quality Management District Board of Directors on February 22, 2024.

ATTEST: _____
Kelly Towne, Clerk of the Governing Board

Attachment 1

APCO Report

Federal

- PM 2.5 NAAQS standard came in at 9. Our 21-23 data puts us under that threshold.
 - EPA working with state and Districts on designations and boundaries. Final determinations wont be out until late summer or fall.

State

- The LAO has updated their deficit projection from \$58 billion to \$73 billion. They also float pulling back \$50M of 23-24 AB 617 funding.

Local

- Sam Nassie-Started @ District in March 2022
 - Earned his Eagle Scout Award @ 13 years old and was awarded “Eagle Scout of the Year by the American Legion” at 17 years old.
 - Grew up in Paradise and graduated Valedictorian
 - Undergrad From Chico State
 - Worked as a USDA wildlife specialist
 - Certified UST Designated Operator (knows everything about gas stations)
 - Certified in Basic Wildland Firefighting and



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Date of Release: March 21, 2024

Board Consideration: March 28, 2024

To: Butte County Air Quality Management District Board of Directors

From: Stephen Ertle, Air Pollution Control Officer

Staff Contact: Stephen Ertle, Air Pollution Control Officer

Re: **Activity Report**

ISSUE:

Summary of District activities for calendar years 2022, 2023 and 2024 as of February 29, 2024.

ACTION REQUESTED:

Accept and file report

DISCUSSION:

None

Attachment:

2024 Activity Report

Agenda Item 3.2

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Activity Report 2024

Activity (2024)	2022	2023	Jan	Feb*	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD ¹
Permits to Operate Issued/Renewed	813	804	51	71											122
Authority to Construct Permits Issued	50	38	1	3											4
Portable Equipment Registrations	34	38	2	6											8
Engine Registrations Issued/Renewed	261	0	0	246											246
Inspections Performed by Facility	496	347	38	42											80
Inspections Performed by Permits	658	469	52	67											119
Status Change Reports Received	3	84	4	16											20
Agricultural Burn Days ^{2*}	356	353	31	29											60
Agricultural No-Burn Days ^{2*}	9	12	0	0											0
Burn Permits Issued	750	727	55	33											88
Burn Notifications	5,152	4,826	257	299											556
Rice Fields Reported Harvested	375	394	0	0											0
Complaints Received	134	87	2	7											9
Notices of Noncompliance Issued	104	79	0	3											3
Notices to Comply Issued	23	5	0	1											1
Public Outreach	499	651	65	53											118
Environmental Documents Reviewed	5	1	0	0											0
Public Records Requests	64	31	9	4											13

¹ YTD = Year-to-date totals

² Burn Day Status reported below 3000' elevation

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Date of Release: March 21, 2024

Board Consideration: March 28, 2024

To: Butte County Air Quality Management District Board of Directors

From: Stephen Ertle, Air Pollution Control Officer

Staff Contact: Aleah Ing, Administrative Services Officer

Re: **Financial Status Report Fiscal Year 2023-2024**

ISSUE:

Financial Status Report

ACTION REQUESTED:

Accept and file report.

DISCUSSION:

The attached financial report summarizes the District's finances during the period of July 1, 2023 through February 29, 2024 and the Balance sheet for the period ending February 29, 2024.

Budget Amendments are being proposed at the March 28th Board Meeting.

Attachment:

1-Fiscal Year 23-24 February Balance Sheet

2-Fiscal Year 23-24 February Revenue and Expense Report

Agenda Item 3.3

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Butte Co. Air Quality Management Dist.
Balance Sheet
As of February 29, 2024

	Feb 29, 24
ASSETS	
Current Assets	
Checking/Savings	
1002 · Cash on Hand - Change Box	200.00
1003 · Bank of America - General-0648	515,781.00
1004 · Bank of America - Payroll-0649	5,702.10
1007 · B of A Reserve Acct - 1789	329,677.06
1010 · B of A - 0980 (Grant 1)	81,265.65
1011 · Tri Counties - Carl Moyer 2618	604,476.27
1012 · Tri Counties - FARMER - 6831	1,636,327.39
1013 · Tri Counties - CAP-6855	1,489,126.71
1017 · Tri Counties - AB 617-6818	90,935.50
1018 · State LAIF Acct	1,259,257.91
Total Checking/Savings	6,012,749.59
Accounts Receivable	
1200 · Accounts Receivable	456,193.87
Total Accounts Receivable	456,193.87
Other Current Assets	
1102 · Due From Other Governments	114,449.43
1500 · Undeposited Funds	144.62
Total Other Current Assets	114,594.05
Total Current Assets	6,583,537.51
Other Assets	
1300 · Prepaid Costs	17,251.38
Total Other Assets	17,251.38
TOTAL ASSETS	6,600,788.89
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	17,251.38
2001 · A/P - Grantees	2,020,217.51
Total Accounts Payable	2,037,468.89
Other Current Liabilities	
2100 · Accrual Payroll & Benefits	
210004 · HI 125	979.69
210011 · PERS Survivor Benefits	-0.76
210013 · MED FLEX	580.19
Total 2100 · Accrual Payroll & Benefits	1,559.12
2107 · Unearned Revenue	
210904 · FARMER	410,264.46

	Feb 29, 24
210906 · Carl Moyer	75,908.64
210910 · Community (CAP)	363,994.52
210912 · WoodSmoke	25,758.00
210914 · AB 617	202,621.28
210917 · Prescribed Fire Grant	88,241.51
Total 2107 · Unearned Revenue	1,166,788.41
2109 · Unavailable Revenue	283,533.96
Total Other Current Liabilities	1,451,881.49
Total Current Liabilities	3,489,350.38
Total Liabilities	3,489,350.38
Equity	
3100 · Reserves	329,626.07
3200 · Restricted Fund	
3003 · Reserved for Encumbrances	8,300.00
3004 · Carl Moyer Program	204,475.05
3005 · Reserved FARMER Prgm	650,718.42
3009 · Woodsmoke Grant	318,861.00
3012 · Community (CAP)	1,229,002.42
Total 3200 · Restricted Fund	2,411,356.89
3900 · Retained Earnings	725,632.01
Net Income	-355,176.46
Total Equity	3,111,438.51
TOTAL LIABILITIES & EQUITY	6,600,788.89

***Note: Changes may occur due to year end journals and audit adjustments related to FY 2022-23.**

Butte Co. Air Quality Management Dist.
Profit & Loss Budget vs. Actual
 July 2023 - February 2024 -66.67% of the Year

Accrual Basis

	Jul '23 - Feb 24	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
421 · License and Permits				
4213010 · Ag Burn Permits	56,251.14	100,000.00	-43,748.86	56.25%
4213013 · Ag Engine Registration Program	14,446.79	11,350.00	3,096.79	127.28%
4213020 · Title V Permits	4,681.55	4,500.00	181.55	104.03%
4213030 · Operating Permits	309,367.94	477,000.00	-167,632.06	64.86%
4213035 · Portable Engine Registration	40,070.58	48,000.00	-7,929.42	83.48%
4213038 · Asbestos Program	0.00	5,000.00	-5,000.00	0.0%
4213040 · Auth to Construct	20,677.69	29,000.00	-8,322.31	71.3%
4213060 · Misc. Other Permits	0.00	600.00	-600.00	0.0%
Total 421 · License and Permits	445,495.69	675,450.00	-229,954.31	65.96%
430 · Fines, Forfeitures & Penalties				
4300001 · Civil Settlements	38,528.84	30,000.00	8,528.84	128.43%
Total 430 · Fines, Forfeitures & Penalties	38,528.84	30,000.00	8,528.84	128.43%
441 · Interest Income	38,523.49	2,000.00	36,523.49	1,926.18%
451 · Intergovernmental				
45000 · Governmental Funds				
4500001 · State Subvention	73,386.16	65,300.00	8,086.16	112.38%
4511001 · DMV Surcharge	461,016.67	740,000.00	-278,983.33	62.3%
Total 45000 · Governmental Funds	534,402.83	805,300.00	-270,897.17	66.36%
45105 · Direct Grant Funds				
4510500 · AB 2588 Hot Spots Fee	0.00	134.00	-134.00	0.0%
4510501 · 105 Pilot Project Grant Funding	0.00	61,012.00	-61,012.00	0.0%
4510502 · AB 197 Funding	0.00	8,583.00	-8,583.00	0.0%
4510503 · AB 617 Funding	9,450.47	100,369.75	-90,919.28	9.42%
4510504 · Prescribed Fire Grant	3,542.22	0.00	3,542.22	100.0%
4510505 · GHG Oil & Gas Funding	0.00	6,000.00	-6,000.00	0.0%
Total 45105 · Direct Grant Funds	12,992.69	176,098.75	-163,106.06	7.38%
45109 · Pass Through Grants				
4510904 · FARMER Funding	1,224,474.50	612,237.50	612,237.00	200.0%
4510906 · Carl Moyer Grant	175,000.00	175,000.00	0.00	100.0%
4510909 · Woodsmoke Grant	463,270.00	221,798.00	241,472.00	208.87%
4510915 · Community Air Program (CAP)	0.00	0.00	0.00	0.0%
Total 45109 · Pass Through Grants	1,862,744.50	1,009,035.50	853,709.00	184.61%
Total 451 · Intergovernmental	2,410,140.02	1,990,434.25	419,705.77	121.09%
471 · Miscellaneous Revenue				
4712523 · Other Misc. Revenue	22,718.54	23,995.00	-1,276.46	94.68%
4712550 · Implementation Funds				
Carl Moyer Implementation	34,074.79	109,983.43	-75,908.64	30.98%
Community CAP Implementation	45,821.70	409,816.22	-363,994.52	11.18%
FARMER Implementation	69,184.43	391,985.89	-322,801.46	17.65%
WoodSmoke Implementation	23,452.00	23,452.00	0.00	100.0%
4712550 · Implementation Funds - Other	0.00	0.00	0.00	0.0%
Total 4712550 · Implementation Funds	172,532.92	935,237.54	-762,704.62	18.45%
Total 471 · Miscellaneous Revenue	195,251.46	959,232.54	-763,981.08	20.36%
Total Income	3,127,939.50	3,657,116.79	-529,177.29	85.53%
Gross Profit	3,127,939.50	3,657,116.79	-529,177.29	85.53%
Expense				
511 · Payroll Expenses				
511001 · Salaries & Wages	550,559.96	975,994.80	-425,434.84	56.41%
512000 · Extra Help	14,017.59	16,000.00	-1,982.41	87.61%
514000 · Overtime	0.00	4,000.00	-4,000.00	0.0%
518 · Employee Benefits				
518008 · Health Care	121,998.65	220,262.52	-98,263.87	55.39%
518009 · Cafeteria	24,143.25	28,597.32	-4,454.07	84.43%
518010 · Other Employee Benefits	16,218.84	27,716.43	-11,497.59	58.52%
518700 · Retirement Pension	93,234.13	160,237.53	-67,003.40	58.19%
518800 · Contrib to Pension Liability	122,440.00	155,627.85	-33,187.85	78.68%
518900 · Retiree's OPEB	34,849.63	54,136.20	-19,286.57	64.37%

	Jul '23 - Feb 24	Budget	\$ Over Budget	% of Budget
518901 · Contrib to OPEB Liability	0.00	35,630.00	-35,630.00	0.0%
Total 518 · Employee Benefits	412,884.50	682,207.85	-269,323.35	60.52%
Total 511 · Payroll Expenses	977,462.05	1,678,202.65	-700,740.60	58.25%
520 · Materials & Supplies				
521104 · Postage	3,220.00	3,722.42	-502.42	86.5%
522201 · Office Supplies	5,114.84	9,435.00	-4,320.16	54.21%
523001 · Telecommunications	8,992.05	16,480.00	-7,487.95	54.56%
524544 · Utilities - Elec/Gas/Wtr/Grbge	5,190.88	9,341.60	-4,150.72	55.57%
525545 · Auto Fuel Costs/ Road Expense	3,016.37	6,695.00	-3,678.63	45.05%
Total 520 · Materials & Supplies	25,534.14	45,674.02	-20,139.88	55.91%
530 · Services & Other Operating				
531201 · Household Janitorial	3,325.00	5,871.00	-2,546.00	56.63%
532527 · Insurance -Liability & Vehicle	14,735.77	17,410.09	-2,674.32	84.64%
533533 · Memberships, Dues & Subscript..	2,734.00	6,500.33	-3,766.33	42.06%
534537 · Public & Legal Notices	940.47	4,017.00	-3,076.53	23.41%
535540 · Public Outreach	10,253.03	17,149.50	-6,896.47	59.79%
536101 · Training	4,760.00	14,707.00	-9,947.00	32.37%
537202 · Travel & Conference Expenses	11,903.29	33,950.00	-22,046.71	35.06%
Total 530 · Services & Other Operating	48,651.56	99,604.92	-50,953.36	48.85%
540 · Rents Lease, Repair, NonCapital				
541538 · Property Rents & Leases	324.75	650.00	-325.25	49.96%
542539 · Equipment Rents & Leases	549.18	762.20	-213.02	72.05%
543103 · Office Furniture & Equip	0.00	16,789.00	-16,789.00	0.0%
543203 · Computer Equipment	3,612.99	12,875.00	-9,262.01	28.06%
543204 · Computer Software-Subscriptions	17,013.39	20,599.75	-3,586.36	82.59%
543541 · Air Monitoring Equipment & Main	822.36	5,907.05	-5,084.69	13.92%
544001 · Vehicles Maintenance	2,526.24	5,495.05	-2,968.81	45.97%
544042 · IT Maintenance	17,954.57	32,117.00	-14,162.43	55.9%
544103 · Building Maintenance	545.73	15,225.25	-14,679.52	3.58%
Total 540 · Rents Lease, Repair, NonCapital	43,349.21	110,420.30	-67,071.09	39.26%
550 · Professional/Consulting Service				
551137 · AB2588 Hot Spots Fee	134.00	134.00	0.00	100.0%
551536 · Professional Services	22,563.27	94,883.60	-72,320.33	23.78%
551547 · Legal Services	11,000.00	19,055.00	-8,055.00	57.73%
555580 · Contingencies	0.00	20,000.00	-20,000.00	0.0%
Total 550 · Professional/Consulting Service	33,697.27	134,072.60	-100,375.33	25.13%
560 · Grants				
560006 · Carl Moyer Grant	396,090.20	600,565.25	-204,475.05	65.95%
560007 · Community Air (CAP)	580,336.54	1,809,338.97	-1,229,002.43	32.08%
560009 · WoodSmoke Grant	144,409.00	221,798.00	-77,389.00	65.11%
560020 · Special Clean Air Grants	0.00	35,000.00	-35,000.00	0.0%
560021 · FARMER	1,191,735.99	1,230,217.41	-38,481.42	96.87%
Total 560 · Grants	2,312,571.73	3,896,919.63	-1,584,347.90	59.34%
565 · Debt Service				
565087 · GASB 87 Lease Principal	39,742.34	53,035.00	-13,292.66	74.94%
565987 · GASB 87 Lease Interest & Other	2,107.66	2,521.00	-413.34	83.6%
Total 565 · Debt Service	41,850.00	55,556.00	-13,706.00	75.33%
Total Expense	3,483,115.96	6,020,450.12	-2,537,334.16	57.86%
Net Ordinary Income	-355,176.46	-2,363,333.33	2,008,156.87	15.03%
Net Income	-355,176.46	-2,363,333.33	2,008,156.87	15.03%

Budget Amendments are being proposed at March 28th Board Meeting.
The FY 23-24 Budget was adopted 6/22/2023; Amended 10/26/2023



TAMI RITTER, CHAIR
Supervisor, District #3

ADDISON WINSLOW, VICE CHAIR
Councilmember, Chico

BILL CONNELLY
Supervisor, District #1

PETER DURFEE
Supervisor, District #2

TOD KIMMELSHUE
Supervisor, District #4

DOUG TEETER
Supervisor, District #5

CHUCK NUCHOLS
Vice Mayor, Biggs

ANGEL CALDERON
Councilmember, Gridley

ERIC SMITH
Vice Mayor, Oroville

ROSE TRYON
Councilmember, Paradise

STEPHEN ERTLE
Air Pollution Control Officer

PATRICK LUCEY
Assistant Air Pollution Control Officer

Date of Release: March 21, 2024

Board Consideration: March 28, 2024

To: Butte County Air Quality Management District Board of Directors

From: Stephen Ertle, Air Pollution Control Officer

Staff Contact: Stephen Ertle, Air Pollution Control Officer

Re: **Calendar of Events**

DATE	EVENT	LOCATION
April 1	District Office Closed in honor of Cesar Chavez Day	Chico
April 3	Fire Safe Council Meeting	Paradise
April 5	Sacramento Valley BCC Meeting	Red Bluff
April 9	Vapor Recovery	Virtual
April 17	Technical Advisory Committee (TAC)	Davis
April 23-24	Enforcement Managers	Chico
April 25	Butte County AQMD Board Meeting	Chico
April 29-30	Engineering Managers	Virtual
May 1	Fire Safe Council Meeting	Paradise
May 7	Budget Public Workshop	District Office/Virtual
May 15	Prescribed Fire Working Group Meeting	Virtual
May 15	Technical Advisory Committee (TAC)	Sacramento
May 22	CARB/District Workgroup for PM NAAQS Revision	Virtual
May 23	Butte County AQMD Board Meeting/Budget Hearing	Chico
May 27	District Office Closed in honor of Memorial Day	Chico
May 28-31	CAPCOA Spring Retreat	Placer
June 4-5	NASA Health and Air Quality Applied Sciences Team Panel	Cambridge, MA
June 5	Fire Safe Council Meeting	Paradise
June 7	Sacramento Valley BCC Meeting	Davis
June 19	District Office Close in honor of Juneteenth	Chico
June 27	Butte County AQMD Board Meeting/Budget Hearing	Chico

Agenda Item 3.4

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Assistant Air Pollution Control Officer

Date of Release: March 21, 2024

Board Consideration: March 28, 2024

To: Butte County Air Quality Management District Board of Directors

From: Stephen Ertle, Air Pollution Control Officer

Staff Contact: Kelly Towne, Board Clerk

Re: **Status Report on Communications**

ISSUE:

Status Report on Communications with Board Members.

ACTION REQUESTED:

None. For information only.

DISCUSSION:

No communications outside of regularly scheduled Board Meeting.

Attachment:

None

Agenda Item 3.5

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TAMI RITTER, CHAIR
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Assistant Air Pollution Control Officer

Date of Release: March 21, 2024

Board Consideration: March 28, 2024

To: Butte County Air Quality Management District Board of Directors

From: Stephen Ertle, Air Pollution Control Officer

Staff Contact: Aleah Ing, Administrative Services Officer

Re: **Budget Amendments**

ISSUE:

Financial activity requiring budget transfers and amendment.

ACTION REQUESTED:

Approve budget transfers and amendment for FY 23-24.

DISCUSSION:

The proposed amendments have a net increase to operating revenue with no proposed increase to operating expenses resulting in an increase in fund balance. The increased revenues are from ag engine and title V programs, increased inspection efforts resulting in higher enforcement rates, supplemental subvention funds from the state, and increased hours for technical evaluation fees.

The pass-through grant program fund amendments account for an increase of \$1,821,268.27 resulting in a total increase in pass through funds by \$3,498,323.92 from the budget adopted in June of 2023. These funds are restricted.

An additional \$450,743.76 in implementation funds have been received and are unearned by the District in this budget and are reserved for future program implementation. Of this amount \$251,443 is related to pass through grants and \$208,445.73 for direct grants (AB617 and Prescribed Fire) for future program implementation extending into 2026. These funds are unearned and will be recognized as program costs are recognized. The current projected fund balance increases with these amendments to \$56,795.

Attachment:

FY23-24 Budget Amendment Comparative Analysis

Agenda Item 5

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Butte County Air Quality Management District
Final Proposed Comparative Budget Analysis
FY 2023-2024

		FY 2023-24	PreAdoption	FY 2023-24	10/26/2023	3/28/2024	FY 2023-2024
		Proposed Budget	Amendments	Final Adopted	October Board Mtg	March Board Mtg	Amended Budget
REVENUE					FY 2023-2024	FY 2023-2024	FY 2023-2024
					Amendment 1	Amendment 2	Amended Budget
4213010	Ag Burn Permits	100,000.00	-	100,000.00			100,000.00
4213013	Ag Engine Registration Program	11,350.00	-	11,350.00		3,100.00	14,450.00
4213020	Title V Permits	4,500.00	-	4,500.00		182.00	4,682.00
4213030	Operating Permits	477,000.00	-	477,000.00			477,000.00
4213035	Portable Engine Registration	48,000.00	-	48,000.00			48,000.00
4213038	Asbestos Program	5,000.00	-	5,000.00			5,000.00
4213040	Auth to Construct	29,000.00	-	29,000.00			29,000.00
4213055	Emission Reduction Fee	-	-	-			-
4213060	Misc. Other Permits	600.00	-	600.00			600.00
421 - Licenses & Permits		675,450.00	0.00	675,450.00	0.00	3,282.00	678,732.00
4300001	Civil Settlements	30,000.00	-	30,000.00		15,000.00	45,000.00
430 - Fines, Forfeitures & Penalties		30,000.00	0.00	30,000.00	0.00	15,000.00	45,000.00
	Interest	2,000.00	-	2,000.00			2,000.00
441 - Interest (Use of Money & Property)		2,000.00	-	2,000.00	-	-	2,000.00
4510001	State Subvention	65,300.00	-	65,300.00		8,086.00	73,386.00
4511001	DMV Surcharge	740,000.00	-	740,000.00			740,000.00
4510500	AB2588 Hot Spots Fee	134.00	-	134.00			134.00
4510501	105 Grant Funding	61,012.00	-	61,012.00			61,012.00
4510502	AB 197 Funding	8,583.00	-	8,583.00			8,583.00
4510503	AB 617 Implementation Funding	94,627.54	-	94,627.54	5,742.21	111,702.00	212,071.75
4510504	Prescribed Burn Reporting & Monitoring	-	-	-		96,753.73	96,753.73
4510505	GHG Oil & Gas Funding	6,000.00	-	6,000.00			6,000.00
4510904	FARMER	612,237.50	-	612,237.50		612,237.00	1,224,474.50
4510906	Carl Moyer	375,257.66	-	375,257.66	(200,257.66)		175,000.00
4510909	WoodSmoke	205,000.00	-	205,000.00	16,798.00	241,472.00	463,270.00
4510915	Community Air Protection (CAP)	992,368.82	-	992,368.82	(992,368.82)	967,559.27	967,559.27
451 - Intergovernmental		3,160,520.52	-	3,160,520.52	(1,170,086.27)	2,037,810.00	4,028,244.25
	BCC Secretarial Duties	15,870.00	-	15,870.00			15,870.00
	Reimbursements (Copy & Other)	1,125.00	-	1,125.00			1,125.00
	Fees (Finance Charges, Return Check)	2,000.00	-	2,000.00			2,000.00
	Technical Evaluation Fees	5,000.00	-	5,000.00		4,500.00	9,500.00
4712523	4712523 Misc Revenue	23,995.00	-	23,995.00	-	4,500.00	28,495.00
	YR 2 FARMER, G18-AGIP-13 (Rebudget)	-	-	-			-
	YR 3 FARMER, G19-AGIP-01	118.31	-	118.31	(118.31)		-
	YR 4 FARMER, G21-OAGIP-02	248,000.00	-	248,000.00	(30,939.11)		217,060.89
	YR 5 FARMER, G22-OAGIP-02	174,925.00	-	174,925.00			174,925.00
	YR 6 FARMER, G23-OAGIP-02		-			87,463.00	87,463.00
	Carl Moyer YR 22 RESERVE Implementati	2,784.38	-	2,784.38	188.00		2,972.38
	Carl Moyer YR 23 RESERVE Implementati	4,391.98	-	4,391.98	(3,263.36)		1,128.62
	Carl Moyer Admin YR 23, Original 20-21 f	11,451.85	-	11,451.85	(11,451.85)		-
	Carl Moyer Admin YR 24, Original 21-22 f	12,839.83	-	12,839.83	(7,744.21)		5,095.62
	Carl Moyer YR 24 RESERVE (L&G) implem	37,625.00	-	37,625.00			37,625.00
	YR25 Carl Moyer	25,000.00	-	25,000.00	(10,210.42)		14,789.58
	YR 24 RAP	3,774.31	-	3,774.31	(1,979.42)		1,794.89
	YR 25 RAP	21,426.35	-	21,426.35	150.99		21,577.34
	YR26 Carl Moyer	25,000.00	-	25,000.00			25,000.00
	WoodSmoke G21	23,152.94	-	23,152.94	299.06		23,452.00
	WoodSmoke G21 Amendment		-			25,758.00	25,758.00
	YR3Community (CAP) Implementation (Y	97,486.44	-	97,486.44	1,623.78		99,110.22
	YR5 CAP	168,939.02	-	168,939.02			168,939.02
	YR6 CAP	141,766.98	-	141,766.98			141,766.98
	YR7 CAP		-			138,222.73	138,222.73
4712550	4712550 Implementation Administrative	998,682.39	-	998,682.39	(63,444.85)	251,443.73	1,186,681.27
471 - Other Revenues (Miscellaneous)		1,022,677.39	-	1,022,677.39	(63,444.85)	255,943.73	1,215,176.27
TOTAL REVENUE		4,890,647.91	-	4,890,647.91	(1,233,531.12)	2,312,035.73	5,969,152.52

Butte County Air Quality Management District
Final Proposed Comparative Budget Analysis
FY 2023-2024

		FY 2023-24	PreAdoption	FY 2023-24	10/26/2023	3/28/2024	FY 2023-24
		<u>Proposed Budget</u>	<u>Amendments</u>	<u>Final Adopted</u>	<u>October Board Mtg</u>	<u>March Board Mtg</u>	<u>Amended Budget</u>
OPERATING EXPENSES							
Wages, Benefits & PR Expenditures							
511000	Wages & PR Taxes	975,994.80		975,994.80			975,994.80
512000	Extra Help	16,000.00		16,000.00			16,000.00
514000	Overtime	4,000.00		4,000.00			4,000.00
511	Salaries, Wages, PR Taxes	995,994.80	-	995,994.80	-	-	995,994.80
518008	Health Care	220,262.52		220,262.52			220,262.52
518009	Cafeteria	28,597.32		28,597.32			28,597.32
518010	Other Employee Benefits	27,716.43		27,716.43			27,716.43
518700	Retirement (Pension) - includes Classic, I	160,237.53		160,237.53			160,237.53
518800	Contrib to Pension Liability (est. bal as of	155,627.85		155,627.85			155,627.85
518900	Retiree's OPEB	54,136.20		54,136.20			54,136.20
518901	Contrib to OPEB Liability (est. bal as of 6	35,630.00		35,630.00			35,630.00
518	Benefits	682,207.85	-	682,207.85	-	-	682,207.85
Operating Expenditures							
<u>Materials & Supplies</u>							
521104	Postage	3,722.42		3,722.42			3,722.42
522201	Office Supplies	9,785.00		9,785.00	(350.00)		9,435.00
523001	Telecommunications	16,480.00		16,480.00			16,480.00
524544	Utilities – Electric/Gas	9,341.60		9,341.60			9,341.60
525545	Auto Fuel Costs/Road Expense	6,695.00		6,695.00			6,695.00
520	Materials & Supplies	46,024.02	-	46,024.02	(350.00)	-	45,674.02
531201	Household Janitorial	5,871.00		5,871.00			5,871.00
532527	Insurance (Liability & Vehicle)	17,410.09		17,410.09			17,410.09
533533	Memberships, Dues and Subscriptions	6,500.33		6,500.33			6,500.33
534537	Public & Legal Notices	4,017.00		4,017.00			4,017.00
535540	Public Outreach	17,149.50		17,149.50			17,149.50
536101	Training	14,707.00		14,707.00			14,707.00
537202	Travel & Conference expenses	33,950.00		33,950.00			33,950.00
530	Services & Other Operating	99,604.92	-	99,604.92	-	-	99,604.92
<u>Rents & Leases</u>							
541538	Property Rents & Leases	300.00		300.00	350.00		650.00
542539	Equipment Rents & Leases	762.20		762.20			762.20
<u>Noncapitalized Improvements & Equipment</u>							
543103	Office Furniture & Equipment	16,789.00		16,789.00			16,789.00
543203	Computer Equipment	12,875.00		12,875.00			12,875.00
543204	Computer Software & Subscriptions	20,599.75		20,599.75			20,599.75
543541	Air Monitoring Equipment & Maintenan	5,907.05		5,907.05			5,907.05
<u>Repairs & Maintenance</u>							
544001	Vehicle Maintenance	5,495.05		5,495.05			5,495.05
544042	IT Maintenance (computer, copier, office	32,117.00		32,117.00			32,117.00
544103	Building Maintenance (annual expenditu	15,225.25		15,225.25			15,225.25
540	Rents, Leases, Repairs & Noncapitalized Improvement	110,070.30	-	110,070.30	350.00	-	110,420.30
551536	Professional Services	94,883.60		94,883.60			94,883.60
551137	AB2588 Hot Spots Fee	134.00		134.00			134.00
551547	Legal Services	19,055.00		19,055.00			19,055.00
555580	Contingencies	20,000.00		20,000.00			20,000.00
550	Professional/Consulting Services	134,072.60	-	134,072.60	-	-	134,072.60
Total Operating Expenditures*		2,067,974.49	-	2,067,974.49	-	-	2,067,974.49
NON-OPERATING							
<u>Grants</u>							
560006	Carl Moyer	375,257.66		375,257.66	225,307.59		600,565.25
560007	Community Air CAP (CAP)	992,368.82		992,368.82	816,970.15	967,559.27	2,776,898.24
560009	WoodSmoke	205,000.00		205,000.00	16,798.00	241,472.00	463,270.00
560020	Special Clean Air Grants	35,000.00		35,000.00			35,000.00
560021	FARMER	612,237.50		612,237.50	617,979.91	612,237.00	1,842,454.41
560	Total Grants	2,219,863.98	-	2,219,863.98	1,677,055.65	1,821,268.27	5,718,187.90

Butte County Air Quality Management District
Final Proposed Comparative Budget Analysis
FY 2023-2024

				10/26/2023 October Board Mtg	3/28/2024 March Board Mtg		
DEBT							
<u>Debt Service</u>							
565087	Principal	53,035.00		53,035.00			53,035.00
565987	Interest & Other Charges	2,521.00		2,521.00			2,521.00
565 Total Debt Service		55,556.00	-	55,556.00	-	-	55,556.00
CAPITAL							
571105	Buildings & Improvements	-		-			-
572563	Equipment (Computer Equipment & Offi	-		-			-
573105	Vehicles (Fixed asset Inventory; Listed in	-		-			-
570 Total Capital Outlay		-	-	-	-	-	-
TOTAL Budget (\$ listed in Resolution)		4,343,394.47	-	4,343,394.47	1,677,055.65	1,821,268.27	7,841,718.39

UNEARNED & FUND BALANCE (Assigned Reserves, Restricted & Unassigned)							
		FY 2023-24	PreAdoption	FY 2023-24	FY 2023-2024	FY 2023-2024	FY 2023-2024
		<u>Proposed Budget</u>	<u>Amendments</u>	<u>Final Adopted</u>	<u>Amendment 1</u>	<u>Amendment 2</u>	<u>Amended Budget</u>
<u>Unearned</u>							
	Prescribed					87,598.03	87,598.03
	WoodSmoke			-		25,758.00	25,758.00
	AB617	40,064.60		40,064.60	5,742.21	111,702.00	157,508.81
	CAP	322,417.38		322,417.38	628.34	138,222.73	461,268.45
	Carl Moyer	112,114.85		112,114.85	(34,685.02)		77,429.83
	FARMER	342,596.19		342,596.19	(31,994.30)	87,463.00	398,064.89
	Unearned Revenue	<u>817,193.01</u>	-	<u>817,193.01</u>	<u>(60,308.77)</u>	<u>450,743.76</u>	<u>1,207,628.01</u>
<u>Restrictions (Fund Balance)</u>				-			-
	Estimated reserve based on calculate	344,662.42		344,662.42			344,662.42
Assigned	Reserve Fund (see Resolution/Policy)	<u>329,626.07</u>		<u>329,626.07</u>			<u>329,626.07</u>
Restricted							
	CAP						
	WoodSmoke						
	Carl Moyer						
	FARMER						
	Restricted (Uncontracted passthrough grant funds)	-	-	-	-	-	-
Unassigned							
	TOTAL FUND	329,626.07	-	329,626.07	-	-	329,626.07
	Unearned Balance	817,193.01	-	817,193.01	-	-	1,207,628.01
	Unassigned after grant unearned liability	(329,626.07)		(329,626.07)			(1,926,387.16)

		Strt Fund Bal 6/30/2022				Audited Start Fund Bal 6/30/2024
		FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24
		<u>Proposed Budet</u>	<u>audited 6/30/2022</u>	<u>Final Adopted</u>	<u>Amendment 1</u>	<u>Amended Budet</u>
	Restricted	-	963,374.77	-	2,861,184.12	2,861,184.12
	Assigned	329,626.07	320,255.00	329,626.07		329,626.07
	Unassigned Audit Balance	269,939.57	300,343.00	269,939.57	5,865.21	275,804.78
	Total Fund Balance	<u>599,565.64</u>	<u>1,583,972.77</u>	<u>599,565.64</u>	<u>2,867,049.33</u>	<u>3,466,614.97</u>
	Total Revenue	4,890,647.91	-	4,890,647.91	(1,233,531.12)	2,312,035.73
	Total Expenditures	4,343,394.47	-	4,343,394.47	1,677,055.65	1,821,268.27
	Total Assigned & Restricted	329,626.07		329,626.07		329,626.07
	Total unassigned Fund Balance	-		-	16,771.33	40,023.70
	Total Fund Balance	<u>329,626.07</u>	<u>-</u>	<u>329,626.07</u>	<u>16,771.33</u>	<u>40,023.70</u>
	Unearned	817,193.01	-	817,193.01	(60,308.77)	450,743.76
						1,207,628.01

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Councilmember, Paradise

STEPHEN ERTLE
Air Pollution Control Officer

PATRICK LUCEY
Assistant Air Pollution Control Officer

Date of Release: March 21, 2024

Board Consideration: March 28, 2024

To: Butte County Air Quality Management District Board of Directors

From: Stephen Ertle, Air Pollution Control Officer

Staff Contact: Jason Mandly, Senior Air Quality Planner

Re: **FARMER Program Policy & Procedure Manual Update**

ISSUE:

The District is proposing updates to the FARMER Program Policy & Procedure Manual.

ACTION REQUESTED:

Discuss funding priorities & approve amendments to the District's FARMER Program Policy & Procedure Manual.

DISCUSSION:

The Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program is funded through the State budget by the California Air Resources Board (CARB) for the reduction of criteria, toxic, and greenhouse gas (GHG) emissions from the agricultural sector. CARB develops and updates the statewide Program Guidelines and air districts implement the FARMER Program locally through their Policy and Procedures Manual. The District is tentatively allocated \$699,700.00 in total FY 2023-24 FARMER Program funding.

The District is proposing two updates at this time. The first is a clarification of the maximum grant amount available for electric UTV projects. The second is an update on funding priorities for this year's upcoming grant solicitation using FY23-24 FARMER funds. District staff recommend reserving four (4) awards for specialty off-road crop equipment during this year's solicitation. The remaining funds would be awarded to eligible project categories based on cost-effectiveness. Although the District has funded specialty crop equipment in the past, off-road equipment like shakers, sweepers, harvesters, etc. generally rank lower in cost-effectiveness due to higher equipment cost compared to the horsepower of the equipment and their seasonal use.

In the past, the District has reserved a specific number of awards for other categories such as on-road vehicles and agricultural pump engines.

Attachments:

Agenda Item 6

Proposed Amended FARMER Program Policies and Procedures Manual
Resolution 2024-03 - Approval of the FARMER Program Policies and Procedures Manual for FY 2023-2024

Butte County Air Quality Management District

**Funding Agricultural Replacement Measures for Emission
Reductions (FARMER) Program**

Policies and Procedures Manual

**~~Approved Proposed~~ for Amendment on ~~December 8, 2022~~March 28, 2024 to the
Butte County Air Quality Management District Governing Board**

BCAQMD FARMER Program Policies and Procedures

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Attachment 1 – Carl Moyer Program Policies and Procedures Manual

I. Introduction

In September 2017, Assembly Bill (AB) 134 and AB 109 appropriated \$135 million from the State Budget for FY 2017-18 to the California Air Resources Board (CARB) for the reduction of criteria, toxic, and greenhouse gas (GHG) emissions from the agricultural sector. CARB staff developed the FARMER Program to cover the requirements of the Greenhouse Gas Reduction Fund (GGRF), the Air Quality Improvement Fund (AQIF), and the Alternative and Renewable Fuel and Vehicle Technology Fund (ARFVTF). CARB approved the state FARMER Program Guidelines at their March 23, 2018 meeting and amended the FARMER Program Guidelines to include additional project categories on September 24, 2018, October 21, 2019, and April 5, 2022.

AB 134 and AB 109 direct CARB to fund projects that will “reduce agricultural sector emissions by providing grants, rebates, and other financial incentives for agricultural harvesting equipment, heavy-duty trucks, agricultural pump engines, tractors, and other equipment used in agricultural operations.” The FARMER Program Guidelines provides the following definition of “agricultural operations:”

“Agricultural Operations” means (1) the growing or harvesting of crops from soil (including forest operations) and the raising of plants at wholesale nurseries, but not retail nurseries, or the raising of fowl or animals for the primary purpose of making a profit, providing a livelihood, or conducting agricultural research or instruction by an educational institution, or (2) agricultural crop preparation services such as packinghouses, cotton gins, nut hullers and processors, dehydrators, and feed and grain mills. Agricultural crop preparation services include only the first processing after harvest, not subsequent processing, canning, or other similar activities. For forest operations, agricultural crop preparation services include milling, peeling, producing particleboard and medium density fiberboard, and producing woody landscape materials.

Consistent with the In-Use Off-Road Regulation, a vehicle or equipment that is used for both agricultural and nonagricultural operations is considered to be a vehicle engaged in agricultural operations only if over half of its annual operating hours are for agricultural operations.

This Policies and Procedures manual outlines how The Butte County Air Quality Management District (District) will implement the FARMER Program and meet the requirements in the FARMER Program Guidelines and Grant Agreement. These Policies and Procedures are not intended to conflict with California State law – in the event of such a conflict, State law should be followed in all cases.

II. Program Timeline

FARMER Program funds for each fiscal year have disbursement and liquidation deadlines as indicated in the corresponding grant agreement with CARB.

The District will use following project schedule as guidance for FARMER Program funding:

Date	Goal
Funding received from CARB	Release RFP
One month after releasing RFP	Deadline for Applications
One year after releasing RFP	50 percent of project funds obligated
Two years after releasing RFP	100 percent of project funds obligated
	50 percent of project funds expended
Three years after releasing RFP (or by date indicated in Grant Agreement with CARB)	100 percent of project funds expended

III. Eligible Project Categories

Projects from agricultural operations eligible under the 2017 Carl Moyer Program (CMP) Guidelines and any future approved CMP Guidelines, and current and future Program Advisories and Mail-outs, are eligible for FARMER Program funding.

These projects include, but are not limited to:

- On-road heavy-duty truck replacement and repower projects;¹ and
- Off-road equipment replacement and repower projects² for:
 - Off-road mobile, diesel agricultural equipment (“farm equipment” as defined by Carl Moyer Program Guidelines);
 - Off-road mobile, large spark-ignition (LSI) agricultural equipment;
 - Off-road mobile zero-emission agricultural equipment including critical equipment such as a level 2 charger (208V-240V AC charging up to 80 amps) or battery pack, and;
 - Agricultural irrigation pump engines.

In addition to the requirements outlined in the FARMER Program Guidelines, CMP-eligible projects are required to abide by all project criteria set forth in the 2017 CMP Guidelines and any future approved Guidelines, and current and future Program Advisories and Mail-outs. This includes the CMP’s cost-effectiveness thresholds, eligibility, and reporting requirements, except as modified in the FARMER Program Guidelines or through subsequent actions by CARB’s Executive Officer for the FARMER Program.

¹ For additional criteria for these project categories, refer to the 2017 Carl Moyer Program Guidelines, Chapter 4, Section C.2. (A)).

² For additional criteria for these project categories, refer to the 2017 Carl Moyer Program Guidelines, Chapter 5, Section D.

Except as modified in the FARMER Program Guidelines and these Policies and Procedures, CMP-eligible projects must also abide by the District's CMP Policies and Procedures Manual, most recently approved by the District's Governing Board on December 8, 2022. The District will use the CMP Policies and Procedures Manual and associated appendices (incorporated herein as Attachment 1) to implement CMP-eligible projects.

IV. FARMER Program On-Road Heavy-Duty Vehicle Category

On September 24, 2018, CARB's Executive Officer approved an additional funding category for On-Road Heavy-Duty Vehicles that differed from the CMP Program Guidelines. The following eligibility criteria and requirements apply to projects funded under the FARMER Program On-Road Heavy-Duty project category. Projects funded under this category are not subject to cost-effectiveness limits and are eligible for up to 65 percent of the purchase price of an eligible replacement truck.

A. On-Road Category Eligibility Requirements

Trucks must have a gross vehicle weight rating (GVWR) of 14,001 pounds or greater and currently be in compliance with CARB's Truck and Bus Regulation under one of the following provisions:

- Low-Use Exemption, or;
- Engine Model Year Schedule;

and the truck must operate as an "agricultural truck" as defined in the Truck and Bus Regulation.

B. On-Road Category Participant Requirements

Participants must maintain ownership of the replacement truck for three years. If, during the life of the contract, the participants wish to sell the replacement truck, the District must approve the truck ownership change prior to its sale. The new owner must be willing to assume program obligations with the air district and comply with the terms and conditions outlined in the FARMER Program Guidelines.

FARMER funding may only be used to fund the 'base model' that will serve the same function as the older truck. All replacement trucks must:

- Meet 2010 emission standards of 0.20 g/bhp-hr NO_x,
- Be purchased from a dealership—no private party transactions are permitted, and
- Have a GVWR of 14,001 pounds or greater.

Replacement used trucks must have less than the miles indicated below on the odometer:

- Class 8 with a GVWR of 33,001 pounds or greater must have less than 650,000 miles

- Class 7 with a GVWR of 26,001 – 33,000 pounds have less than 350,000 miles
- Class 4-6 with GVWR of 14,001 – 26,000 pounds have less than 25,000 miles

All new replacement trucks are subject to the warranty requirements in the 2017 Carl Moyer Program Guidelines. Used replacement trucks are not subject to warranty requirements, but the participant must ensure that the truck remains in operation for the life of the contract. Glider kits do not qualify as replacement trucks under this project category.

Participants in this project category must meet all other applicable requirements for heavy-duty trucks in the FARMER Program Guidelines, 2017 Carl Moyer Program Guidelines and any future approved Guidelines, and current and future Program Advisories and Mail-outs.

V. FARMER Zero-Emission Agricultural Utility Terrain Vehicle (UTV) Project Category

The Zero-Emission Agricultural UTV Project is a new project intended to encourage and accelerate the use of off-road, zero-emission UTVs in agricultural operations by providing rebates for the purchase of new zero-emission vehicles. The Zero-Emission Agricultural UTV Project would provide incentives for up to 65 percent or \$13,500, whichever is less, of the cost of a new zero-emission UTV to qualified individuals, businesses, public agencies and entities, and non-profit organizations involved in agricultural operations. Except where noted in sections V.A and V.B below, UTV projects will follow the District's policies and procedures for off-road equipment replacement projects.

A. Zero-Emission UTV Category Eligibility Requirements

To be eligible for the Zero-Emission Agricultural UTV Project, UTV models would be required to meet the following criteria:

- a) **New:** The vehicle must be a new vehicle, as defined in the California Vehicle Code Section 430, meaning a vehicle constructed entirely from new parts that has never been the subject of a retail sale, or registered with the department, or registered with the appropriate agency or authority of any other state, District of Columbia, territory, or possession of the United States, or foreign State, province, or country.
- b) **Zero-Emission:** The replacement vehicle must emit zero tailpipe emissions from its onboard source of power (such as all electric or hydrogen fuel cell vehicles), and may not undergo any modification that would allow propulsion by any other means.

- c) Vehicle Specifications and Performance Thresholds: Eligible UTVs must have a towing capacity of 500 pounds or greater and a total vehicle weight of 700 pounds or greater.
- d) Warranty Provisions: The vehicle drivetrain, including applicable energy storage tanks or battery packs, must be covered by a manufacturer warranty. Prior to approving a project, CARB or the District may request that the manufacturer provide copies of representative vehicle and battery warranties and a description of the manufacturer's plans to provide warranty and routine vehicle service.

B. Zero-Emission UTV Category Participant Requirements

To receive funding for the purchase of a new, zero-emission agricultural UTV, the vehicle purchaser would be required to:

- a) Be an individual, business, non-profit, or government entity that can show proof of California residency or proof that the agricultural operation for which the UTV would be used occurs in California;
- b) Self-certify that the UTV would be used exclusively for California agricultural operations;
- c) Enter into a contractual agreement with the District;
- d) Keep the vehicle and meet all applicable project requirements for the duration of the contract;
- e) Provide the District with past maintenance records and/or service history on the UTV that would be replaced;
- f) Surrender the used UTV, as identified in the pre-inspection, to be permanently destroyed by a District approved dismantler,
- g) Not purchase, make payments toward, and/or take possession of the new UTV prior to receiving a fully executed contract from the District,
- h) Not make or allow any modifications to the vehicle systems, including motor and other hardware, the addition of auxiliary power sources, or changes to the software calibrations;
- i) Commit that any emission reductions generated by the purchased UTV will not be used as marketable emission reduction credits, to offset any emission reduction obligation of any person or entity, or to generate a compliance extension or extra credit for determining regulatory compliance;

- j) Be available for follow-up inspection if requested by the District, CARB, or CARB's designee for the purposes of project oversight and accountability; and
- k) Install and maintain an operational hour meter on the new UTV. If during the project life, the hour meter fails for any reason, the hour meter must be repaired or replaced as soon as possible at the owner's expense.

VI. Program Management

The District is responsible for implementation of the FARMER Program as described in the FARMER Program Guidelines. The purpose of the FARMER Program is to reduce criteria pollutants, toxic air contaminants, and greenhouse gas emissions from the agricultural sector by providing incentives to fund vehicle and equipment projects that are used in agricultural operations. The District's minimum duties and requirements include:

- Program development (e.g., developing application materials and conducting outreach);
- Implement eligible projects (e.g., review project applications; select eligible projects; and distribute payments to program participants);
- Provide program oversight;
- Establish and maintain project records;
- Report to CARB;
- Monitor projects and meet with CARB quarterly; and
- Other duties, as required.

Except as otherwise required by FARMER Program Guidelines, the District will use the CMP Policies and Procedures Manual to implement the FARMER Program.

A. Program Development

- a) The District will develop outreach materials such as press releases and use CARB-supplied outreach materials to notify eligible applicants about the FARMER Program.
- b) The District will conduct public outreach to vehicle dealers, fleets, and agricultural end users necessary for the project to be successful, including outreach in disadvantaged communities.
- c) The District will advertise program availability, application materials, and pertinent deadlines on the District website.
- d) District staff will review this Policies and Procedures manual at least once a year and make it available when requested by CARB staff or a member of the public.

B. Project Selection

The FARMER Program will be implemented through a Request for Proposal (RFP) process and projects are funded in order of cost-effectiveness until funds are exhausted. The process of ranking, selecting, and awarding projects will follow the CMP Policies and Procedures except for the following:

- a) A minimum of ~~four~~ four (4) eligible ~~on-road projects~~ off-road specialty crop equipment projects will be awarded (or the number of eligible ~~on-road~~ specialty off-road applications received, whichever is less). For the purposes of project selection, off-road specialty crop equipment includes shakers, receivers, sweepers, harvesters, bin carriers, elevators, sprayers, balers, or other off-road agricultural equipment not including tractors, wheel-loaders, on-road vehicles, or UTVs. ~~On-road~~ Specialty off-road projects will be ranked as a group based on cost-effectiveness. Remaining ~~on-road~~ specialty off-road projects will be ranked with all remaining projects.
- ~~b) A minimum of five (5) eligible agricultural pump replacement projects facing upcoming compliance deadlines will be awarded (or the number of eligible on-road applications received, whichever is less).~~

C. Project Implementation

The District will implement projects funded through the FARMER Program using the most recently approved version of the District's CMP Policies and Procedures Manual. This process will include the following actions by the District:

- a) Ensure participating vehicle and equipment dealers and purchasers meet all applicable FARMER Program requirements. Vehicles and equipment funded by the FARMER Program must meet all minimum eligibility requirements applicable to the project category, as described in the FARMER Program Guidelines. The District will ensure all parties involved in a FARMER transaction are compliant with applicable criteria and procedures in current FARMER and CMP Guidelines, any future approved FARMER and CMP Guidelines, current and future Program Advisories and Mail-outs, and grant agreements.
- b) Use the criteria in the FARMER and CMP Guidelines to review and approve or disapprove project requests and document this process in each project file.
- c) Properly notify applicants of selection results in line with funding guidelines.
- d) Provide incentive amounts consistent with the FARMER Guidelines.
- e) For projects subject to destruction or "scrap" requirements, vehicle and/or engine destruction and verification and any revenues generated from the

destruction will be conducted using the appropriate procedures identified in the CMP Guidelines.

- f) For zero-emission vehicles, verify there is a label placed on or in the vehicle stating that no on-board fuel-fired heaters or auxiliary motors that emit any vehicle exhaust emissions or fuel-based evaporative emissions are present on the vehicle.
- g) Track projects for vehicles and equipment in and benefitting AB 1550 populations in a manner directed by CARB.

VII. Project Records

All project records will be retained for a period of three (3) years after final payment under this Grant. All project records are subject to audit pursuant to Section XI, General Provisions, of the FARMER Program Grant Agreement. Upon completion of the third year of record retention, the District will submit all project records to CARB.

The District will retain a file for the FARMER Program containing:

- Original executed copy of the Grant Agreement
- Amendments (if applicable);
- Copies of Grant Disbursement Request Forms;
- Documentation of earned interest generation and expenditure;
- All quarterly reports;
- All project applications received, including approved applications and applications for projects that did not receive funding;
- Invoices from project participants for reimbursable items; and
- All other information that documents all aspects of the project.

Without limitation of the requirement to maintain project accounts in accordance with generally accepted accounting principles, the District will:

- Establish an official file for the FARMER Program, which shall adequately document all significant actions relative to the project;
- Establish separate accounts, which will adequately and accurately depict all amounts received and expended on FARMER projects;
- Establish separate accounts, which will adequately and accurately depict all income received which is attributable to the FARMER Program including interest accrued on funds held by the District; and
- Establish an accounting system, which will adequately depict final total costs of the FARMER Program, including both direct and indirect costs.

In addition to the records specified above, the District will store all records in a safe and secure storage facility that maintains confidentiality and provides fire and natural disaster protection. Files will be retained during the term of the Grant Agreement plus three years.

Upon completion of the third year of record retention, the District will submit all project records to CARB.

VIII. Reporting

Reports for FARMER funded projects will be reported according to the grant agreement with CARB for each funding year.

These reports will be submitted electronically, using the template provided by CARB, and at a minimum, will contain the following information:

- Report number, title of program, district name, date of submission, and project grant number;
- Summary of projects under contract since the last progress report;
- Statement of work expected to be completed by the next progress report;
- Notification of any problems encountered and an assessment of their effects on the project's outcome;
- Project data necessary to calculate emission reduction benefits, track projects that are within and benefitting AB 1550 populations and satisfy the requirements of the FARMER Program. Project data will be submitted using the reporting template provided by CARB; and
- If the project is behind schedule, an explanation of the reasons and a detailed explanation of how the District plans to resume the schedule.

IX. Fiscal Administration

The District will administer finances as outlined in the CMP Policies and Procedures Manual while incorporating the requirements of the FARMER Program Guidelines and Grant Agreement.

A. Program Funding

Project funds will be used for new, eligible vehicle, equipment, engine, or retrofit purchases; scrap costs for the equipment being replaced; supporting infrastructure; and any other equipment-related expenses necessary to implement FARMER Program-eligible projects.

Project implementation funds may be used for work completed in the following categories:

- Labor expenses (either using District Rule 509 Fee and Hourly Rate or by including total staff time and labor costs);
- External subcontractor(s) fees for completed work, if applicable;
- Printing, mailing, traveling, and other outreach expenses; and
- Other indirect costs.

FARMER Program funding may be disbursed as follows:

- Up to 50 percent for the initial disbursement with proper documentation; and
- Once 50 percent of the previous disbursement of project funds is obligated, the District may request up to 50 percent or the remaining balance of program funds, whichever is less, with proper documentation.

With each disbursement request, the District will provide documentation as required in Section VI.C below. Requests for project funds not yet obligated to participants require a completed Air District Advance Payment Request Form and a list of projects that the District intends to fund with the disbursement. CARB will disburse project funds for the amount documented in the project list and a proportional amount of project implementation funds, up to the maximum amount specified in the above disbursement schedule.

In no event will the District receive reimbursement for costs that exceed the maximum project implementation funding amount. Any project implementation funds not needed for project implementation may be transferred to project funds upon CARB's written approval. Any program funds not fully expended by the end of the grant term will be immediately returned to CARB. Expenditure of project funds granted may not be reduced due to any loss incurred in an insured bank or investment account other than common bank fees.

C. Grant Disbursements

The District will mail original copies of Grant Disbursement Request Forms with "wet" signatures in blue ink to the CARB Project Liaison. Requests for payment will be made with the Grant Disbursement Request Form and contain all documentation required with the form. With each grant disbursement request, the District will include an attachment that documents ongoing expenditures of previously disbursed project and project implementation funds. Grant payments are subject to CARB's approval of the completed Grant Disbursement Request Form and all other required documentation.

D. Advance Payment

- a) The District will place advance payment funds in an interest-bearing account. The District will track interest accrued on the advance payment. Interest earned on the advance payment will only be used for eligible grant-related expenses or will be returned to CARB.
- b) The District will report to CARB the value of any unused balance of the advance payment and interest earned and submit quarterly fiscal accounting reports.

- c) The District will remit to CARB any unused portion of the advance payment and interest earned within 45 days following the final disbursement request deadline for each funding year.
- d) The District will complete and submit to CARB for review and approval, an Air District Advance Payment Request Form, along with each grant disbursement that is requesting advance payment.

E. Earned Interest

The District will track interest accrued on any funds received. Interest earned disbursements will only be used for eligible grant-related expenses or returned to CARB. “Earned interest” means any interest earnings generated from grant funds held by the District in interest-bearing accounts.

The District will maintain accounting records (e.g., general ledger) that tracks interest earned, expended, or returned on the project funds, as follows:

- The calculation of interest will be based on an average daily balance or some other reasonable and demonstrable method.
- Interest earned will ensure that it is separately identifiable from interest earned on non-project funds.
- The methodology for calculating earned interest will be consistent with how it is calculated for the District’s other fiscal programs.
- Documentation of interest earned and expenditures made on those funds or returned to CARB will be:
 - Retained for a minimum of three years after it is generated.
 - Provided to CARB in quarterly reports.

F. Documentation of Project Implementation Funds

The District will maintain documentation of all project implementation funds, including the following:

- a) Personnel documentation will make use of timesheets or other labor tracking software.
- b) Printing, mailing, records retention, and travel expenses will be documented with receipts and/or invoices;
- c) If project implementation funds are used for indirect costs, the District will

document and describe how these costs are determined.

The above documentation, records, and referenced materials will be made available for review during monitoring visits and audits by CARB, or its designee. These records will be retained for a minimum of three years after the completion of the grant.

X. Coordination with CARB

CARB has assigned a staff liaison for each district. The current liaison assigned to the District is:

Erin Uchida
California Air Resources Board
Mobile Source Control Division
P.O. Box 2815
Sacramento, California 95812
Phone: (916) 323-0002
Email: erin.uchida@arb.ca.gov

District staff currently responsible for implementing the FARMER Program include: the APCO, the Administrative Services Officer, the Air Quality Planner, and the Accounting Technician. District staff will document any correspondence with CARB staff regarding CARB interpretations, clarification, guidance or possible deviations from the FARMER Guidelines. All documentation will be kept in the FARMER project files and should be retained for at least three (3) additional years after the last year of the District's participation of this program.

XI. CARB Oversight

A. The District will comply with all oversight responsibilities identified in the Farmer Program Guidelines, any future Program Advisories and Mail-Outs, and this Grant Agreement.

B. CARB or its designee reserves the right to audit at any time during the duration of this grant the District's costs of performing the grant and to refuse payment of any reimbursable costs or expenses that in the opinion of CARB or its designee are unsubstantiated or unverified. The District will cooperate with CARB or its designee including, but not limited to, promptly providing all information and documents requested, such as all financial records, documents, and other information pertaining to reimbursable costs, and any matching costs and expenses.

C. CARB or its designee may recoup funds which were received based upon misinformation or fraud, or for which a District, manufacturer or project participant is in significant or continual non-compliance with the terms of this grant or State law. CARB

also reserves the right to prohibit any entity from participating in the FARMER Program due to non-compliance with project requirements.

XII. APCO Approval

As authorized by the Governing Board, this version of the Butte County Air Quality Management District's Policies and Procedures Manual for the FARMER Program is approved by:

Stephen Ertle,
Air Pollution Control Officer

Date

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**RESOLUTION 2024-03
BEFORE THE BOARD OF DIRECTORS OF
BUTTE COUNTY AIR QUALITY MANAGEMENT DISTRICT
STATE OF CALIFORNIA**

APPROVAL OF THE FARMER PROGRAM POLICY AND PROCEDURE MANUAL FOR FY 2023-2024

Resolution 2024-03)
Approval of the FARMER Program
Policies and Procedures Manual for FY 2023-2024)

WHEREAS, the Butte County Air Quality Management District Board last approved updates to the FARMER Program Policies and Procedures Manual on December 22, 2022;

AND WHEREAS, the Butte County Air Quality Management District Board approved participation in FY 2023-24 of the FARMER Program on September 28, 2023;

THEREFORE, BE IT RESOLVED, that the Butte County Air Quality Management District Board hereby approves the proposed amendments to the FARMER Program Policies and Procedures Manual attached herin prioritizing projects for FY 2023-24 FARMER funds;

BE IT FURTHER RESOLVED, that the Butte County Air Quality Management District Board hereby authorizes the Air Pollution Control Officer, subject to review by District Counsel, to make such minor modifications in the program information as may be necessary from time to time to ensure the smooth and efficient operation of the FARMER Program and to comply with State requirements.

On Motion of _____, Seconded by _____, the foregoing resolution is hereby PASSED AND ADOPTED by the Air Quality Management District Board of Directors on this 28 day of March, 2024 by the following:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

Stephen Ertle, Air Pollution Control Officer
Butte County Air Quality Management District

I hereby attest that this is a true and correct copy of the action taken by the Butte County Air Quality Management District Board of Directors on March 28, 2024.

ATTEST: _____
Kelly Towne, Clerk of the Governing Board

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TAMI RITTER, CHAIR
Supervisor, District #3

ADDISON WINSLOW, VICE CHAIR
Councilmember, Chico

BILL CONNELLY
Supervisor, District #1

PETER DURFEE
Supervisor, District #2

TOD KIMMELSHUE
Supervisor, District #4

DOUG TEETER
Supervisor, District #5

CHUCK NUCHOLS
Vice Mayor, Biggs

ANGEL CALDERON
Councilmember, Gridley

ERIC SMITH
Vice Mayor, Oroville

ROSE TRYON
Councilmember, Paradise

STEPHEN ERTLE
Air Pollution Control Officer

PATRICK LUCEY
Assistant Air Pollution Control Officer

Date of Release: March 21, 2024

Board Consideration: March 28, 2024

To: Butte County Air Quality Management District Board of Directors

From: Stephen Ertle, Air Pollution Control Officer

Staff Contact: Stephen Ertle, Air Pollution Control Officer
Aleah Ing, Administrative Services Officer

Re: **District Compensation Study Update and Review**

ISSUE:

The District is preparing for a successor Memorandum of Understanding (MOU) with the Employee Association (EA). During last month's Governing Board meeting, Staff presented a proposal from a consultant to complete a complete class and comp study. Based on the high cost of such a study, staff were directed to discuss other options with the EA and the consultants and report back to the Board.

ACTION REQUESTED:

Receive update on options and provide direction.

DISCUSSION:

The last formal classification study was performed in 2006 (Koff & Associates). A review of position classifications should be completed in advance of the upcoming MOU negotiations. The last compensation study of benchmark Districts was completed by Staff in 2021.

Benchmark Districts:

1. Shasta County APCD
2. Feather River AQMD
3. Yolo-Solano Unified AQMD
4. Placer County APCD
5. San Luis Obispo County AQMD
6. N. Sonoma APCD
7. Northern Sierra AQMD
8. North Coast AQMD

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The 2021 study did not include complete health care or retirement benefit information.

The District received an updated proposal from Sloan Sakai Yeung Wong LLP to complete a compensation study of benchmark Districts not to exceed \$12,500.

Options:

- Execute contract with consultant to complete compensation study,
- Staff update 2021 study with benefit information,
- Staff complete new study,
- Other Board direction.



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Air Pollution Control Officer

PATRICK LUCEY
Assistant Air Pollution Control Officer

Date of Release: March 21, 2024

Board Consideration: March 28, 2024

To: Butte County Air Quality Management District Board of Directors

From: Stephen Ertle, Air Pollution Control Officer

Staff Contact: Jason Mandly, Senior Air Quality Planner

Re: **Public Hearing: CEQA Handbook Update Approval**

ISSUE:

Public Hearing to consider approval of updates to the District's CEQA Air Quality Handbook.

ACTION REQUESTED:

After holding a Public Hearing, adopt the proposed resolution approving the updates to the CEQA Air Quality Handbook.

DISCUSSION:

The District's CEQA Air Quality Handbook (Handbook) is an advisory document to assist lead agencies, planning consultants, and project developers with procedures for addressing potential air quality impacts from residential, commercial, and industrial development. Indirect Source Review Guidelines were first approved in 1997 and were then reformatted into a Handbook in 2008 to incorporate greenhouse gas recommendations. The Handbook was updated again in 2014 to incorporate Thresholds of Significance for criteria air pollutants.

District staff received input from local lead agencies in July 2023 and informed your Board of the update process at the October 2023 meeting. After a stakeholder meeting in November 2023, District staff released an initial draft of proposed updates in January 2024. The District held another stakeholder meeting in February 2024 and released the proposed amendments to the Handbook with the Public Notice on February 28, 2024. The District held a Public Workshop on March 13, 2024. The District has not received comments on the proposed updated Handbook.

Below is a summary of the most significant proposed updates:

1. Executive Summary: Updated Table ES-1 with current ambient air quality attainment status;
2. Executive Summary: Updated Table ES-2 to update recommendations for greenhouse gases;
3. Section 4.3: Update Table 4-1 Screening Criteria for Criteria Air Pollutants to incorporate latest emissions modeling. The scenarios resulting in the most emissions (winter vs summer emissions, rural vs urban) were

Agenda Item 8

used to keep the screening table conservative. All land use types saw an increase in allowable project size due to ongoing State emission regulations for off-road and on-road vehicles.

4. Section 4.5, 5.6, and 6.4: Primary discussion & resources for mitigation measures moved to Appendix C of the Handbook.
5. Section 5: Updated language regarding Type B projects to reflect recent case law (CBIA v. BAAQMD).
6. Appendix A: Updated relevant state legislation and provided links to local agency General Plans and Climate Action Plans.
7. Appendix C: Centralized information on mitigation measures and clarified opportunities to work with the District if off-site mitigation strategies are needed. Focus on using the robust CalEEMod Handbook for Analyzing Greenhouse Gas Emission Reductions (<https://www.caleemod.com/handbook/index.html>) as the preferred reference to develop mitigation strategies for criteria air pollutants and greenhouse gases.
8. Entire Handbook: Effort was made to make the Handbook more concise. Information that did not pertain to evaluating air quality or greenhouse gas impacts was removed (such as basic CEQA requirements which are referred to in the State CEQA Guidelines). Several tables with outdated information were removed and replaced with resources or links so that users can reference current information as needed.
9. Entire Handbook: Updated links, resources, and made clarifications as needed.

Attachments:

Links to Proposed Amended CEQA Air Quality Handbook (Clean and Underline/Strikeout)
Resolution 2024-04 – Approval of CEQA Air Quality Handbook Update

Attachment 1

Proposed Amended CEQA Air Quality Handbook
(Clean)

<https://bcaqmd.org/wp-content/uploads/CEQA-Handbook-2024-Updates-Public-Hearing-Clean.pdf>

Proposed Amended CEQA Air Quality Handbook
(Underline/Strikeout)

<https://bcaqmd.org/wp-content/uploads/CEQA-Handbook-2024-Updates-Public-Hearing-Underline-Strikout.pdf>

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**RESOLUTION 2024-04
BEFORE THE BOARD OF DIRECTORS OF
BUTTE COUNTY AIR QUALITY MANAGEMENT DISTRICT
STATE OF CALIFORNIA
APPROVAL OF CEQA AIR QUALITY HANDBOOK UPDATE**

Resolution 2024-04)
Approval of CEQA Air Quality Handbook Update.....)

WHEREAS, the Butte County Air Quality Management District (District) maintains this CEQA Air Quality Handbook (Handbook) as an advisory document to assist lead agencies, planning consultants, and project developers with procedures for addressing potential air quality impacts from residential, commercial and industrial development;

AND WHEREAS, the Handbook is designed to provide uniform procedures for preparing the air quality analysis section of environmental documents for projects subject to the CEQA;

AND WHEREAS, the Handbook defines the criteria used by the District to determine when an air quality analysis is necessary, the type of analysis that should be performed, the significance of the impacts predicted by the analysis, and the mitigation measures needed to reduce the overall air quality impacts;

AND WHEREAS, under CEQA statutes and guidelines, lead agencies are required to seek comments from each responsible agency and any public agency that has jurisdiction by law over resources that may be affected by a proposed project (CEQA Guideline Sections 21153 and 15366);

AND WHEREAS, the District Governing Board approved the initial "Indirect Source Review (ISR) Guidelines" in 1997, a replacement Handbook in 2008, and an update to the Handbook in 2014 which is currently utilized for air quality analysis of environmental documents under CEQA;

AND WHEREAS, District staff consulted with city and County planners, stakeholders, and the District Governing Board to identify priorities for the update process;

AND WHEREAS, the District made notice of and held a public workshop meeting on March 14, 2024 to present the proposed amended Handbook;

AND WHEREAS, the District Governing Board conducted a public hearing on March 28, 2024 concerning the proposed amended Handbook;

THEREFORE, BE IT RESOLVED, that the Butte County Air Quality Management District Board hereby approves the proposed amended Handbook as an update to the 2014 version.

BE IT FURTHER RESOLVED, that the Butte County Air Quality Management District Board hereby authorizes the Air Pollution Control Officer, subject to review by District Counsel, to make minor modifications to the Handbook as may be necessary from time to time to ensure the contents remain accurate, relevant, and consistent with State statutes, regulations, and guidance documents.

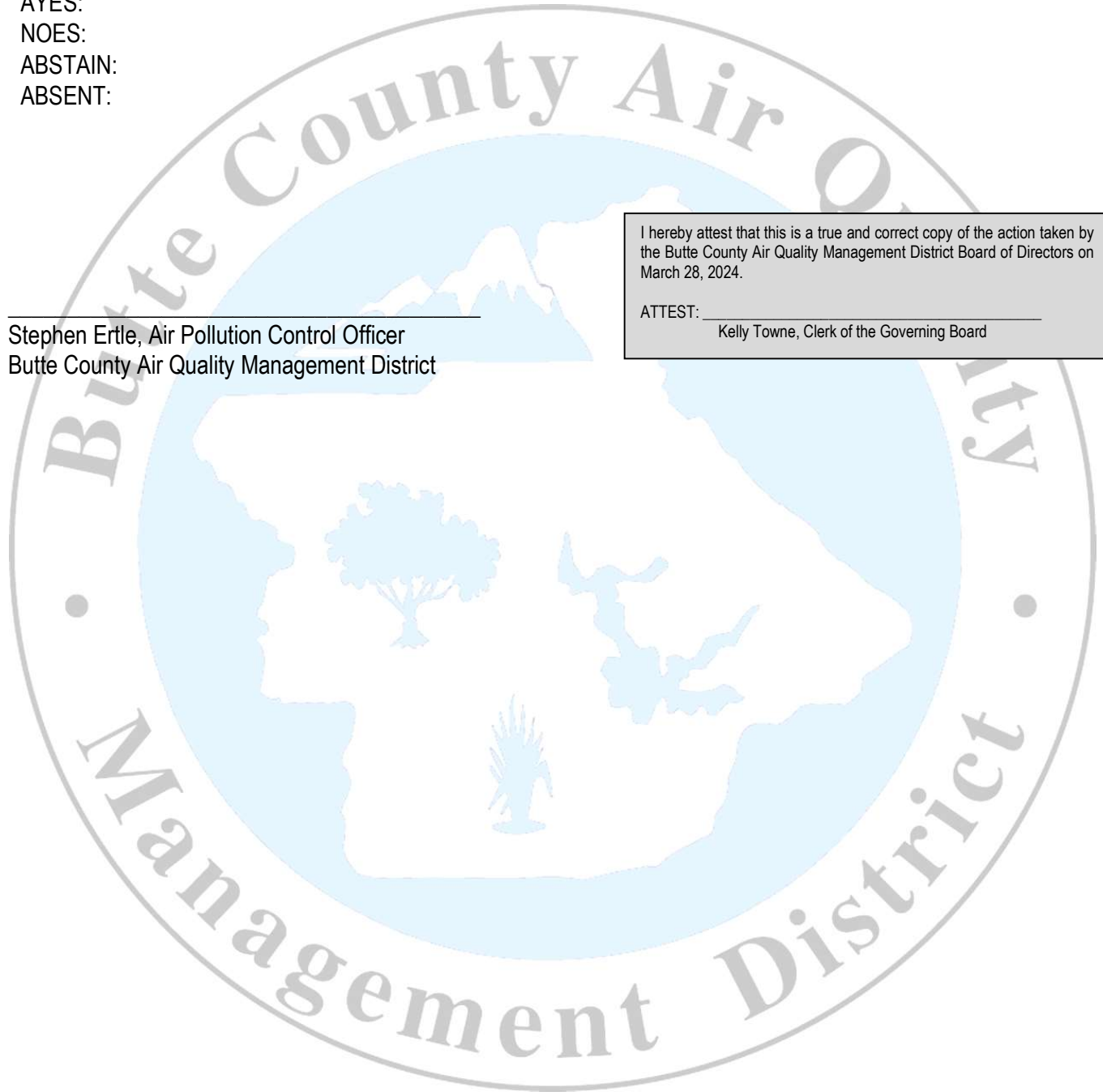
On Motion of _____, Seconded by _____, the foregoing resolution is hereby PASSED AND ADOPTED by the Air Quality Management District Board of Directors on this 28th day of March, 2024 by the following:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

Stephen Ertle, Air Pollution Control Officer
Butte County Air Quality Management District

I hereby attest that this is a true and correct copy of the action taken by the Butte County Air Quality Management District Board of Directors on March 28, 2024.

ATTEST: _____
Kelly Towne, Clerk of the Governing Board





TAMI RITTER, CHAIR
Supervisor, District #3

ADDISON WINSLOW, VICE CHAIR
Councilmember, Chico

BILL CONNELLY
Supervisor, District #1

PETER DURFEE
Supervisor, District #2

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Vice Mayor, Oroville

ROSE TRYON
Councilmember, Paradise

STEPHEN ERTLE
Air Pollution Control Officer

PATRICK LUCEY
Assistant Air Pollution Control Officer

Date of Release: March 21, 2024

Board Consideration: March 28, 2024

To: Butte County Air Quality Management District Board of Directors

From: Stephen Ertle, Air Pollution Control Officer

Staff Contact: Patrick Lucey, Assistant Air Pollution Control Officer

Re: **Ca Health & Safety Code Section 42409 Penalty Limits**

ISSUE:

Pursuant to the California Health and Safety Code §42409, Butte County Air Quality Management District is required to publish the following List of Potential Violations of District Rules and Regulations and State and federal air pollution control laws with the Minimum and Maximum Penalties as applicable. The most recent update occurred in April 2019.

ACTION REQUESTED:

None. For information only.

DISCUSSION:

The last update to the List of Potential Violations of District Rules and Regulations and State and federal air pollution control laws with the Minimum and Maximum Penalties was completed in April 2019. The District reviewed the statutes and the minimum/maximum penalties and found no changes since the 2019 update. The letterhead was updated to reflect current staffing. The updated list has been posted on the District's Website Compliance page at <https://bcaqmd.org/compliance/>. An updated list is attached to this agenda item.

Each day the violation occurs is considered a separate offence. The District's Mutual Settlement Program uses the following considerations when determining the severity of the violation:

1. The extent of harm caused by the violation.
2. The nature and persistence of the violation.
3. The length of time over which the violation occurs.
4. The frequency of past violations.
5. The record of maintenance.
6. The unproven or innovative nature of the control equipment.
7. Any action taken by the defendant, including the nature, extent, and time of response of the cleanup and

Agenda Item 9

construction undertaken, to mitigate the violation.

8. The financial burden to the defendant.
9. Any other circumstances that the court (or the District, in the case of a civil settlement,) deems relevant.

Attachment:

Form 460 HSC 42409 List of Penalties 03-24



Pursuant to the California Health and Safety Code §42409, Butte County Air Quality Management District publishes the following List of Potential Violations of District Rules and Regulations and State and federal air pollution control laws with the Minimum and Maximum Penalties as applicable:

HSC Section	Violation General Name	Minimum	Maximum
<i>Criminal</i>			
§42400(a)	Misdemeanor	n/a	\$ 5,000 and/or 6 months imprisonment ¹
§42400(b)	Misdemeanor-Vapor Recovery System	n/a	\$ 5,000 and/or 6 months imprisonment ¹
§42400(c)	Misdemeanor-Public Nuisance/Actual Injury	n/a	\$15,000 and/or 9 months imprisonment ¹
§42400.1(a)	Negligence-Actual Injury	n/a	\$ 25,000 and/or 9 months imprisonment ¹
§42400.1(b)	Negligence-Public Nuisance and Injury	n/a	\$ 100,000 and/or 1 year imprisonment ¹
§42400.2(a)	No Corrective Action	n/a	\$ 40,000 and/or 1 year imprisonment ¹
§42400.2(c)	No Corrective Action Causing Public Nuisance and Injury	n/a	\$ 250,000 and/or 1 year imprisonment ¹
§42400.3(a)	Willful and Intentional	n/a	\$ 75,000 and/or 1 year imprisonment ¹
§42400.3(b)	Willful and Intentional-Public Nuisance and Injury-Individual	n/a	\$ 125,000 and/or 1 year imprisonment ¹
§42400.3(b)	Willful and Intentional-Public Nuisance and Injury-Corporation	n/a	\$ 500,000 and/or 1 year imprisonment ¹
§42400.3(c)	Willful and Intentional-Public Nuisance and Actual Injury or Death-Individual	n/a	\$ 250,000 and/or 1 year imprisonment ¹
§42400.3(c)	Willful and Intentional-Public Nuisance and Actual Injury or Death-Corporation	n/a	\$ 1,000,000 and/or 1 year imprisonment ¹
§42400.3.5(a)	HAPs ²	n/a	\$ 10,000 and/or 6 months imprisonment
§42400.3.5(b)	False Statement ²	n/a	\$ 35,000 and/or 9 months imprisonment
§42400.4(a)	Title V ³	n/a	\$ 10,000 ¹
§42400.4(b)	Title V False Statement ³	n/a	\$ 10,000 ¹
§42400.5	Unauthorized Outdoor Fire	n/a	Cost of suppression plus any other penalty
§42408	Tampering with Monitoring Equipment	n/a	Misdemeanor
<i>Civil</i>			
§42401	Order of Abatement	*	\$ 25,000 ¹
§42402(a)	General Liability	*	\$ 5,000 ¹

HSC Section	Violation General Name	Minimum	Maximum
§42402(b)(1)	General Liability	*	\$10,000 ¹
§42402(b)(2)(B)	General Liability (Title V)	*	\$10,000 ¹
§42402(c)	Nuisance with Injury	*	\$ 15,000 ¹
§42402.1(a)	Negligence	*	\$ 25,000 ¹
§42402.1(b)	Negligence with Injury	*	\$ 100,000 ¹
§42402.2(a)	Fail to Correct	*	\$ 40,000 ¹
§42402.2(b)	Fail to Correct with Injury	*	\$ 250,000 ¹
§42402.3(a)	Willful/Intentional	*	\$ 75,000 ¹
§42402.3(b)	Willful/Intentional with Injury—Individual	*	\$ 125,000 ¹
§42402.3(b)	Willful/Intentional with Injury—Corporation	*	\$ 500,000 ¹
§42402.3(c)	Willful/Intentional with Death—Individual	*	\$ 250,000 ¹
§42402.3(c)	Willful/Intentional with Death—Corporation	*	\$ 1,000,000 ¹
§42402.4	False Documents	*	\$ 35,000
§42403.5	Bus Idling	*	As noted in Civil Penalties above
<i>Other</i>			
§41865(q)(1)	Rice Straw Reduction Act-Misdemeanor	*	\$ 10,000 and/or 9 months imprisonment
§41865(q)(2)	Rice Straw Reduction Act-Civil-Negligence	*	\$ 10,000
§44381	False Statements AB2588 Air Toxics “Hot Spots” Act	\$ 500 ¹	\$ 10,000 ¹
§44381	False Statements AB2588 Air Toxics “Hot Spots” Act-Intentional	\$ 1,000 ¹	\$ 25,000 ¹
§44394	Failure to Submit Plan AB2588 Air Toxics “Hot Spots: Act	\$ 500 ¹	\$ 10,000 ¹

Notes:

¹Each day the violation occurs is a separate offense.

²Unless subject to \$10,000 or more under §42400.1-.3

³Cannot duplicate with §42402-42402.3

*See Mutual Settlement Program Civil Penalty Schedule and APCO determination on severity of the violation. Considerations:

- 1) The extent of harm caused by the violation.
- 2) The nature and persistence of the violation.
- 3) The length of time over which the violation occurs.
- 4) The frequency of past violations.
- 5) The record of maintenance.
- 6) The unproven or innovative nature of the control equipment.
- 7) Any action taken by the defendant, including the nature, extent, and time of response of the cleanup and construction undertaken, to mitigate the violation.
- 8) The financial burden to the defendant.
- 9) Any other circumstances that the court (or the District, in the case of a civil settlement,) deems relevant.



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PATRICK LUCEY
Assistant Air Pollution Control Officer

Date of Release: March 21, 2024

Board Consideration: March 28, 2024

To: Butte County Air Quality Management District Board of Directors

From: Stephen Ertle, Air Pollution Control Officer

Staff Contact: Stephen Ertle, Air Pollution Control Officer

Re: **APCO Report**

ISSUE:

Report from the Air Pollution Control Officer on current areas of potential interest to your Board, including air-quality related activities at the local, State, and Federal scenes.

ACTION REQUESTED:

None. This item is provided for information and discussion.

Attachment:

None

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BCAQMD ACRONYM REFERENCE

Updated Oct. 2015

-Board of Director's Meeting -

Summarized below are acronyms commonly used in Board folders and accompanying staff reports.

A/C	Authority to Construct Permit
AB	Assembly Bill
AMOS	Automatic Meteorological Observation Stations
AP-42	EPA technical reference specifying specific Air Pollutant Emission Factors
APCD	Air Pollution Control District
APCO	Air Pollution Control Officer
AQMD	Air Quality Management District
ATCM	Airborne Toxic Control Measure
AQI	Air Quality Index
BACT	Best Available Control Technology
BAM	Beta Attenuation Monitor (records hourly ambient particulate data)
BCAG	Butte County Association of Governments
BCAQMD	Butte County Air Quality Management District
BCC	Sacramento Valley Basinwide Air Pollution Control Council
BOS	Board of Supervisors
CAA	Clean Air Act
CAAQS	California Ambient Air Quality Standards
CAP	Climate Action Plan
Cal-EPA	California Environmental Protection Agency
CAPCOA	California Air Pollution Control Officers Association
CARB	California Air Resources Board
CARPA	California Air Response Planning Alliance
CBYL	Check Before You Light
Cd	Chemical symbol for cadmium
CEQA	California Environmental Quality Act
CI	Compression Ignition
CO	Chemical symbol for carbon monoxide
CO2	Chemical symbol for carbon dioxide
CPA	Certified Public Accountant
CPI	Consumer Price Index
CSAC	California State Association of Counties
CUA	Chico Urbanized Area
DMV	Department of Motor Vehicles
DTSC	California Department of Toxic Substance Control
EG	Emission Guidelines
EI	Emission Inventory
Eufac	Emission Factor Computer Model
EPA	Environmental Protection Agency (Federal)
ERC	Emission Reduction Credit
ESA	Endangered Species Act
EVR	Enhanced Vapor Recovery
FIP	Federal Implementation Plan
FRM	Federal Reference Method
FY	Fiscal Year (June 30-July 1, unless otherwise stated)
GASB	Governmental Accounting Standards Board
GDF	Gasoline Dispensing Facilities
GFOA	Governmental Finance Officers Association
GHG	Greenhouse Gases
GWP	Global Warming Potential
HAP	Hazardous Air Pollutants
HCl	Hydrochloric Acid
Hg	Chemical symbol for mercury
HRA	Health Risk Assessments
HSC	Health & Safety Code
ICE	Internal Combustion Engine

BCAQMD ACRONYM REFERENCE

Updated Oct. 2015

-Board of Director's Meeting -

ISD	In-Station Diagnostics
ISR	Indirect Source Review
LESB	Lower Emission School Bus program
Mb	Millibar
Mg/Yr	Milligrams per year
Micron	Abbreviation of Micrometer or 1,000,000th of a meter in size
MPO	Metropolitan Planning Organization
Msl	Mean sea level
MMT CO2	Million Metric Tons of Carbon Dioxide equivalent emissions
MSW	Municipal Solid Waste
NAAQS	National Ambient Air Quality Standard
NACAA	National Association of Clean Air Agencies
NESHAPS	National Emission Standards for Hazardous Air Pollutants
NMOC	Non-Methane Organic Compound
NON	Notice of Noncompliance
NOx	Oxides of Nitrogen
NSPS	New Source Performance Standards
NSR	New Source Review
NTA	Notice to Apply for a Permit
NTC	Notice to Comply
OEHHA	California Office of Environmental Health Hazard Assessment
OAL	Office of Administrative Law
ORVR	Onboard Refueling Vapor Recovery
Pb	Chemical symbol for lead
PERP	Portable Equipment Registration Program
PM	Particulate Matter
PM 10-2.5	Particulate Matter 10 Microns in Size and smaller, but greater than 2.5 Microns
PM10	Particulate Matter 10 Microns in Size and smaller
PM2.5	Particulate Matter 2.5 Microns in Size and smaller
PSD	Prevention of Significant Deterioration
RACT	Reasonably Available Control Technology
RICE	Reciprocating Internal Combustion Engine
RCRC	Regional Council of Rural Counties
RRF	Relative Reduction Factor
RSD	Remote Sensing Device
SB	Senate Bill
SDRMA	Special District Risk Management Authority
SF	Square Foot
SIC	Standardized Industrial Classification
SIP	State Implementation Plan
SLCP	Short-lived Climate Pollutant
SO2	Chemical symbol for sulfur dioxide
SSI	Size Selective Inlet (applies to particulate samplers)
TAC	Technical Advisory Committee of the BCC
TARMAC	CAPCOA Toxics and Risk Managers Committee
TEIP	Toxic Emission Inventory Plan
TEIR	Toxic Emission Inventory Report
Title 17	California Code of Regulations, Administrative Law adopted by the California Air Resources Board, and referencing in this Board folder the Agricultural burn guidelines
ug/m3	Micrograms per cubic meter
USDA	United States Department of Agriculture
USEPA	United States Environmental Protection Agency
VEE	Visible Emission Evaluation Certification
VOC	Volatile Organic Compound
WUI	Wildland Urban Interface
YTD	Year to Date