Lassen County Air Pollution Control District Board
66 N. Lassen Street • Susanville CA
Mike Scanlan, Chair
Patrick Parrish, Vice Chair
Curtis Bortle • Jason Ingram • Tom Neely • Mendy Schuster

Lassen County Air Pollution Control District Governing Board

Lassen County Air Pollution Control District Governing Board
Special Meeting • City Council Chambers

Tuesday, July 7, 2026 – 3:00 PM

Addressing the Board

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

1. **Call to Order:**

2. **Roll Call:**

3. **Approval of Agenda:** (Additions and/or Deletions)

4. **Approval of Minutes:**

   4.A. Consider Approval of the February 10, 2026 Meeting Minutes

5. **Board Member Items/Reports:**

6. **Correspondence:**

7. **Public Comment:** Any person may address the Board at this time to comment on any subject on or not on the agenda. However, the Board may not take action on an item not on the agenda other than to direct staff to agendize the matter at a future meeting.

8. **Matters for Board Consideration:**

   8.A. Consider Resolution No. 26-03, Authorizing the Execution of Carl Moyer Grant Agreement No. 18-26-CMP-01 with Matandy Land & Cattle

   8.B. Consider Resolution No. 26-04, Authorizing Execution of Carl Moyer Grant Agreement No. 18-26-CMP-02 with Danny Torres

   8.C. Consider Resolution No. 26-05, Authorizing Execution of Carl Moyer Grant Agreement No. 18-28-RAP-01 with Russ Fields

   8.D. Consider Resolution No. 26-06, Adopting the Fiscal Year 2026-2027 Budget

   8.E. Consider Resolution No. 26-07 Approving the District's Participation in the FY 2025/2026 Community Air Protection Program

   8.F. Consider Resolution No. 26-08 Establishing Meeting Dates and Times for Future Meetings

9. Adjournment:

- **The next regular meeting of the Lassen County Air Pollution Control District Governing Board will be held on August 11, 2026 at 1:00 PM.**

Reports and documents relating to each agenda item are on file in the District Office and are available for public inspection during normal business hours and at the meeting. These reports and documents are also available at the District's website http://lassenair.org/, unless there were systems problems posting to the website.

Accessibility: An interpreter for the hearing-impaired may be made available upon request to the District seventy-two hours prior to a meeting. A reader for the vision-impaired for purposes of reviewing the agenda may be made available upon request to the District. The location of this meeting is wheelchair-accessible.

I, Erik Edholm, certify that I caused to be posted notice of the regular meeting scheduled for July 7, 2026 in the areas designated on July 2, 2026.

Agenda Item No. 4.A.
Air Pollution Workflow

Lassen County Air Pollution Control District Governing Board Agenda Item

Submitted By:	Erik Edholm, Air Pollution Control Officer
Action Date:	July 7, 2026
Subject:	Consider Approval of the February 10, 2026 Meeting Minutes
Presented By:	Erik Edholm, Air Pollution Control Officer
Summary:	Staff is presenting minutes from the February 10, 2026 meeting.
Fiscal Impact:	None.
Action Requested:	Motion to approve and file the minutes of the February 10, 2026 meeting.

Attachments:

1. 2026.02.10.lcapcd.min

UNAPPROVED MINUTES
LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT
GOVERNING BOARD
FEBRUARY 10, 2026

The Board convened in session at 2:00 P.M. in City of Susanville Council Chambers, located at 66 N. Lassen St., Susanville, CA, with; Chairman Schuster, Directors Ingram, Neely and Scanlan were present. Also present were Erik Edholm, Air Pollution Control Officer (APCO), Chandra Jabbs, Finance Director and Marci Rojas, Program Coordinator. Vice Chairman Parrish and Director Bortle were absent.

C. AGENDA APPROVAL

Motion to approve the agenda by Director Ingram, second by Director Neely. Motion carried. Directors Bortle and Vice Chairman Parrish were absent.

D. APPROVAL OF MINUTES:

Motion to approve the minutes by Director Scanlan, second by Director Ingram. Directors Bortle and Vice Chairman Parrish were absent.

E. BOARD ISSUES / REPORTS:

NO ISSUES OR REPORTS

F. CORRESPONDENCE:

NO CORRESPONDENCE

G. PUBLIC COMMENT:

NO PUBLIC COMMENT

H. MATTERS FOR BOARD CONSIDERATION:

1. **Election of Chair and Vice Chair for 2026**.

   Chair Schuster opened it up to the Board for nominations for Chair. Director Neely nominated Mike Scanlan, Director Ingram second the nomination. Motion to approve nomination carried. Directors Bortle and Vice Chairman Parrish were absent.

   Chair Schuster opened it up to the Board for nominations for Vice Chair. Chair Scanlan nominated Vice Chair Parish. Director Ingram second the nomination. Motion to approve nomination carried. Directors Bortle and Vice Chairman Parrish were absent.

2. **Consider Resolution No. 26-01 Accepting the Basic Financial Statements and Independent Auditor's Report for Year Ended June 30, 2024**

   Mrs. Jabbs, City of Susanville Finance Director, presented the auditor's report to the board.

   Motion to approve Resolution No. 26-01 accepting the Basic Financial Statements and Independent Auditor's Report for year ended June 30, 2024 by Director Ingram, seconded by Director Schuster. Motion carried. Directors Bortle and Vice Chairman Parrish were absent.

3. **Consider Resolution No. 26-02 Approving the District's Participation in the 2022 Climate Heat Impact Response Program (CHIRP)**

   Erik Edholm presented a request for the Board to participate in the 2022 Climate Heat Impact Response Program (CHIRP). The program is intended to help offset emissions associated with the operation of portable generators and stationary emergency backup generators used during electrical outages and other power reliability events.

   Motion to Approve Resolution No. 26-02 approving the districts participation in the 2022 Climate Heat Impact Response Program (CHIRP) by Director Ingram, seconded by Director Neely. Motion carried. Directors Bortle and Vice Chairman Parrish were absent.

I. ADJOURN 2:13 P.M.

Motion to adjourn February 10, 2026, Lassen County Air Pollution Control District Governing Board Meeting by Chair Scanlan. Directors Bortle and Vice Chairman Parrish were absent.

Lassen County Air Pollution Control District Governing Board Agenda Item

Submitted By:	Erik Edholm, Air Pollution Control Officer
Action Date:	July 7, 2026
Subject:	Consider Resolution No. 26-03, Authorizing the Execution of Carl Moyer Grant Agreement No. 18-26-CMP-01 with Matandy Land & Cattle
Presented By:	Erik Edholm, Air Pollution Control Officer
Summary:	Attached is a proposed Carl Moyer Grant for execution under 26th and 27th cycle grants, of which the District currently has $220,440.35.36 of Cycle 26 and 27 funds available for award. The proposed grant is to Matandy Land & Cattle for a tractor replacement project that will replace a 1984 Ford 555 backhoe loader tractor with a 2024 John Deere 60 P-Tier excavator for a total grant amount up to $50,000.
Fiscal Impact:	Approval will allocate $50,000 in Carl Moyer Program funds to the project, with no impact on the District's operating budget.
Action Requested:	Motion to approve Resolution No. 26-03 authorizing the execution of Carl Moyer Grant Agreement No. 18-26-CMP-01 with Matandy Land & Cattle.

Attachments:

1. Resolution No. 26-03
2. Agreement No. 18-26-CMP-01

RESOLUTION NO. 26-03

A RESOLUTION BY THE BOARD OF DIRECTORS FOR THE LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT AUTHORIZING THE EXECUTION OF CARL MOYER GRANT AGREEMENT NO. 18-26-CMP-01 WITH MATANDY LAND & CATTLE

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

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

WHEREAS, the Governing Board approved on October 8, 2025 Resolution 25-11 Accepting Carl Moyer Program Funds from the California Air Resources Board;

WHEREAS, Resolution 25-11 authorized the Air Pollution Control Officer to execute on behalf of the District grant agreements with ARB, and all other necessary documents to implement and carry out the purposes of Resolution 25-11, each year until 2030;

NOW, THEREFORE, BE IT RESOLVED THAT the Governing Board hereby authorizes the Air Pollution Control Officer to execute Carl Moyer Grant Agreement No. 18-26-CMP-01 with Matandy Land & Cattle;

The foregoing resolution was approved and adopted by the following vote of the Board on July 7, 2026.

AYES:

NOES:

ABSTAIN:

ABSENT:

____
Mike Scanlan, Chair
Lassen County Air Pollution Control District

ATTEST:

____
Erik Edholm
Air Pollution Control Officer

Agreement Number 18-26-CMP-01

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

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

1.0 Recitals

1.1 The District is in nonattainment of the state air quality standards for particulate matter and is impacted by the effects of toxic air contaminants, including diesel particulate matter and other pollutants from mobile sources.

1.2 On December 11, 2007, the District Governing Board approved Resolution No. 18-07-CMP-10, authorizing the District's participation in the CARB Carl Moyer Program which is a Heavy-Duty Low Emission Vehicle Incentive Program (Program), which is hereby incorporated by reference and made part of this agreement.

1.3 On September 23, 2004, Governor Schwarzenegger signed Assembly Bills 923, 1394, and 2128 which made major changes to the Carl Moyer Program and projects funded using Department of Motor Vehicles Surcharges, expanding the Program to include light-duty vehicles, Fleet Modernization, and agricultural assistance projects.

1.4 To implement mobile source emission reduction projects, the Program provides incentives to fleet operators and individuals for the purchase, repower and/or retrofit of low-emission on-road motor vehicles, off-road mobile equipment, and agricultural water pumps.

1.5 The Participant wishes to participate in the Program by purchasing and operating the equipment described in this Agreement and represents that the purchase is not required by any local, state, and/or federal rule, regulation, memorandum, or other legally binding agreement, with the exception of certain agricultural projects described in Health and Safety Code sections 41081(d)(2)(ii), 41802 and 44275.

1.6 The Participant has read and agreed to all requirements of the Program application and guidelines which are hereby incorporated into this Agreement.

1.7 This Agreement is a voluntary act intended to accelerate the introduction of low-emission vehicle and engine technology designed to reduce emissions of oxides of nitrogen, particulate matter, reactive organic gases, toxic air contaminants, and oxides of carbon within Lassen County.

1.8 This Agreement was approved for use by the District's Board of Directors on December 14, 2010.

1.9 On June 9th, 2026, The District Governing Board authorized making this contract with Participant.

Terms and Conditions

2.1 Definitions

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

Engine Model Year	Power Rating	NOx Standard	PM Standard
2007-2009 On-Road	All On-Road Heavy-Duty Diesel Engines	1.2 g/bhp-hr	0.01 g/bhp-hr
2012-2013 Off-Road	56 – 129 kW (75 – 174 HP)	2.2 g/kW-hr (1.6 g/bhp-hr)	0.02 g/kW-hr (0.01 g/bhp-hr)
2011-2013 Off-Road	130 – 560 kW (175 – 749 HP)	2.2 g/kW-hr (1.6 g/bhp-hr)	0.02 g/kW-hr (0.01 g/bhp-hr)

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

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

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

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

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

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

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

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

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

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

2.2 Participant Obligations – the Participant will:

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

☐ N/A - Retrofit

2.2.2 Purchase, invoice the District, and operate the equipment described in Exhibit A by **December 31st, 2026**. Participant may submit a written request to extend this Section if the project cannot be successfully completed due to circumstances beyond the Participant's reasonable control.

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

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

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

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

2.3 Payment

2.3.1 The District will reimburse the Participant up to **$50,000.00** towards the cost of the vehicle(s) or equipment identified in Exhibit A within 60 days of receipt of an itemized invoice.

2.3.2 Any payments made under this Agreement are subject to the provisions and limitations of Health and Safety Code. The District shall have no liability for payment of any compensation and expenses that are found to be in contravention of the Health and Safety Code or any other local, state, or federal law. The Participant shall reimburse the District for any payments that are later found to be in contravention of the Health and Safety Code or any other local, state, or federal law.

2.3.3 No payments shall be issued under this Agreement prior to final inspection of the project by District personnel.

2.3.4 Payment of compensation shall be made by the District to Contractor within sixty (60) days after receipt by District of statement of charges and completion of final inspection. Such statement shall be checked and approved by a person or persons designated by the District.

2.3.5 Payments made under this Agreement are subject to taxation and an IRS Form 1099 will be issued to the Participant. Funds may be withheld by the District as required by law for payment of tax liabilities and/or other court-ordered payments.

2.4 General Program Requirements

2.4.1 The Participant warrants that the vehicle(s)/engine(s) covered under this Agreement meets all the eligibility requirements described in the Program application and guidelines. The Participant further agrees to operate the vehicle(s)/engine(s) in a manner that is consistent with the eligibility requirements in the guidelines and the goals and objectives of the Program.

2.4.2 The Participant cannot apply for or receive additional incentive funds, including but not limited to the state Carl Moyer Program inter-district fund or any other air district fund, including those funds used as matching funds, for any equipment listed in Exhibit A of this Agreement. This requirement may be waived by District staff on an individual basis. If the District discovers that the Participant has applied for or received funds from these sources, the District will terminate this Agreement and require that any funds paid under this Agreement be returned to the District.

2.4.3 The Participant agrees to operate the equipment described in Exhibit A within the manufacturer’s specifications including all maintenance and fueling requirements. An operational odometer, hour meter, or other District-approved usage measuring device must be installed on all projects and maintained for continuous operation. Under no circumstances may the Participant make any modifications to or tamper with the vehicle, equipment, engine, emission control system(s), or any recording devices on the vehicle or equipment prohibited under CARB and USEPA regulations. The Participant also agrees to operate the vehicle, engine, and/or equipment in compliance with all local, state, and federal rules, laws, and regulations.

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

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

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

(i) CARB Certified; or

(ii) CARB Verified; or

(iii) Under an experimental permit issued by CARB; or

(iv) In cases where federal law preempts state requirements, approved for use by the USEPA

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

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

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

(i) Destroy the replaced or repowered engine in a manner acceptable to the District. If the engine is destroyed, the Participant must permit the District to inspect the destroyed engine; or

(ii) Implement a District approved destruction alternative. The District may approve a destruction alternative only if special circumstances justifying the use of an alternative exist, and there is no detrimental impact to air quality.

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

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

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

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

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

(i) Installation of digital odometer/hour meter; and

(ii) Vehicle finance documents

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

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

(i) The Participant will provide a copy of the replacement vehicle's title to the District, demonstrating that the District is named as a lien holder for the vehicle.

(ii) The Participant must be the legal owner of the replacement vehicle through the length of this Agreement.

(iii) If the replacement vehicle is financed, the Participant will list both the District and the Finance Company as lien holders for the vehicle.

(iv) If the replacement vehicle is financed, and the loan is repaid before the termination of this Agreement, the Participant must ensure that the District remains a lien holder on the replacement vehicle through the end date listed in Section 2.9.1.

(v) If the replacement vehicle is repossessed by the finance company, the Participant must reimburse the District in accordance with the termination formula in Section 2.7.

(vi) Any changes to the replacement vehicle's title must be approved in writing by the District.

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

$$A = I * [(O*L) – C] / (O*L)$$

A = Amount Owed to the District
I = Total Incentive Award
O = Annual Operational Requirement (miles, hours or gallons)
L = Length of the Agreement in Years
C = Actual Operation (miles, hours, or gallons)

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

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

2.9 General Requirements

2.9.1 This Agreement shall begin upon execution by all parties and terminate on **December 31st, 2031**. No work may begin on this project until this Agreement is executed by all parties. For this Agreement, the timeframe indicated by the execution of this Agreement and the afore-mentioned termination date shall serve as the contract term including both the project completion and project implementation/life periods.

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

(i) This prohibition includes, but is not limited to all attainment, nonattainment, criteria and noncriteria pollutants, Application for Emission Reduction Credits (ERC), Mobile Emission Reduction Credits (MERC) and/or Certificates of Advanced Placement (CAP). This prohibition extends to credits from all Air Quality Management or Air Pollution Control Districts.

(ii) For projects involving the replacement of a stationary diesel agricultural water pump with an electric water pump in conjunction with the Pacific Gas & Electric Company's (PG&E) PUC-approved discounted AG-ICE electric rate program, PG&E may retain all of the carbon dioxide credits and a portion of the remaining emission credits for reductions generated through this Agreement. The portion of the remaining emission credits retained by PG&E will be the difference in emissions between a Tier 3 diesel engine and the emissions associated with generating electricity for the electric pump.

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

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

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

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

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

For On-Road Projects	For Off-Road Projects
1. Copies of all driver log book entries for the preceding year 2. Miles traveled 3. Fuel consumed 4. Fuel cost 5. Vehicle downtime 6. Type and cost of maintenance performed	1. Hours operated 2. Fuel consumed 3. Fuel cost 4. Engine downtime 5. Type and cost of maintenance performed

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

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

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

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

2.9.9 No performance rendered or payment due under this Agreement may be delegated or assigned without the written consent of all the parties hereto. If the Participant assigns any of its rights or obligations under this contract, all of the terms and conditions of this contract shall apply to the Participant's assignee.

2.9.10 The Participant will submit written documentation of performance towards the requirements outlined in Exhibit B to the District by December 31 of each year until termination of this Agreement. The District may request additional performance documentation at its discretion.

2.9.11 This agreement may be terminated by the District upon 30-day notice if the Participant fails to meet any of the obligations established in this Agreement or outlined in the Carl Moyer Program guidelines or the Health and Safety Code. If the Agreement is terminated, the Participant will refund the entire incentive paid by the District. The APCO may, at his or her discretion, waive the refund or allow the Participant an opportunity to cure its failure to meet the Agreement obligations. Additionally, the District and/or CARB may seek all available remedies for breaches of any Agreement provisions, Carl Moyer Program requirements, or Health and Safety Code.

2.9.12 The Participant may not sell or encumber the equipment described in Exhibit A without the written consent of the District.

2.9.13 The District has made no representations or guarantees to the Participant regarding the quality, condition, or proposed use of the low emission vehicle and engine technology funded under this Agreement or the effects of such technology on the normal operations of the Participant.

2.9.14 If either of the events listed in this paragraph occur, the Participant must notify the District within 30 days of the date Participant knows, or should have known, that the event has occurred or is likely to occur:

(i) The Participant suffers a catastrophic loss; or

(ii) The Participant files for bankruptcy; or

(iii) Any other event has occurred or is likely to occur that could impair the Participant's ability to perform the conditions of this Agreement.

2.9.15 This Agreement will bind the successors of the District and Participant in the same manner as if they were expressly named.

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

To District	To Participant
Lassen County APCD 66 N. Lassen Street Susanville, CA 96130 Phone: (530) 257-4247 Fax: (530) 257-1057	Randy Harkness PO Box 83 Standish, CA 96128 Phone: (530) 249-4269 Email: Matandy Land & Cattle

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

2.9.17 This Agreement consists of the following:

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

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

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

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

Approved by Participant

_________________________________ **Date:** ________________

Approved by the Lassen County Air Pollution Control District

_________________________________ **Date:** ________________

Erik Edholm
Air Pollution Control Officer

Approved to as form:

_________________________________ **Date:** ________________

Greg Einhorn
District Counsel

EXHIBIT A

Vehicle / Equipment Information Form

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

Equipment:
Agricultural Backhoe Loader Tractor

Project Type:
Replacement

Counties Vehicle Currently Operates

Lassen County	
Main Location of Operation (include cross streets)	

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

	Within the Lassen County Area	Outside of Lassen County Area	Total Operation
Hours	100%	0%	750

Existing Vehicle Information

Make: Ford Backhoe Loader	Model: 555	Model Year: 1984	GVWR:
Vehicle Identification Number:	Fleet Identification Number:	License Plate:	Odometer:

Existing Engine Information

Make: Ford	Model: 3.3L	Model Yr:1984	Serial Number:	HP: 62	Hour Meter:
Fuel Type: Diesel					

New or Replacement Vehicle Information

Make: John Deere Excavator	Model: 60 P-Tier	Model Year: 2024	GVWR:
Vehicle Identification Number:	Fleet Identification Number:	License Plate:	Odometer:

New Engine or Retrofit System Information

Make: Yanmar	Model: 4TNV86CT-XHYB	Model Yr: 2024	Serial Number:	HP: 53	NOx Cert: TIER 4 Final
Fuel Type: Diesel					

EXHIBIT B – PERFORMANCE REQUIREMENTS

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

Vehicle and Engine Year Make & Model*	Vehicle and Engine Serial Numbers*	Minimum Usage (hours)	Anticipated Annual NOx Reduction (tons)	Payback Requirement per Hour	Maximum Incentive Amount
2024 John Deere 60 P-Tier Excavator		3,750	.13	$13.33	$50,000
		Total			

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

EXHIBIT C – INSURANCE REQUIREMENTS

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

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

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

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

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

"Claims made" policies are unacceptable.

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

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

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

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

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

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

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

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

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

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

A. **Excess/Umbrella:** An excess policy or an umbrella policy (following form) may be utilized to meet the above-required limits of liability.

B. **Supplementary Payments:** The above-stated limits of liability coverage for Commercial/Comprehensive General Liability, and Business Automobile Liability assumes that the standard "supplementary payments" clause will pay in addition to the applicable limits of liability and that these supplementary payments are not included as part of the insurance limits of liability. If any of the policies indicate that defense costs are included in the general aggregate limit, then the general aggregate limits must be a multiple of the per occurrence limits.

C. **Contractors' Insurance as Primary:** The CONTRACTOR's insurance coverage shall be primary insurance. Any insurance or self-insurance maintained by the DISTRICT, its officials, trustees, agents, employees or volunteers shall be excess to the CONTRACTOR's insurance and shall not contribute with it.

D. **Acceptability of Insurers:** Insurance is to be placed with admitted State of California insurers which have an A.M. Best's rating of no less than A: VII, or be an equivalent program of self-insurance.

E. **District Risk Manager Exceptions:** Any exceptions to the above insurance requirements are subject to the concurrence of the DISTRICT'S Risk Manager.

Lassen County Air Pollution Control District Governing Board Agenda Item

Submitted By:	Erik Edholm, Air Pollution Control Officer
Action Date:	July 7, 2026
Subject:	Consider Resolution No. 26-04, Authorizing Execution of Carl Moyer Grant Agreement No. 18-26-CMP-02 with Danny Torres
Presented By:	Erik Edholm, Air Pollution Control Officer
Summary:	Attached is a proposed Carl Moyer Grant for execution under 26th and 27th cycle grants, of which the District currently has $220,440.35 of Cycle 26 and 27 funds available for award. The proposed grant is to Danny Torres for a tractor replacement project that will replace a 2000 John Deere 4600 tractor with a 2025 John Deere 4052R tractor for a total grant amount of $50,000.
Fiscal Impact:	Approval will allocate $50,000 in Carl Moyer Program funds to the project, with no impact on the District's operating budget.
Action Requested:	Motion to Approve Resolution No. 26-04, Authorizing Execution of Carl Moyer Grant Agreement No. 18-26-CMP-02 with Danny Torres

Attachments:

1. Resolution No. 26-04
2. Agreement No. 18-26-CMP-02

RESOLUTION NO. 26-04

A RESOLUTION BY THE BOARD OF DIRECTORS FOR THE LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT AUTHORIZING EXECUTION OF CARL MOYER GRANT AGREEMENT NO. 18-26-CMP-02 WITH DANNY TORRES

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

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

WHEREAS, the Governing Board approved on October 8, 2025 Resolution No. 25-11 Accepting Carl Moyer Program Funds from the California Air Resources Board;

WHEREAS, Resolution No. 25-11 authorized the Air Pollution Control Officer to execute on behalf of the District grant agreements with ARB, and all other necessary documents to implement and carry out the purposes of Resolution No. 25-11, each year until 2030;

NOW, THEREFORE, BE IT RESOLVED the Governing Board hereby authorizes the Air Pollution Control Officer to execute Carl Moyer Grant Agreement No. 18-26-CMP-02 with Danny Torres;

The foregoing resolution was approved and adopted by the following vote of the Board on July 7, 2026.

AYES:

NOES:

ABSTAIN:

ABSENT:

____
Mike Scanlan, Chair
Lassen County Air Pollution Control District

ATTEST:

____
Erik Edholm
Air Pollution Control Officer

Agreement Number 18-26-CMP-02

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

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

1.0 Recitals

1.1 The District is in nonattainment of the state air quality standards for particulate matter and is impacted by the effects of toxic air contaminants, including diesel particulate matter and other pollutants from mobile sources.

1.2 On December 11, 2007, the District Governing Board approved Resolution No. 18-07-CMP-10, authorizing the District's participation in the CARB Carl Moyer Program which is a Heavy-Duty Low Emission Vehicle Incentive Program (Program), which is hereby incorporated by reference and made part of this agreement.

1.3 On September 23, 2004, Governor Schwarzenegger signed Assembly Bills 923, 1394, and 2128 which made major changes to the Carl Moyer Program and projects funded using Department of Motor Vehicles Surcharges, expanding the Program to include light-duty vehicles, Fleet Modernization, and agricultural assistance projects.

1.4 To implement mobile source emission reduction projects, the Program provides incentives to fleet operators and individuals for the purchase, repower and/or retrofit of low-emission on-road motor vehicles, off-road mobile equipment, and agricultural water pumps.

1.5 The Participant wishes to participate in the Program by purchasing and operating the equipment described in this Agreement and represents that the purchase is not required by any local, state, and/or federal rule, regulation, memorandum, or other legally binding agreement, with the exception of certain agricultural projects described in Health and Safety Code sections 41081(d)(2)(ii), 41802 and 44275.

1.6 The Participant has read and agreed to all requirements of the Program application and guidelines which are hereby incorporated into this Agreement.

1.7 This Agreement is a voluntary act intended to accelerate the introduction of low-emission vehicle and engine technology designed to reduce emissions of oxides of nitrogen, particulate matter, reactive organic gases, toxic air contaminants, and oxides of carbon within Lassen County.

1.8 This Agreement was approved for use by the District's Board of Directors on December 14, 2010.

1.9 On June 9th, 2026, The District Governing Board authorized making this contract with Participant.

Terms and Conditions

2.1 Definitions

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

Engine Model Year	Power Rating	NOx Standard	PM Standard
2007-2009 On-Road	All On-Road Heavy-Duty Diesel Engines	1.2 g/bhp-hr	0.01 g/bhp-hr
2012-2013 Off-Road	56 – 129 kW (75 – 174 HP)	2.2 g/kW-hr (1.6 g/bhp-hr)	0.02 g/kW-hr (0.01 g/bhp-hr)
2011-2013 Off-Road	130 – 560 kW (175 – 749 HP)	2.2 g/kW-hr (1.6 g/bhp-hr)	0.02 g/kW-hr (0.01 g/bhp-hr)

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

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

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

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

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

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

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

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

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

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

2.2 Participant Obligations – the Participant will:

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

☐ N/A - Retrofit

2.2.2 Purchase, invoice the District, and operate the equipment described in Exhibit A by **December 31st, 2026**. Participant may submit a written request to extend this Section if the project cannot be successfully completed due to circumstances beyond the Participant's reasonable control.

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

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

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

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

2.3 Payment

2.3.1 The District will reimburse the Participant up to **$50,000.00** towards the cost of the vehicle(s) or equipment identified in Exhibit A within 60 days of receipt of an itemized invoice.

2.3.2 Any payments made under this Agreement are subject to the provisions and limitations of Health and Safety Code. The District shall have no liability for payment of any compensation and expenses that are found to be in contravention of the Health and Safety Code or any other local, state, or federal law. The Participant shall reimburse the District for any payments that are later found to be in contravention of the Health and Safety Code or any other local, state, or federal law.

2.3.3 No payments shall be issued under this Agreement prior to final inspection of the project by District personnel.

2.3.4 Payment of compensation shall be made by the District to Contractor within sixty (60) days after receipt by District of statement of charges and completion of final inspection. Such statement shall be checked and approved by a person or persons designated by the District.

2.3.5 Payments made under this Agreement are subject to taxation and an IRS Form 1099 will be issued to the Participant. Funds may be withheld by the District as required by law for payment of tax liabilities and/or other court-ordered payments.

2.4 General Program Requirements

2.4.1 The Participant warrants that the vehicle(s)/engine(s) covered under this Agreement meets all the eligibility requirements described in the Program application and guidelines. The Participant further agrees to operate the vehicle(s)/engine(s) in a manner that is consistent with the eligibility requirements in the guidelines and the goals and objectives of the Program.

2.4.2 The Participant cannot apply for or receive additional incentive funds, including but not limited to the state Carl Moyer Program inter-district fund or any other air district fund, including those funds used as matching funds, for any equipment listed in Exhibit A of this Agreement. This requirement may be waived by District staff on an individual basis. If the District discovers that the Participant has applied for or received funds from these sources, the District will terminate this Agreement and require that any funds paid under this Agreement be returned to the District.

2.4.3 The Participant agrees to operate the equipment described in Exhibit A within the manufacturer's specifications including all maintenance and fueling requirements. An operational odometer, hour meter, or other District-approved usage measuring device must be installed on all projects and maintained for continuous operation. Under no circumstances may the Participant make any modifications to or tamper with the vehicle, equipment, engine, emission control system(s), or any recording devices on the vehicle or equipment prohibited under CARB and USEPA regulations. The Participant also agrees to operate the vehicle, engine, and/or equipment in compliance with all local, state, and federal rules, laws, and regulations.

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

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

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

(i) CARB Certified; or

(ii) CARB Verified; or

(iii) Under an experimental permit issued by CARB; or

(iv) In cases where federal law preempts state requirements, approved for use by the USEPA

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

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

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

(i) Destroy the replaced or repowered engine in a manner acceptable to the District. If the engine is destroyed, the Participant must permit the District to inspect the destroyed engine; or

(ii) Implement a District approved destruction alternative. The District may approve a destruction alternative only if special circumstances justifying the use of an alternative exist, and there is no detrimental impact to air quality.

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

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

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

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

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

(i) Installation of digital odometer/hour meter; and

(ii) Vehicle finance documents

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

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

(i) The Participant will provide a copy of the replacement vehicle's title to the District, demonstrating that the District is named as a lien holder for the vehicle.

(ii) The Participant must be the legal owner of the replacement vehicle through the length of this Agreement.

(iii) If the replacement vehicle is financed, the Participant will list both the District and the Finance Company as lien holders for the vehicle.

(iv) If the replacement vehicle is financed, and the loan is repaid before the termination of this Agreement, the Participant must ensure that the District remains a lien holder on the replacement vehicle through the end date listed in Section 2.9.1.

(v) If the replacement vehicle is repossessed by the finance company, the Participant must reimburse the District in accordance with the termination formula in Section 2.7.

(vi) Any changes to the replacement vehicle's title must be approved in writing by the District.

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

$$A = I * [(O*L) – C] / (O*L)$$

A = Amount Owed to the District
I = Total Incentive Award
O = Annual Operational Requirement (miles, hours or gallons)
L = Length of the Agreement in Years
C = Actual Operation (miles, hours, or gallons)

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

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

2.9 General Requirements

2.9.1 This Agreement shall begin upon execution by all parties and terminate on **December 31st, 2033**. No work may begin on this project until this Agreement is executed by all parties. For this Agreement, the timeframe indicated by the execution of this Agreement and the afore-mentioned termination date shall serve as the contract term including both the project completion and project implementation/life periods.

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

(i) This prohibition includes, but is not limited to all attainment, nonattainment, criteria and noncriteria pollutants, Application for Emission Reduction Credits (ERC), Mobile Emission Reduction Credits (MERC) and/or Certificates of Advanced Placement (CAP). This prohibition extends to credits from all Air Quality Management or Air Pollution Control Districts.

(ii) For projects involving the replacement of a stationary diesel agricultural water pump with an electric water pump in conjunction with the Pacific Gas & Electric Company's (PG&E) PUC-approved discounted AG-ICE electric rate program, PG&E may retain all of the carbon dioxide credits and a portion of the remaining emission credits for reductions generated through this Agreement. The portion of the remaining emission credits retained by PG&E will be the difference in emissions between a Tier 3 diesel engine and the emissions associated with generating electricity for the electric pump.

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

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

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

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

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

For On-Road Projects	For Off-Road Projects
1. Copies of all driver log book entries for the preceding year 2. Miles traveled 3. Fuel consumed 4. Fuel cost 5. Vehicle downtime 6. Type and cost of maintenance performed	1. Hours operated 2. Fuel consumed 3. Fuel cost 4. Engine downtime 5. Type and cost of maintenance performed

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

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

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

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

2.9.9 No performance rendered or payment due under this Agreement may be delegated or assigned without the written consent of all the parties hereto. If the Participant assigns any of its rights or obligations under this contract, all of the terms and conditions of this contract shall apply to the Participant's assignee.

2.9.10 The Participant will submit written documentation of performance towards the requirements outlined in Exhibit B to the District by December 31 of each year until termination of this Agreement. The District may request additional performance documentation at its discretion.

2.9.11 This agreement may be terminated by the District upon 30-day notice if the Participant fails to meet any of the obligations established in this Agreement or outlined in the Carl Moyer Program guidelines or the Health and Safety Code. If the Agreement is terminated, the Participant will refund the entire incentive paid by the District. The APCO may, at his or her discretion, waive the refund or allow the Participant an opportunity to cure its failure to meet the Agreement obligations. Additionally, the District and/or CARB may seek all available remedies for breaches of any Agreement provisions, Carl Moyer Program requirements, or Health and Safety Code.

2.9.12 The Participant may not sell or encumber the equipment described in Exhibit A without the written consent of the District.

2.9.13 The District has made no representations or guarantees to the Participant regarding the quality, condition, or proposed use of the low emission vehicle and engine technology funded under this Agreement or the effects of such technology on the normal operations of the Participant.

2.9.14 If either of the events listed in this paragraph occur, the Participant must notify the District within 30 days of the date Participant knows, or should have known, that the event has occurred or is likely to occur:

(i) The Participant suffers a catastrophic loss; or

(ii) The Participant files for bankruptcy; or

(iii) Any other event has occurred or is likely to occur that could impair the Participant's ability to perform the conditions of this Agreement.

2.9.15 This Agreement will bind the successors of the District and Participant in the same manner as if they were expressly named.

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

To District	To Participant
Lassen County APCD 66 N. Lassen Street Susanville, CA 96130 Phone: (530) 257-4247 Fax: (530) 257-1057	Danny Torres 640-210 Iris Rd McArthur, CA 96056 Phone: (408)655-0732 Email: kttraining@toast.net

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

2.9.17 This Agreement consists of the following:

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

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

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

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

Approved by Participant

______________________________ **Date:** ________________

Approved by the Lassen County Air Pollution Control District

______________________________ **Date:** ________________

Erik Edholm
Air Pollution Control Officer

Approved to as form:

______________________________ **Date:** ________________

Greg Einhorn
District Counsel

EXHIBIT A

Vehicle / Equipment Information Form

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

Equipment:
Agricultural Tractor

Project Type:
Replacement

Counties Vehicle Currently Operates

Lassen County	
Main Location of Operation (include cross streets)	

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

	Within the Lassen County Area	Outside of Lassen County Area	Total Operation
Hours	100%	0%	500

Existing Vehicle Information

Make: John Deere	Model: 4600	Model Year: 2000	GVWR:
Vehicle Identification Number:	Fleet Identification Number:	License Plate:	Odometer:

Existing Engine Information

Make: John Deere	Model: 4600	Model Yr: 2000	Serial Number:	HP: 43	Hour Meter:
Fuel Type: Diesel					

New or Replacement Vehicle Information

Make: John Deere	Model: 4052R	Model Year: 2025	GVWR:
Vehicle Identification Number:	Fleet Identification Number:	License Plate:	Odometer:

New Engine or Retrofit System Information

Make: Yanmar	Model: 4TNU86CT	Model Yr: 2024	Serial Number:	HP: 52	NOx Cert: TIER 4 Final
Fuel Type: Diesel					

EXHIBIT B – PERFORMANCE REQUIREMENTS

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

Vehicle and Engine Year Make & Model*	Vehicle and Engine Serial Numbers*	Minimum Usage (hours)	Anticipated Annual NOx Reduction (tons)	Payback Requirement per Hour	Maximum Incentive Amount
2025 John Deere 4052R		3,500	.02	$14.29	$50,000
		Total			

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

EXHIBIT C – INSURANCE REQUIREMENTS

INSURANCE

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

☒ COMMERCIAL/GENERAL LIABILITY

☐ BUSINESS AUTOMOTIVE LIABILITY

☐ PUBLIC ENTITIES/SELF-INSURED STATUS

☐ PROFESSIONAL LIABILITY INSURANCE

☐ WORKERS COMPENSATION and EMPLOYERS LIABILITY

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

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

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

"Claims made" policies are unacceptable.

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

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

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

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

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

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

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

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

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

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

A. **Excess/Umbrella:** An excess policy or an umbrella policy (following form) may be utilized to meet the above-required limits of liability.

B. **Supplementary Payments:** The above-stated limits of liability coverage for Commercial/Comprehensive General Liability, and Business Automobile Liability assumes that the standard "supplementary payments" clause will pay in addition to the applicable limits of liability and that these supplementary payments are not included as part of the insurance limits of liability. If any of the policies indicate that defense costs are included in the general aggregate limit, then the general aggregate limits must be a multiple of the per occurrence limits.

C. **Contractors' Insurance as Primary:** The CONTRACTOR's insurance coverage shall be primary insurance. Any insurance or self-insurance maintained by the DISTRICT, its officials, trustees, agents, employees or volunteers shall be excess to the CONTRACTOR's insurance and shall not contribute with it.

D. **Acceptability of Insurers:** Insurance is to be placed with admitted State of California insurers which have an A.M. Best's rating of no less than A: VII, or be an equivalent program of self-insurance.

E. **District Risk Manager Exceptions:** Any exceptions to the above insurance requirements are subject to the concurrence of the DISTRICT'S Risk Manager.

Agenda Item No. 8.C.
Air Pollution Workflow

Lassen County Air Pollution Control District Governing Board Agenda Item

Submitted By:	Erik Edholm, Air Pollution Control Officer
Action Date:	July 7, 2026
Subject:	Consider Resolution No. 26-05, Authorizing Execution of Carl Moyer Grant Agreement No. 18-28-RAP-01 with Russ Fields
Presented By:	Erik Edholm, Air Pollution Control Officer
Summary:	Attached is a proposed Carl Moyer Rural Assistance Program (RAP) Grant for execution under the 28th Cycle, of which the District currently has $65,389.48 of funds available for award. The proposed grant is to Russ Fields for a tractor replacement project that will replace a 1983 Belarus 825 tractor with a 2025 John Deere 6120 E, for a total grant amount of $65,389.48.
Fiscal Impact:	Approval will allocate $65,389.48 in Carl Moyer Program funds to the project, with no impact on the District's operating budget.
Action Requested:	Motion to approve Resolution No. 26-05 authorizing execution of Carl Moyer Grant Agreement No. 18-28-RAP-01 with Russ Fields.

Attachments:
1. Resolution No. 26-05
2. Agreement No. 18-28-RAP-01 Russ Fields

RESOLUTION NO. 26-05

A RESOLUTION BY THE BOARD OF DIRECTORS FOR THE LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT AUTHORIZING EXECUTION OF CARL MOYER GRANT AGREEMENT NO. 18-28-RAP-01 WITH RUSS FIELDS

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

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

WHEREAS, the Governing Board approved on October 8, 2025 Resolution No. 25-11 Accepting Carl Moyer Program Funds from the California Air Resources Board;

WHEREAS, Resolution No. 25-11 authorized the Air Pollution Control Officer to execute on behalf of the District grant agreements with ARB, and all other necessary documents to implement and carry out the purposes of Resolution No. 25-11, each year until 2030;

NOW, THEREFORE, BE IT RESOLVED the Governing Board hereby authorizes the Air Pollution Control Officer to execute Carl Moyer Grant Agreement No 18-28-RAP-01 with Russ Fields;

The foregoing resolution was approved and adopted by the following vote of the Board on July 7, 2026.

AYES:

NOES:

ABSTAIN:

ABSENT:

____
Mike Scanlan, Chair
Lassen County Air Pollution Control District

ATTEST:

____
Erik Edholm
Air Pollution Control Officer

Agreement Number 18-28-RAP-01

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

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

1.0 Recitals

1.1 The District is in nonattainment of the state air quality standards for particulate matter and is impacted by the effects of toxic air contaminants, including diesel particulate matter and other pollutants from mobile sources.

1.2 On December 11, 2007, the District Governing Board approved Resolution No. 18-07-CMP-10, authorizing the District's participation in the CARB Carl Moyer Program which is a Heavy-Duty Low Emission Vehicle Incentive Program (Program), which is hereby incorporated by reference and made part of this agreement.

1.3 On September 23, 2004, Governor Schwarzenegger signed Assembly Bills 923, 1394, and 2128 which made major changes to the Carl Moyer Program and projects funded using Department of Motor Vehicles Surcharges, expanding the Program to include light-duty vehicles, Fleet Modernization, and agricultural assistance projects.

1.4 To implement mobile source emission reduction projects, the Program provides incentives to fleet operators and individuals for the purchase, repower and/or retrofit of low-emission on-road motor vehicles, off-road mobile equipment, and agricultural water pumps.

1.5 The Participant wishes to participate in the Program by purchasing and operating the equipment described in this Agreement and represents that the purchase is not required by any local, state, and/or federal rule, regulation, memorandum, or other legally binding agreement, with the exception of certain agricultural projects described in Health and Safety Code sections 41081(d)(2)(ii), 41802 and 44275.

1.6 The Participant has read and agreed to all requirements of the Program application and guidelines which are hereby incorporated into this Agreement.

1.7 This Agreement is a voluntary act intended to accelerate the introduction of low-emission vehicle and engine technology designed to reduce emissions of oxides of nitrogen, particulate matter, reactive organic gases, toxic air contaminants, and oxides of carbon within Lassen County.

1.8 This Agreement was approved for use by the District's Board of Directors on December 14, 2010.

1.9 On June 9, 2026 The District Governing Board authorized making this contract with Participant.

Terms and Conditions

2.1 Definitions

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

Engine Model Year	Power Rating	NOx Standard	PM Standard
2007-2009 On-Road	All On-Road Heavy-Duty Diesel Engines	1.2 g/bhp-hr	0.01 g/bhp-hr
2012-2013 Off-Road	56 – 129 kW (75 – 174 HP)	2.2 g/kW-hr (1.6 g/bhp-hr)	0.02 g/kW-hr (0.01 g/bhp-hr)
2011-2013 Off-Road	130 – 560 kW (175 – 749 HP)	2.2 g/kW-hr (1.6 g/bhp-hr)	0.02 g/kW-hr (0.01 g/bhp-hr)

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

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

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

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

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

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

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

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

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

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

2.2 Participant Obligations – the Participant will:

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

☐ N/A - Retrofit

2.2.2 Purchase, invoice the District, and operate the equipment described in Exhibit A by **December 31, 2026**. Participant may submit a written request to extend this Section if the project cannot be successfully completed due to circumstances beyond the Participant's reasonable control.

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

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

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

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

2.3 Payment

2.3.1 The District will reimburse the Participant up to **$65,389.48** towards the cost of the vehicle(s) or equipment identified in Exhibit A within 60 days of receipt of an itemized invoice.

2.3.2 Any payments made under this Agreement are subject to the provisions and limitations of Health and Safety Code. The District shall have no liability for payment of any compensation and expenses that are found to be in contravention of the Health and Safety Code or any other local, state, or federal law. The Participant shall reimburse the District for any payments that are later found to be in contravention of the Health and Safety Code or any other local, state, or federal law.

2.3.3 No payments shall be issued under this Agreement prior to final inspection of the project by District personnel.

2.3.4 Payment of compensation shall be made by the District to Contractor within sixty (60) days after receipt by District of statement of charges and completion of final inspection. Such statement shall be checked and approved by a person, or persons designated by the District.

2.3.5 Payments made under this Agreement are subject to taxation and an IRS Form 1099 will be issued to the Participant. Funds may be withheld by the District as required by law for payment of tax liabilities and/or other court-ordered payments.

2.4 General Program Requirements

2.4.1 The Participant warrants that the vehicle(s)/engine(s) covered under this Agreement meets all the eligibility requirements described in the Program application and guidelines. The Participant further agrees to operate the vehicle(s)/engine(s) in a manner that is consistent with the eligibility requirements in the guidelines and the goals and objectives of the Program.

2.4.2 The Participant cannot apply for or receive additional incentive funds, including but not limited to the state Carl Moyer Program inter-district fund or any other air district fund, including those funds used as matching funds, for any equipment listed in Exhibit A of this Agreement. This requirement may be waived by District staff on an individual basis. If the District discovers that the Participant has applied for or received funds from these sources, the District will terminate this Agreement and require that any funds paid under this Agreement be returned to the District.

2.4.3 The Participant agrees to operate the equipment described in Exhibit A within the manufacturer's specifications including all maintenance and fueling requirements. An operational odometer, hour meter, or other District-approved usage measuring device must be installed on all projects and maintained for continuous operation. Under no circumstances may the Participant make any modifications to or tamper with the vehicle, equipment, engine, emission control system(s), or any recording devices on the vehicle or equipment prohibited under CARB and USEPA regulations. The Participant also agrees to operate the vehicle, engine, and/or equipment in compliance with all local, state, and federal rules, laws, and regulations.

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

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

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

(i) CARB Certified; or

(ii) CARB Verified; or

(iii) Under an experimental permit issued by CARB; or

(iv) In cases where federal law preempts state requirements, approved for use by the USEPA

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

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

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

(i) Destroy the replaced or repowered engine in a manner acceptable to the District. If the engine is destroyed, the Participant must permit the District to inspect the destroyed engine; or

(ii) Implement a District approved destruction alternative. The District may approve a destruction alternative only if special circumstances justifying the use of an alternative exist, and there is no detrimental impact to air quality.

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

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

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

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

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

(i) Installation of digital odometer/hour meter; and

(ii) Vehicle finance documents

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

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

(i) The Participant will provide a copy of the replacement vehicle's title to the District, demonstrating that the District is named as a lien holder for the vehicle.

(ii) The Participant must be the legal owner of the replacement vehicle throughout the length of this Agreement.

(iii) If the replacement vehicle is financed, the Participant will list both the District and the Finance Company as lien holders for the vehicle.

(iv) If the replacement vehicle is financed, and the loan is repaid before the termination of this Agreement, the Participant must ensure that the District remains a lien holder on the replacement vehicle through the end date listed in Section 2.9.1.

(v) If the replacement vehicle is repossessed by the finance company, the Participant must reimburse the District in accordance with the termination formula in Section 2.7.

(vi) Any changes to the replacement vehicle's title must be approved in writing by the District.

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

$$A = I * [(O*L) – C] / (O*L)$$

A = Amount Owed to the District
I = Total Incentive Award
O = Annual Operational Requirement (miles, hours or gallons)
L = Length of the Agreement in Years
C = Actual Operation (miles, hours, or gallons)

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

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

2.9 General Requirements

2.9.1 This Agreement shall begin upon execution by all parties and terminate on **December 31st, 2036**. No work may begin on this project until this Agreement is executed by all parties. For this Agreement, the timeframe indicated by the execution of this Agreement and the afore-mentioned termination date shall serve as the contract term including both the project completion and project implementation/life periods.

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

(i) This prohibition includes, but is not limited to all attainment, nonattainment, criteria and noncriteria pollutants, Application for Emission Reduction Credits (ERC), Mobile Emission Reduction Credits (MERC) and/or Certificates of Advanced Placement (CAP). This prohibition extends to credits from all Air Quality Management or Air Pollution Control Districts.

(ii) For projects involving the replacement of a stationary diesel agricultural water pump with an electric water pump in conjunction with the Pacific Gas & Electric Company's (PG&E) PUC-approved discounted AG-ICE electric rate program, PG&E may retain all of the carbon dioxide credits and a portion of the remaining emission credits for reductions generated through this Agreement. The portion of the remaining emission credits retained by PG&E will be the difference in emissions between a Tier 3 diesel engine and the emissions associated with generating electricity for the electric pump.

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

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

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

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

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

For On-Road Projects	For Off-Road Projects
1. Copies of all driver logbook entries for the preceding year 2. Miles traveled 3. Fuel consumed 4. Fuel cost 5. Vehicle downtime 6. Type and cost of maintenance performed	1. Hours operated 2. Fuel consumed 3. Fuel cost 4. Engine downtime 5. Type and cost of maintenance performed

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

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

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

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

2.9.9 No performance rendered or payment due under this Agreement may be delegated or assigned without the written consent of all the parties hereto. If the Participant assigns any of its rights or obligations under this contract, all of the terms and conditions of this contract shall apply to the Participant's assignee.

2.9.10 The Participant will submit written documentation of performance towards the requirements outlined in Exhibit B to the District by December 31 of each year until termination of this Agreement. The District may request additional performance documentation at its discretion.

2.9.11 This agreement may be terminated by the District upon a 30 day notice if the Participant fails to meet any of the obligations established in this Agreement or outlined in the Carl Moyer Program guidelines or the Health and Safety Code. If the Agreement is terminated, the Participant will refund the entire incentive paid by the District. The APCO may, at his or her discretion, waive the refund or allow the Participant an opportunity to cure its failure to meet the Agreement obligations. Additionally, the District and/or CARB may seek all available remedies for breaches of any Agreement provisions, Carl Moyer Program requirements, or Health and Safety Code.

2.9.12 The Participant may not sell or encumber the equipment described in Exhibit A without the written consent of the District.

2.9.13 The District has made no representations or guarantees to the Participant regarding the quality, condition, or proposed use of the low emission vehicle and engine technology funded under this Agreement or the effects of such technology on the normal operations of the Participant.

2.9.14 If either of the events listed in this paragraph occur, the Participant must notify the District within 30 days of the date Participant knows, or should have known, that the event has occurred or is likely to occur:

(i) The Participant suffers a catastrophic loss; or

(ii) The Participant files for bankruptcy; or

(iii) Any other event has occurred or is likely to occur that could impair the Participant's ability to perform the conditions of this Agreement.

2.9.15 This Agreement will bind the successors of the District and Participant in the same manner as if they were expressly named.

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

To District	To Participant
Lassen County APCD 66 N Lassen Street Susanville, CA 96130 Phone: (530) 252-4247 Fax: (530) 257-1057	Russ Fields 22084 Eden Canyon Rd Castro Valley, CA 94552 Phone: (510)915-0575 Russfields21@gmail.com

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

2.9.17 This Agreement consists of the following:

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

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

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

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

Approved by Participant

______________________________ **Date:** ________________

Approved by the Lassen County Air Pollution Control District

______________________________ **Date:** ________________

Erik Edholm
Air Pollution Control Officer

Approved to as form:

______________________________ **Date:** ________________

Greg Einhorn
District Counsel

EXHIBIT A

Vehicle / Equipment Information Form

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

Equipment:
Agricultural Tractor

Project Type:
Replacement

Counties Vehicle Currently Operates

Lassen County	Modoc County, Shasta County
Main Location of Operation (include cross streets)	**702-535 Johnstonville Rd**

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

	Within the Lassen County Area	Outside of Lassen County Area	Total Operation
Hours	100%		1000 Hours

Existing Vehicle Information

Make: Belarus	Model: 825	Model Year: 1983	GVWR:
Vehicle Identification Number: 327291	Fleet Identification Number:	License Plate:	Odometer:

Existing Engine Information

Make: Belarus	Model: 4.7	Model Yr: 1983	Serial Number:	HP: 100	Hour Meter: N/A
Fuel Type: Diesel					

New or Replacement Vehicle Information

Make: John Deere	Model: 6120E	Model Year: 2025	GVWR:
Vehicle Identification Number:	Fleet Identification Number:	License Plate:	Odometer:

New Engine or Retrofit System Information

Make: John Deere	Model: 4.5L	Model Yr: 2024	Serial Number: N/A	HP: 120	NOx Cert:
Fuel Type: Diesel					

EXHIBIT B – PERFORMANCE REQUIREMENTS

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

Vehicle and Engine Year Make & Model*	Vehicle and Engine Serial Numbers*	Minimum Usage (hours)	Anticipated Annual NOx Reduction (tons)	Payback Requirement per Hour	Maximum Incentive Amount
2025 John Deere 6120 Tractor		10,000	.8003	$.15	$65,389.48
		Total			

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

EXHIBIT C – INSURANCE REQUIREMENTS

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

☒ COMMERCIAL/GENERAL LIABILITY

☐ BUSINESS AUTOMOTIVE LIABILITY

☐ PUBLIC ENTITIES/SELF-INSURED STATUS

☐ PROFESSIONAL LIABILITY INSURANCE

☐ WORKERS COMPENSATION and EMPLOYERS LIABILITY

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

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

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

"Claims made" policies are unacceptable.

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

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

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

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

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

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

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

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

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

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

A. **Excess/Umbrella:** An excess policy or an umbrella policy (following form) may be utilized to meet the above-required limits of liability.

B. **Supplementary Payments:** The above-stated limits of liability coverage for Commercial/Comprehensive General Liability, and Business Automobile Liability assumes that the standard "supplementary payments" clause will pay in addition to the applicable limits of liability and that these supplementary payments are not included as part of the insurance limits of liability. If any of the policies indicate that defense costs are included in the general aggregate limit, then the general aggregate limits must be a multiple of the per occurrence limits.

C. **Contractors' Insurance as Primary:** The CONTRACTOR's insurance coverage shall be primary insurance. Any insurance or self-insurance maintained by the DISTRICT, its officials, trustees, agents, employees or volunteers shall be excess to the CONTRACTOR's insurance and shall not contribute with it.

D. **Acceptability of Insurers:** Insurance is to be placed with admitted State of California insurers which have an A.M. Best's rating of no less than A: VII, or be an equivalent program of self-insurance.

E. **District Risk Manager Exceptions:** Any exceptions to the above insurance requirements are subject to the concurrence of the DISTRICT'S Risk Manager.

Lassen County Air Pollution Control District Governing Board Agenda Item

Submitted By:	Erik Edholm, Air Pollution Control Officer
Action Date:	July 7, 2026
Subject:	Consider Resolution No. 26-06, Adopting the Fiscal Year 2026-2027 Budget
Presented By:	Erik Edholm, Air Pollution Control Officer
Summary:	The Lassen County Air Pollution Control District's proposed budget for Fiscal Year 2026–2027 is presented to the Board in accordance with the cost of services budget provided by the City, as required under the Agreement. Overall, administrative revenues and expenditures are projected to decrease slightly, while grant related revenues and expenditures are expected to decline significantly. Despite these reductions, projected revenues remain stable and continue to exceed projected expenditures, indicating that the District is expected to maintain a positive operating position for the fiscal year.
Fiscal Impact:	Projected increase in fund balance of $34,296.
Action Requested:	Motion to approve Resolution No. 26-06 adopting the Fiscal Year 2026-2027 Budget.

Attachments:

1. Resolution No. 26-06
2. Exhibit A - LCAPCD Budget FY 2026-2027

RESOLUTION NO. 26-06

A RESOLUTION BY THE BOARD OF DIRECTORS FOR THE LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT ADOPTING THE FISCAL YEAR 2026-2027 BUDGET.

WHEREAS, the Lassen County Air Pollution Control District is a Local Air Pollution Control District that permits stationary sources of Air Pollution, administers and disperses funds through various State grant programs, and enforces, local, state, and federal rules and regulations, and

WHEREAS, the Lassen County Air Pollution Control District annually adopts a budget for its administrative and operational costs, and

WHEREAS, the Lassen County Air Pollution Control District has considered the proposed budget, as depicted in Exhibit A.

NOW, THEREFORE, BE IT RESOLVED the Lassen County Air Pollution Control District Board hereby adopts the 2026-2027 Fiscal Year Budget as depicted in Exhibit A:

The foregoing resolution was approved and adopted by the following vote of the Board on July 7, 2026.

AYES:

NOES:

ABSTAIN:

ABSENT:

____
Mike Scanlan, Chair
Lassen County Air Pollution Control District

ATTEST:

____
Erik Edholm
Air Pollution Control Officer

Exhibit A
Lassen County Air Pollution Control District
2026-2027 Revenue Budget

	Actual Received 23/24	Actual Received 24/25	Estimated Received 25/26	Proposed Budget 26/27
Real Property Taxes	$ 17,621	$ 18,705	$ 18,430	$ 18,000
Air Pollution Permits	$ 84,383	$ 75,809	$ 75,820	$ 75,000
AB 617 Admin	$ 16,895	$ 17,012	$ 28,661	$ 14,000
AB 197 Admin	$ -	$ -	$ -	$ 8,583
ST of California Air Pollution Subvention	$ 44,000	$ 40,050	$ 38,728	$ 40,000
Carl Moyer Admin	$ 75,000	$ 7,454	$ 62,500	$ 49,039
FARMER Admin	$ 255,946	$ 99,007	$ 14,809	$ -
CHIRP Admin	$ -	$ -	$ -	$ 3,584
Interest Revenue	$ 15,424	$ 35,913	$ 26,975	$ 16,000
State Other DMV FEES	$ 73,862	$ 93,042	$ 81,305	$ 81,000
Administrative Revenue Subtotal	**$ 583,130**	**$ 386,992**	**$ 347,227**	**$ 305,206**
FARMER Program	$ 3,244,969	$ 1,194,860	$ 155,585	$ -
Carl Moyer	$ 725,000	$ 100,000	$ 387,500	$ 277,889
AB 617 Incentive		$ 119,084	$ 116,107	$ 132,603
CHIRP Program		$ -	$ -	$ 20,313
Grants Revenue Subtotal	**$ 3,969,969**	**$ 1,413,945**	**$ 659,192**	**$ 430,806**

Exhibit A
Lassen County Air Pollution Control District
2026-2027 Expenditure Budget

	Actual Budget 25/26	Proposed Budget 26/27	Increase / Decrease
Administrative Services Subtotal	**$ 291,097**	**$ 270,910**	**$ (20,187)**
Carl Moyer	$ 579,234	$ 557,493	$ (21,741)
FARMER Program Admin	$ 145,000	$ 145,000	$ -
FARMER Program	$ 779,000	$ -	$ (779,000)
CARB Woodsmoke Reduction Program	$ 89,000	$ 12,000	$ (77,000)
AB 617 Community Air Protection Program	$ 389,667	$ 253,626	$ (136,041)
CHIRP Program	$ -	$ 20,313	$ 20,313
Grant Programs Expenditure Subtotal	**$ 1,981,901**	**$ 988,432**	**$ (993,469)**

Agenda Item No. 8.E.
Air Pollution Workflow

Lassen County Air Pollution Control District Governing Board Agenda Item

Submitted By:	Reesa Rice, Air Quality Specialist
Action Date:	July 7, 2026
Subject:	Consider Resolution No. 26-07 Approving the District's Participation in the FY 2025/2026 Community Air Protection Program
Presented By:	Erik Edholm, Air Pollution Control Officer
Summary:	The State of California signed AB 617 into law in July 2017 directing the CARB to develop the Community Air Protection Program. AB 617 requires CARB to improve air pollution data collection and reporting, requires expedited pollution control retrofits at large stationary sources, increases penalties for air pollution violations, requires enhanced air pollution monitoring in certain communities, requires CARB to adopt a statewide emissions reduction strategy focusing on pollution-burdened communities, and requires CARB and local air districts to implement community emissions reduction programs. The district receives both implementation and incentive grants to achieve the goals of AB 617. Currently, the District has been awarded an implementation grant in the amount of twenty-six thousand one hundred and five dollars ($26,105) from FY 2025/2026 to implement the Community Air Protection Programs consistent with the goals of AB 617. At this time the district will continue to use implementation funds on the residential green waste disposal programs to reduce PM emissions from residential burning with education and clean green waste disposal options.
Fiscal Impact:	Increased revenue and expenditures in the amount $26,105.
Action Requested:	Motion to approve Resolution 26-07 approving the district's participation in the FY 2025/2026 Community Air Protection Program.

Attachments:

1. Resolution No. 26-07
2. Grant Agreement No. G25-CAPP-13

RESOLUTION NO. 26-07

A RESOLUTION BY THE BOARD OF DIRECTORS FOR THE LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT APPROVING PARTICIPATION IN FY 2025-2026 COMMUNITY AIR PROTECTION FUNDS PROGRAM

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

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

WHEREAS, the Lassen County Air Pollution Control District (District) has been approved by CARB for a grant of twenty-six thousand one hundred and five dollars ($26,105) to assist the District in the implementation of District responsibilities during the implementation of AB 617.

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

The foregoing resolution was approved and adopted by the following vote of the Board on July 7, 2026.

AYES:

NOES:

ABSTAIN:

ABSENT:

____
Mike Scanlan, Chair
Lassen County Air Pollution Control District

ATTEST:

____
Erik Edholm
Air Pollution Control Officer

Grant Agreement Cover Sheet

1. Grant Agreement Cover Sheet

Grant Number: G25-CAPP-13	
Name of Grant Program: Community Air Protection Program	
Grantee Name: Lassen County Air Pollution Control District	
Taxpayer's Federal Employer Identification Number: 94-6000439	
Total Grant Amount Not to Exceed: $26,105.00	
Amount Spelled Out: Twenty-Six Thousand One Hundred Five Dollars and Zero Cents	
Start Date: 5/1/2026	End Date: 6/30/2030

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

2. Other Special Terms

Other Special Terms: In accordance with Senate Bill (SB) 105, Chapter 104, SEC. 155, provisions subject to Section 15.14, twenty-five percent (25%) of the Fiscal Year 2025-2026 GGRF funds allocated under this Grant shall be withheld. Upon determination of the final amount after the fourth quarter Cap-and-Invest auction and approval from the Department of Finance (DOF), the remaining funds may be encumbered and available for use. A formal amendment may not be required to encumber and liquidate the remaining funds.

3. Exhibits

Exhibit A - Grant Provisions, General Terms and Conditions

Grant Agreement Cover Sheet

This Agreement is of no force or effect until signed by both parties. Grantee shall not commence performance until this Agreement is signed by both parties and grantee receives written approval from CARB to commence performance.

The undersigned certify under penalty of perjury that they are duly authorized to bind the parties to this Grant Agreement.

4. Grantee

Grantee's Name: Lassen County Air Pollution Control District	
Grantee's Authorized Signatory Name (print or type): Erik Edholm	
Signature of Grantee (as authorized in resolution, letter of commitment, or letter of designation):	
Title: Air Pollution Control Officer	Date: 04/30/2026
Grantee's Address (including street, city, state, and zip code): 66 N Lassen Street, Susanville, California 96130	

5. State of California

State Agency Name: California Air Resources Board	
CARB's Authorized Signatory Name (Print or Type): Rajdeep Kaur	
Signature of CARB's Authorized Signatory: Rajdeep Kaur Digitally signed by Rajdeep Kaur Date: 2026.05.01 13:10:53 -07'00'	
Title: Supervisor II	Date: 5/1/2026
State Agency Address: 1001 I Street, Sacramento, CA 95814	

Exhibit A – Grant Provisions, General Terms and Conditions

1. Use of Terms:

    a. This Grant Agreement ("Grant" or "Grant Agreement") is entered into by and between the State of California acting by and through the California Air Resources Board (hereinafter referred to as "CARB", the "Grantor", the "State" or the "Board") and the entity named in the coversheet to this Grant (hereinafter referred to as the "Grantee"). Grantor and Grantee are each a "Party" and together the "Parties" to this Grant Agreement.

    b. As referenced in this Grant Agreement, "Grantee" or "Grantees" means and includes, individually and collectively, Grantee's assigns, employees, officers, and directors.

    c. "Grant Recipient" or "Grant Recipients" means and includes, individually and collectively, subgrantees, sub-awardees, contractors, subcontractors, technical grantees, voucher recipients, awardees, sub-awardees, or any other individual or entity that receives any Grant Funds, but excluding Grantee.

    d. "Day" or "days" means calendar days, unless expressly noted otherwise.

    e. "Grant Funds" means any money or funding provided by the State to Grantee or any Grant Recipient pursuant to this Grant. The total amount of Grant Funds is set out in the Grant Cover Sheet to which this Exhibit is attached. As referenced in this Grant Agreement, the phrases "Grant Funds" and "Grant Award" have the same meaning and are used interchangeably.

2. Grant Objectives:

    CARB is providing money from the Greenhouse Gas Reduction Fund (GGRF) to support implementation activities 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).

a. In accordance with Senate Bill (SB) 105, section 15.14, 25 percent of the Fiscal Year 2025-2026 local air district implementation GGRF funds allocated under this Grant shall be withheld. Upon determination of the final amount of auction proceeds after the fourth cap and trade auction and approval from the Department of Finance (DOF), the remaining funds may be encumbered and available for use. A formal amendment may not be required to encumber and liquidate the remaining funds.
b. This Grant Award provides funding to implement the Community Air Protection Program consistent with the goals of Assembly Bill 617 (Chapter 136, Statutes of 2017). Funds for implementation pursuant to Assembly Bill 617 may support selecting locations and deploying community air monitoring systems, deploying fence-line monitoring, developing an expedited schedule for requiring best available retrofit control technology, and developing and implementing Community Emissions Reduction Programs which includes efforts to improve community capacity to participate in the process, such as the provision of stipends for community steering committee (CSC) members in selected communities to the extent allowed by law, determining the proportional contribution of sources to air pollution exposure, developing rules, staff support, collecting data and reporting and other related tasks. For those air districts with communities selected by the CARB Board pursuant to Assembly Bill 617, these funds must be prioritized to support the required development and implementation of their Community Emissions Reduction Program(s) and/or Community Air Monitoring Plan(s).
c. With CARB’s assistance and direction, the Grantee will implement reporting procedures for applicable funded projects as specified in the CCI Funding Guidelines and applicable guidelines or guidance document approved by

CARB, including applicable project location information to document benefits to priority populations, vehicle and equipment data to support the calculation of reductions in criteria and toxic pollutants and greenhouse gases, and additional information related to jobs, public outreach and earned interest.

d. The Grantee will continue to monitor the ongoing implementation of the requirements of AB 617 and will work with CARB to address any new priorities, as they are developed to support the community air quality protection goals of AB 617.

e. The Grantee and CARB will work together to determine the feasibility of addressing any implementation of new community priorities.

3. <u>District Governing Board Approval:</u>

The Grantee is required to submit to CARB a resolution, minute order, or other approval of its governing board that authorizes the Grantee to enter into this Grant Agreement and that commits the Grantee to comply with the requirements of this Grant Agreement. Alternatively, the Grantee and CARB may execute this Grant Agreement before a Grantee has submitted this governing board resolution, minute order, or other approval to CARB, however, the Grantee may not perform work under this Grant Agreement until the Grantee has submitted this governing board resolution, minute order, or other approval to CARB. CARB will terminate this Grant Agreement if the Grantee has not submitted this governing board resolution, minute order, or other approval to the CARB Community Air Protection Project Liaison on or before the disbursement deadline.

4. <u>Additional Remedies for Non-Compliance:</u>

a. Without limiting any of the parties' other remedies, and subject to the sections regarding Disputes and Termination below, CARB or its designee may require Grantee to return Grant Funds it received due to termination for cause of this Grant Agreement, or for Grantee's misinformation, misrepresentation, misuse of Grant funds, or fraud. CARB also reserves the right to prohibit Grantee from participating in existing or future CARB programs, projects, or grants due to its substantial non-compliance with any material term or condition of this Grant Agreement.

b. Grantee shall, for each occurrence, document and promptly notify CARB of any and all suspected or known breaches of this Grant Agreement, misinformation, misrepresentation, fraud, or misuse of Grant funds carried out by Grantee or any Grant Recipient.

c. Grantee shall fully cooperate with CARB to investigate, resolve, and take appropriate action to enforce the terms and conditions of any Grant Recipient agreement, and this Grant Agreement, including referring any criminal claims to a prosecuting agency or litigating any civil claims (including for recapture of Grant Funds from Grant Recipients) as determined reasonably necessary and feasible by Grantee, in consultation with CARB.

5. <u>Additional Required Terms for Grant Recipient Agreements Funded by This Grant:</u>

All written agreements and amendments executed after the effective date of this Grant Agreement entered into by and between Grantee and any Grant Recipient using or applying Grant Funds, in whole or in part, (collectively "Related Agreements") shall also contain the following language (or similar language with the same or similar meaning and intent) listed below to the extent applicable or feasible as determined by Grantee:

a. <u>Conflict Of Interest</u>: By entering into this agreement, said party is or may be a direct or indirect recipient ("Grant Recipient") of funds received from or provided by the California Air Resources Board ("CARB"), and as such certifies, represents, and warrants that it is in compliance with all applicable state and federal conflict of interest laws on the date said agreement is signed and shall remain in compliance with all such laws during the term of the agreement and for any other period required by said applicable federal or state law as they pertain to Grant Recipient's agreement. Grant Recipient further certifies, represents, and warrants that it has no interest, and shall not acquire any interest, direct or indirect, which will conflict with Grant Recipient's ability to impartially perform under, or complete the tasks described in, the agreement or any related grant programs. Grant Recipient acknowledges, understands, and accepts that Grant Recipient must disclose any direct or indirect financial interest or situation which may pose an actual, apparent, or potential conflict of interest. Grant Recipient acknowledges, understands, and accepts that the nature and extent of any actual, apparent, or potential conflict of interest may be a basis for disqualification from receiving any funds. Grant Recipient certifies, represents, and warrants that Grant Recipient will immediately advise the Grantee in writing of any potential new conflicts of interest as they arise.

b. Cooperation With Audits: Grant Recipient shall cooperate fully, without delay, in all audits, inquiries, and investigations initiated by or on behalf of Grantee and/or the State of California concerning or relating to compliance with local, state, or federal air quality laws, and with Grant Recipient's agreement, including but not limited to timely submission of any and all records requested and full cooperation with any on-site inspections.

c. Payment (Recapture) On Demand: Grant Recipient shall, upon notification by Grantee and/or CARB or their authorized representative(s) of an overpayment, a wrongful payment, or a violation of or failure to comply with any term or condition of the Grant Recipient agreement or program requirements or obligations, remit to Grantee or its authorized representative the requested amount within sixty (60) days from the date of issuance of said notice.

d. Third-Party Beneficiary: Grant Recipient acknowledges, accepts, and agrees that the state of California, acting by and through the California Air Resources Board (CARB), is an intended third-party beneficiary to Grant Recipient's agreement. Grant Recipient shall name CARB and the State of California as third-party beneficiaries in all contracts, subcontracts, grants, subgrants, and other agreements entered into using Grant Funds, or for the purposes of carrying out any of the terms of Grant Recipient's agreement, and, upon request by CARB, to send to CARB a copy of said agreement.

e. Authorized Signature: Grant Recipient agrees and acknowledges that it has signed or has authorized the signing of the agreement with the Grantee, and by doing so hereby declares under penalty of perjury, under the laws of the State of California, that all statements, responses, and information made or provided by Grant Recipient in or pursuant to the agreement are true and correct, with full knowledge that all statements, responses, and information are subject to investigation and that any incomplete, unclear, false, or dishonest statement, response, or information may be grounds for disqualification from receiving any existing or further funding or participating in any programs or projects using the CARB-provided or Grantee-provided funds, or from doing business with the State of California or the Grantee. Grant Recipient acknowledges, understands and accepts that by providing or making any false statements or providing false information, Grant Recipient may be in violation of the California False Claims Act (Government Code Section 12650 et seq.). Grant Recipient certifies, represents, and warrants that the individual signing on the Grant Recipient's behalf herein is an authorized representative of Grant Recipient with full power and legal authority to sign and by said signature Grant Recipient is bound to and will comply with all terms, conditions, and obligations set forth in this agreement.

f. Compliance With Air Quality Laws: Grant Recipient warrants and represents that it is in compliance with all applicable federal, state, and local air quality rules, regulations, and statutes ("air quality laws"), and that it shall remain in compliance with said air quality laws for the term of the agreement with

Grantee. Grant Recipient understands, acknowledges, and agrees that compliance with applicable air quality laws is a precondition to the receipt or use of the Grant Funds and is a continuing obligation during the term of the agreement and for any other period required by federal, state, or local law. If payments of Grant Funds have not yet been made, Grant Recipient understands, acknowledges, and agrees that Grantee may, at its discretion, terminate Grant Recipient's agreement without any obligation to pay any Grant Funds to Grant Recipient for Grant Recipient's continuing violation of applicable air quality laws. If payments have been made, Grant Recipient understands, acknowledges, and agrees that Grantee may, at its discretion, require Grant Recipient to return some or all of the Grant Funds to the Grantee, in an amount determined by Grantee, for Grant Recipient's continuing violation of applicable air quality laws. Grant Recipient shall promptly return the Grant Funds to Grantee within the time specified by Grantee.

g. Non-Exclusive Remedies: The remedies set out in this paragraph are contractual in nature. Nothing stated herein above in any way limits, prevents, or precludes the State of California or the Grantee from taking any enforcement action, exercising any police power, or prosecuting any violation of law against Grant Recipient, its employees, officers, agents, assigns, representatives, contractors, subcontractors, affiliates, grantees, sub-awardees, subgrantees, or any third parties.
h. Related Agreements must also contain, at a minimum, all of the following:
   i. A clear and accurate description of the material, products, or services to be procured.
   ii. Sufficient detail to determine that funds will be appropriately utilized, which may include a budget, timeline, and other information as required by the grant program guidelines.

iii. Provisions for appropriate administrative, contractual, or legal remedies in instances where Grant Recipients violate or breach the contract or Grant Agreement terms.

iv. Provisions for termination by the Grantee, including termination procedures and the basis for settlement.

v. A statement that assignment of Grant Recipient's agreement will not be made without the advance written consent of Grantee, and may be subject to CARB approval upon request by CARB.

vi. A provision regarding survival of terms, conditions, and provisions of the Grant Recipient agreement, consistent with Section 47 – Survival below.

vii. Language conforming to the following sections of this Grant Agreement: Additional Remedies for Non-Compliance; Audit; Availability of Funds; California Climate Investments (if applicable); Compliance with Law; Confidentiality; Conflict of Interest;; Executive Order N-6-22 – Russia Sanctions; Force Majeure; Funding Prohibitions for Sectarian Purposes and Non-Public Schools; Grantee's Responsibility for Work; Incorporated Documents; Indemnification; Independent Contractor; Labor Compliance for Drayage and Short-Haul (if applicable); Nondiscrimination; Office of Foreign Asset Control; Personally Identifiable Information; Prevailing Wages and Labor Compliance (if applicable); Professionals; Severability; and Third-Party Beneficiaries. Grantee is not required to use the exact language of these sections from this Grant Agreement, but the terms must have the same legal effect for the Grant Recipient as the sections in this Grant Agreement have for the Grantee.

6. Advance Payments:
   a. Consistent with the Legislature's direction to expeditiously disburse grants, CARB in its sole discretion may provide advance payments of Grant Funds in a timely manner to support the Grant program initiation and implementation.
   b. Grantee agrees that all advance payment requests submitted by Grantee will comply with the applicable provisions of Health and Safety Code section 39603.1, title 17 of the California Code of Regulations (C.C.R.) Sections 91040 to 91044, and Government Code section 11019.3 (for advance payments to Grant Recipients). In the event that these laws are revised or applicable new laws enacted, such revised or new laws will supersede the provisions of this section to the extent they conflict.
   c. Only CARB shall authorize an advance payment. CARB may provide advance payment to Grantee if CARB determines all of the following:
      i. The advance payment is necessary to meet the purposes of the Grant program or project and is intended to alleviate a practical business or economic situation that would inhibit the program or project.
      ii. The use of the advance payment is adequately regulated by Grant or budgetary controls, and is limited to the specific activities set forth in the Grant Agreement.
      iii. Grantee shall revert all Grant Funds to CARB that are not liquidated by the term end date or if the Grant is terminated pursuant to the terms of this Grant Agreement. "Liquidate" means that all moneys allocated for the Grant have been spent by Grantee for eligible project expenses.
      iv. The Grantee is either a small air district or meets all of the following criteria:
         1. Has no outstanding financial audit findings related to any of the Grant Funds eligible for advance payment.
         2. Is in good standing with the Franchise Tax Board and Internal Revenue Service and, if the Grantee falls out of good standing with the Franchise

Tax Board or Internal Revenue Service after advance payment is made, Grantee must return to any unliquidated Grant Funds to CARB. To the extent that Grantee is exempt from state or federal tax liability, Grantee may provide proof of such exemption in lieu of demonstrating good standing.

3. Submits a spending plan to CARB for review prior to receiving the advance payment. "Spending plan" means an outline of how the advanced funds will be spent within the term of the Grant Agreement, including project schedules, timelines, milestones, and Grantee's fund balance for all state grant programs. CARB shall consider the available fund balance when determining the amount of the advance payment.
4. Reports to CARB any material changes to the spending plan within 30 days of the material change. "Material Changes" means a change to the spending plan of twenty-five (25) percent or more in any line item in the spending plan.

d. In the event of Grantee's nonperformance, Grantee shall return all Grant Funds received via advance payment that are not liquidated, pursuant to the terms of this Grant Agreement. Grantee shall provide a money transfer confirmation within 45 days upon the receipt of a notice from CARB.

e. Grantee may, only if allowed by an applicable program guideline or guidance document, provide advance payment of Grant Funds to Grant Recipients, where the Grant Recipient(s) is within the scope of "Recipient Entity," as defined in Health and Safety Code section 39603.1, subd. (b)(2)(A), subject to the following additional requirements:

i. Advance payment to Grant Recipients is subject to prior approval from CARB.

ii. Grantee shall assume all legal and financial risk of the advance payment. If Grantee provides any funding from the advance payment to any Grant

Recipient, Grantee shall be liable to CARB for any failures by Grant Recipients to ensure that the Grant Funds are used in accordance with state statutes, regulations, requirements, and the relevant terms and conditions of this Grant Agreement.

iii. CARB and Grantee shall prioritize advance pay to qualifying Grant Recipients and projects serving disadvantaged, low-income, and under-resourced communities, or organizations with modest reserves and potential cashflow problems.

iv. The advance pay shall not exceed 25 percent of the total amount or contract awarded to that qualifying Grant Recipient. At CARB's sole and absolute discretion, the advance pay may exceed the 25 percent limit if CARB has determined, in writing, that the project requires a larger advance, and the qualifying Grant Recipient provides sufficient justification and documentation for that larger advance.

v. Grantee shall only authorize advance payments up to the minimum immediate cash requirements necessary to carry out the purpose of the approved activity, program, or project, as solely determined by CARB and subject to CARB's advance written approval of the qualifying Grant Recipient's workplan and written justification.

vi. The qualifying Grant Recipient shall:

1. Complete, and submit to Grantee, an Advance Payment Request Form. The Advance Payment Request Form shall be provided by CARB to the Grantee after the Grant execution.
2. Submit a certification to CARB of compliance with subsections 3) through 11) below, for each Advance Payment Request Form.
3. Submit documentation, as required by CARB, to support the need for advance payment, which may include, but is not limited to, invoices, contracts, estimates, payroll records, and financial records.

4. Demonstrate that Grant Recipient has no outstanding financial audit findings related to any of the Grant Funds eligible for advance payment; and, are in good standing with the California Franchise Tax Board and United States Internal Revenue Service, or if the entity is a private, non-profit organization, that they are in good standing as an organization exempt from taxation under Section 501 (c)(3) of the Internal Revenue Code.
5. Provide an itemized budget for the eligible costs the advanced payment will fund, indirect or other costs needed to operate, and a spending plan, as defined in C.C.R, title 17, section 91041, subd. (k), developed in a form and manner specified by CARB.
6. Obtain insurance in an amount commensurate with the assessed risk, if required by CARB and stipulated within the Grant Recipient's agreement or contract.
7. Deposit any funds received as an advance payment into a federally insured account of the Grant Recipient that provides the ability to track interest earned and withdrawals. Any accumulated interest shall be deemed to be Grant or contract moneys, subject to federal and state laws and regulations, and the Grant Recipient shall report interest earned on the advance payment to CARB. The Grant Recipient's account shall be in the Grant Recipient's name, and not in the name of any of its directors, officers, partners of a partnership entity, or members of a limited liability company.
8. Establish procedures to minimize the amount of time that elapses between the transfer of funds and the expenditure of those funds by the Grant Recipient. Further advance payments may be made if Grant Recipient is able to demonstrate that a sufficient amount of previously advanced funds has been expended or that a plan is in place to ensure

the expenditure of those funds in a timely manner, as determined by the CARB.

9. Provide progress reports on the expenditure of advanced funds no less than on a quarterly basis, consistent with all provisions of this section, and as otherwise required by CARB.
10. Provide a final progress report to CARB following the expenditure of an advance payment that includes a summary of work completed, proof of expenditure, and other associated information as determined by CARB.
11. Return to CARB or the Grantee any unused portion of the advance payment, including interest earned on the advance payment, no later than 30 calendar days after the termination, cancellation, or expiration of the Grant Recipient's agreement or contract, or such longer period as CARB may provide at its sole discretion.

f. The Grantee must complete and submit to CARB for review and approval, an Advance Payment Request Form, along with each grant disbursement that is requesting advance payment. The Advance Payment Request Form shall be provided by CARB to the Grantee after the grant execution.

g. Grantee shall report to CARB the value of any unused balance of the advance payment and interest earned and submit annual fiscal accounting reports consistent with the Reporting section of this grant agreement.

7. <u>Alternative Enforcement</u>:

The remedies set out in this Grant Agreement are contractual in nature. Nothing stated in this Grant Agreement in any way limits, prevents, or precludes the State of California from taking any enforcement action, exercising any police power, or prosecuting any violation of law.

8. Amendment:

No amendment or variation of the terms of this Grant Agreement shall be valid unless made in writing and signed by authorized representatives of the Parties. No oral understanding or agreement not incorporated in the Grant Agreement is binding on any of the Parties. Unless otherwise approved by CARB, requests for amendment of this Grant Agreement must be made at least thirty (30) days prior to the Grant term end date. Grantee recognizes that CARB continues to implement AB 617, including through the implementation of the Community Air Protection Program Blueprint (Blueprint). Grantee agrees that grant funds may not be used for purposes or activities contrary to the Blueprint. Grantee agrees that this grant agreement may be amended, upon mutual agreement of the parties, to reflect any additional terms needed to ensure consistency with the Blueprint. Amendments must be submitted to CARB by February 28, 2030.

9. Americans With Disabilities Act (ADA):

Grantee must ensure that writings, products, and services submitted, uploaded, or otherwise provided to CARB by Grantee or any Grant Recipients, which is intended to be publicly posted or otherwise distributed to the public by CARB, Grantee, and/or any Grant Recipients, comply with Web Content Accessibility Guidelines 2.1, level AA (upon the effective date applicable to air districts under 28 C.F.R. § 35.200(b)(2)), and otherwise meet the accessibility requirements set forth in California Government Code Sections 7405 and 11135, Section 202 of the federal Americans with Disabilities Act (42 U.S.C. § 12132), and Section 508 of the federal Rehabilitation Act (29 U.S.C. § 794d) and the regulations promulgated thereunder (36 C.F.R. Part 1194) (collectively, the "Accessibility Requirements"). For any writing provided to CARB in PDF format, Grantee shall, upon request, also provide an electronic version in the original electronic format (for example, Microsoft Word or Adobe InDesign). Grantee's obligations under this provision do not apply to writings, products, and services submitted using forms, templates, or documents provided by CARB.

a. CARB may require Grantee to provide proof of compliance with the requirements described above, and may, at its discretion, perform testing to verify compliance.
b. Grantee agrees to respond to and resolve any complaint brought to its attention regarding accessibility of deliverables provided under this Grant.
c. Deviations from the Accessibility Requirements are permitted only upon the written consent of CARB.

10. Assignment:

This Grant is not assignable by Grantee, either in whole or in part, without the consent of CARB in the form of a written amendment signed by authorized representatives of both Parties.

11. Audit:

Grantee agrees that CARB, the California Department of General Services, the California Department of Finance, the California State Auditor, and/or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Grant and all Grant funds received. Grantee agrees to maintain such records for possible audit for a minimum of five (5) years from the date of termination, cancellation, or expiration of this Grant Agreement or for 5 years after a State-funded implementation activity has concluded, whichever is later. Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Grantee agrees to include a similar right of the State to audit records and interview staff in any agreement with any Grant Recipient related to performance of this Agreement.

12. Authority:

Each person executing this Grant Agreement on behalf of a Party represents that they are duly authorized to execute, bind, and deliver this Grant Agreement on said Party's behalf.

13. Availability Of Funds:

It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Grant does not appropriate sufficient funds for the program, this Grant shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Grantee or any Grant Recipient or to furnish any other considerations under this Grant and Grantee shall not be obligated to perform any provisions of this grant.

14. California Climate Investments:

Where applicable, the Grantee agrees to acknowledge the CCI program and CARB as a funding source, and adhere to the *CCI Funding Guidelines* as outlined in the *California Climate Investments Messaging and Communications Guide* (http://www.caclimateinvestments.ca.gov/logo-graphics-request/). Below are specific requirements for acknowledgement.

The Grantee agrees to include the CCI funding boilerplate and logo (see Figure 1) on all outreach and public facing materials whenever it publicizes (in any news media, websites, brochures, publications, audiovisuals, or other types of promotional material) projects funded in whole or in part by this Agreement. Grantee shall include this requirement in all Grant Recipient agreements, as appropriate. The acknowledgement must read as follows: "This is funded with Grant funds awarded to the air district to implement the Community Air Protection Program consistent with goals of Assembly Bill 617 and is part of California Climate Investments, a statewide initiative that puts billions of Cap-and-Invest, formerly known as Cap-and-Trade, dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment — particularly in disadvantaged communities." And whenever applicable, the Spanish translation acknowledgement: "Esto está financiado con fondos de subvención otorgados al distrito de aire para implementar el Programa de Protección del Aire Comunitario de acuerdo con los objetivos de la Ley de la Asamblea (AB, por sus siglas en inglés) 617 y forma parte de las Inversiones del Clima de California, un iniciativa estatal que destina miles de millones de dólares de Cap-and-Invest, anteriormente conocido Cap-and-Trade, para la reducción de gases de efecto invernadero, fortalecimiento de la economía y mejoramiento de la salud pública y el medio ambiente – especialmente en comunidades en desventaja."

The CCI logo and name serves to bring under a single brand the many investments whose funding comes from the GGRF. The logo represents a consolidated and coordinated initiative by the State to address climate change by reducing greenhouse gases, while also investing in disadvantaged communities and achieving many other co-benefits.

Figure 1: CCI logo

15. Compliance With Law:

Grantee agrees that during the term of this Grant Agreement, it will, at all times, comply with, and require its Grant Recipients to comply with, all applicable federal, State, and local laws in performing under this Grant Agreement or any agreement funded by this Grant.

16. Computer Software and Project Data:

"Project Information Resources" means data, database, information, personally identifiable information (PII), documentation, materials, computer software, website, and any intellectual property (IP) that is developed, substantially modified, licensed, or acquired by Grantee or Grant Recipients, with any Grant Funds in performance of this Grant Agreement. Project Information Resources may be in hard copy form, such as computer printouts, or may be retained in machine form, such as computer memory or storage media.

Computer software developed or substantially modified using primarily Grant Funds must include a copyleft license comparable to GNU General Public License v3.0 (GPLv3) (available at https://www.gnu.org/licenses/gpl-3.0.html) or later version if the software source code is intended to be licensed or otherwise released to the public. Other copyrightable Project Information Resources developed or substantially modified using primarily Grant Funds that are intended to be shared forward by the public must include a copyleft license comparable to Creative Commons Attribution Share Alike license version 4.0 or later (available at https://creativecommons.org/licenses/by-sa/4.0/legalcode.en). Exceptions to the copyleft license requirement of this subsection include where:

a. The sharing of the material is restricted by law or regulation;
b. The sharing of the material would create a risk to the detriment of national security, confidentiality of State, Grantee or Grantee Recipient information, or individual privacy;
c. The sharing of the material would create a risk to the stability, security, or integrity of the systems or personnel of the State, Grantee, Grant Recipient or of the material's owner;

d. The sharing of the material would create a risk to the State's, Grantee's, Grant Recipient's, or the material owner's, mission, programs, or operations.

CARB disclaims title and ownership rights to Project Information Resources. However, Grantee, to the extent it has the right to do so, grants to CARB a no-cost, royalty-free, non-exclusive, transferable, irrevocable, worldwide, perpetual license to use, reproduce, share, publish, translate, and make collective works of the Project Information Resources, including computer software executable files but excluding for this license to CARB any computer source code, subject to applicable law on privacy and confidentiality. Grantee shall require Grant Recipients to grant CARB similar license rights to the extent Grant Recipient has the right to do so.

Grantee certifies that it has appropriate systems and controls in place to ensure that Grant Funds will not be used in the performance of this Grant Agreement for the acquisition, operation, development, or maintenance of computer software or other intellectual property in violation of copyright or any other intellectual property laws. Grantee shall require Grant Recipients to make similar certifications.

17. Confidentiality:

Except as may be required by law, such as the California Public Records Act (California Government Code Section 7920.000 et seq.), court order, or legal process (such as a subpoena), no record which has been designated as confidential by CARB shall be disclosed by Grantee. If Grantee believes disclosure of a confidential record may be required by law, Grantee shall first give CARB at least ten (10) calendar days' written notice prior to any planned disclosure so CARB can seek an order preventing disclosure from a court of competent jurisdiction.

Grantee acknowledges that it will identify any information it provides CARB that it asserts is confidential in accordance with California Code of Regulations, title 17, sections 91011 and 91022. Grantee acknowledges that, as provided in California Code of Regulations, title 17, sections 91010, any information provided to CARB may be released (1) to the public upon request, except trade secrets which are not emission data or other information which is exempt from disclosure or the disclosure of which is prohibited by law, and (2) to the federal Environmental Protection Agency, which protects trade secrets as provided in Section 114(c) of the Clean Air Act and amendments thereto (42 USC 7401 et seq.) and in federal regulations. Grantee further acknowledges that CARB may anonymize and aggregate confidential information it receives and make such information public.

18. Conflict Of Interest:

Grantee certifies that it is, and shall remain, in compliance with all applicable State and federal conflict of interest laws during the entire term of this Grant Agreement. Grantee will have no interest, and shall not acquire any interest, direct or indirect, which will conflict with its ability to impartially perform under, or complete the tasks described in, this Grant. Grantee must disclose any direct or indirect financial interest or situation which may pose an actual, apparent, or potential conflict of interest with its duties throughout the Grant term. CARB may consider the nature and extent of any actual, apparent, or potential conflict of interest in Grantee's ability to perform the Grant. Grantee must immediately advise CARB in writing of any potential new conflicts of interest throughout the term of this Grant Agreement.

19. Construction:

This Grant Agreement shall not be construed more strongly against either Party regardless of who is more responsible for its preparation.

20. Cumulative Remedies:

The rights and remedies of the Parties to this Grant Agreement, whether pursuant to this Grant Agreement or in accordance with law, shall be construed as cumulative, and the exercise of any single right or remedy shall constitute neither a bar to the exercise of nor the waiver of any other available right or remedy.

21. Disbursement Deadline:

The funds specified in this Grant Agreement must be disbursed by CARB to Grantee by June 30, 2028.

22. Disbursement Request:

The Grantee shall initially submit a draft Grant Disbursement Request to the CARB Project Liaison to complete a Grant Disbursement Request package pre-review. Grantee shall submit all Grant Disbursement Requests to CARB's Accounting Branch at grants@arb.ca.gov with a CC to AB617projectliaison@arb.ca.gov. Grantee must submit this electronically, based on CARB's current electronic submission guidance at the time of request. Requests for payment must be made with the Grant Disbursement Request Form and contain all documentation required with the form.
Grant disbursement requests must be submitted by the Grantee to CARB no later than April 1, 2028 to ensure adequate time for processing prior to the end of CARB's fiscal year.

23. Disputes:

Prior to exercising any rights or remedies which may arise as a result of any breach of this Grant Agreement, or for any disagreements or conflicts arising from the implementation of this Grant Agreement, the Party alleging the breach, disagreement, or conflict will provide the other Party written notice of the term or condition which is alleged to have been breached, or the disagreement or conflict that has arisen. Grantee shall continue with the responsibilities under this Grant Agreement during any such dispute, unless otherwise directed in writing by CARB.

Grantee staff or management and CARB staff or management shall work together in good faith to resolve any such breach, disagreement, or conflict. However, any disputes that cannot be resolved at the management level within 30 days from the date on the above written notice, or a longer period as CARB may provide at its sole discretion, shall be subject to resolution by the CARB Executive Officer, or their designated representative, in accordance with the other terms of this Grant Agreement. Such resolution may include termination of the Grant Agreement per Section 53 – Termination. Nothing contained in this paragraph is intended to limit any of the rights or remedies that the parties may have under law. This provision does not apply to Section 30 – Force Majeure.

24. Earned Interest:

a. "Earned interest" means any interest accrued from all Grant Funds provided to Grantee and held in an interest-bearing account.
b. Grantee's use and accounting of earned interest shall comply with federal, State, and local laws; this Grant Agreement; and any applicable grant program guidelines, guidance documents, and/or implementation manuals.
c. Earned interest shall be reported to CARB. All earned interest must be returned to CARB or reinvested in the Program in a manner consistent with applicable grant program guidelines, guidance document, this Grant Agreement, or otherwise as approved by CARB in writing. Grantee is responsible for reporting to CARB everything that is funded with Earned interest.
d. Grantee shall maintain accounting records (e.g., general ledger) that track earned interest accrued and expended, as follows:
    i. The calculation of interest shall be based on an average daily balance or some other reasonable and demonstrable method of allocating the proceeds from the interest-generating account back into the Program.

ii. The methodology for tracking earned interest must ensure that it is separately identifiable from interest earned on non-Grant Funds.

iii. The methodology for calculating earned interest must be included in any policy and procedures manual or guidelines adopted by Grantee to administer this Grant program. If Grantee does not adopt such manual or guidelines, the methodology for calculating earned interest must otherwise be provided to CARB in writing upon request.

e. Earned interest must be fully expended to the eligible grant-related expenses as outlined in the Grant Provisions, or applicable program guidance document when available.

f. Documentation of earned interest shall be retained for a minimum of five (5) years after it is generated. Documentation of interest expended on CARB-approved projects shall be retained for a minimum of five (5) years after the earned interest funds are fully expended.

g. Grantee shall provide the above documentation in subparagraph (f) to CARB in the Annual Reports and the final Status Report. CARB may, at its sole discretion, request copies of or review any of the above documentation in advance of or after receipt of any Annual Reports or the Final Status Report, and Grantee shall fully cooperate and comply will all such requests.

25. Electric Vehicle Charging Infrastructure and Equipment:

Grantee must ensure the following requirements are included in all Grant Recipient agreements for electric vehicle charging infrastructure funded with Grant Funds, in whole or in part:

a. Installation:

i. Prior to authorizing work, a Grant Recipient that was awarded funds to install electrical charging equipment for use by on-road transportation vehicles must:

(a) Certify that the project will comply with Public Utilities Code Section 740.20 (Section 740.20) requirements or describe why the requirements do not apply to the project. The certification shall be signed by the Grant Recipient's authorized representative. For the purpose of this requirement, the certification may be included as a provision contained in the agreement with the Grant Recipient.

(b) Acknowledge that Electric Vehicle Infrastructure Training Program (EVITP) Certification Numbers of each EVITP-certified electrician that will install electric vehicle charging infrastructure or equipment shall be submitted after work is completed as a condition of reimbursement.

ii. Evidence such as Certification Numbers are not required to be obtained by Grantee if the Section 740.20 requirements do not apply to a project.

iii. Prior to remitting payment to a Grant Recipient, Grantee shall collect all Section 740.20 Certifications to ensure the project complied with all Section 740.20 requirements, where applicable, and shall retain Certification Numbers in accordance with Grantee's records retention schedule.

iv. The requirements of this section do not apply to any of the following:

(a) Electric vehicle charging infrastructure installed by employees of an electrical corporation or local publicly owned electric utility;

(b) Electric vehicle charging infrastructure funded by monies derived from credits generated from the Low Carbon Fuel Standard Program (Sub-article 7 (commencing with Section 95480) of Article 4 of Subchapter 10 of Chapter 1 of Division 3 of Title 17 of the California Code of Regulations); and

(c) Single-family home residential electric vehicle chargers that can use an existing 208/240-volt outlet.

b. Reporting:

Under Public Resources Code Section 25231.5, the California Energy Commission (CEC) is required to develop uptime recordkeeping and reporting standards for electric vehicle chargers "EVCs" that will apply to State-funded EVCs installed between January 1, 2024, and January 1, 2035. Grantee shall require Grant Recipients for the installation of AC Level 2 and Direct Current Fast Charger (DCFC) EVCs to comply with the CEC standards as required by Section 25231.5, for a minimum of 6 years, unless the CEC decides a longer time span is more appropriate. The requirements in this section do not apply to EVCs that are excluded under California Code of Regulations, title 20, section 3120 et seq., including but not limited to:

i. Temporary chargers;
ii. Off-grid chargers;
iii. Private residential chargers, including chargers used solely for private use by residents of a residential real property containing four or fewer dwelling units, or any charger used solely for private use by residents of a single unit of a residential real property containing more than four dwelling units for which one or more of the residents of that unit would be the exclusive charging station operator(s) or site host(s) of the charger; and,
iv. Research chargers.

26. Entire Agreement:

This Grant Agreement constitutes the entire agreement and understanding between the Parties and supersedes and replaces any and all prior negotiations and agreements of any kind, whether written or oral, between the Parties concerning this Grant Agreement.

27. Environmental Justice:

In the performance of this Grant Agreement, Grantee shall conduct its programs, policies, and activities that substantially affect human health or the environment in a manner that seeks to ensure the fair treatment and meaningful involvement of people of all races, cultures, incomes, and national origins, including priority populations (e.g., disadvantaged communities, low-income communities, and low-income households) of the State.

28. <u>Executive Order N-6-22 – Russia Sanctions</u>:

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts and grants with, and to refrain from entering any new contracts and grants with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine that Grantee is a target of Economic Sanctions or is knowingly conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Grant Agreement pursuant to the terms of this Grant Agreement.

29. <u>Fiscal Management Systems and Accounting Standards</u>:

Grantee agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracking of individual Grant Funds to a level of expenditure adequate to establish that such funds have not been used in violation of federal, State, or local law and this Grant Agreement. Unless otherwise prohibited by federal, State, or local law, the Grantee further agrees that it will maintain a separate Grant Fund or ledger account to manage, administer, account for, and safeguard Grant Funds for their restricted use and purpose. Grant Funds are restricted funds and may not be used to supplement Grantee's other responsibilities or obligations. At a minimum, Grantee shall use generally accepted accounting principles.

As restricted funds, Grant Funds are not assets of the Grantee and shall not be used, obligated, or relied upon for any purposes other than those purposes and uses that are authorized under applicable law, this Grant Agreement, and any applicable grant program guidelines, guidance documents, and/or implementation manuals. Grant Funds shall not be used as collateral for any debt, loan, or other borrower commitments of Grantee or Grant Recipients. All Grant Fund accounts shall adequately and accurately depict all amounts received and expended. Where Grantee has received multiple grants from CARB, all Grant Fund accounts should adequately track funds for each grant award by reference to the specific grant number.

30. Force Majeure:

Neither CARB nor Grantee are liable for nor will be deemed to be in default for any delay or failure in performance under this Grant Agreement or interruption of services resulting, directly or indirectly, from acts of God, enemy or hostile governmental action, civil commotion, strikes, government declaration of emergency, national or State declared pandemics, lockouts, labor disputes, fire, flood, earthquakes, or other physical natural disasters. If either Party intends to invoke this clause to excuse or delay performance, the Party invoking the clause must provide written notice to the other Party immediately, but no later than within fifteen (15) calendar days of when the force majeure event occurs and reasons that the force majeure event is preventing that Party from or delaying that Party in performing its obligations under this Grant.

Notwithstanding any other provision of this Grant Agreement, CARB may terminate this Grant Agreement immediately in writing without penalty to either party in the event Grantee invokes this clause. If the Grant Agreement is not terminated by CARB pursuant to this clause, upon completion of the event of force majeure, Grantee must, as soon as reasonably practicable, recommence the performance of its obligations under this Grant Agreement. Grantee must also provide a revised performance schedule to minimize the effects of the delay caused by the event of force majeure. A force majeure event does not relieve a Party from liability for an obligation which arose before the occurrence of that event.

31. Funding Prohibitions for Sectarian Purposes and Non-Public Schools:

Grantee and Grant Recipients may use or authorize the use of CARB-provided funds only in any manner that is consistent with applicable laws, including California Constitution, article XVI, section 5, and article IX, section 8 (prohibiting grant fund awards to non-public schools), and federal law. CARB reserves the right to obtain additional information from Grantee and others to determine compliance with the California Constitution, article XVI, section 5, and article IX, section 8. Failure by Grantee to provide any information requested by CARB may result in denial of Grant Funds or termination of this Grant Agreement pursuant to the terms of this Grant Agreement.

32. GenAI Use and Reporting:

a. Definitions:
    i. "Generative AI (GenAI)" means "an artificial intelligence system that can generate derived synthetic content, including text, images, video, and audio that emulates the structure and characteristics of the system's training data." (Gov. Code § 11549.64.)
    ii. "Deliverable" means "software, services, goods, works of authorship, and any other items (e.g., reports, documentation) to be delivered pursuant to this Grant Agreement, including any incidental items."
b. Grantee must notify CARB in writing, within 15 days, or a longer period agreed to by CARB, and require their Grant Recipients to notify CARB in writing in the same timeframe, if they:

i. Intend to provide GenAI as a deliverable to CARB; or,
ii. Intend to utilize any previously unreported GenAI, including GenAI from third parties, to complete all or a portion of any deliverable that materially impacts:
   (a) Functionality of a State system;
   (b) Risk to the State; or,
   (c) Performance under this Grant Agreement.

   For avoidance of doubt, the term "materially impacts" shall have the meaning set forth in State Administrative Manual (SAM) § 4986.2 Definitions for GenAI.

c. Notification shall be provided to CARB's Project Liaison identified in this Grant Agreement.
d. At the direction of CARB, Grantee shall discontinue, and require their Grant Recipients to discontinue, the provision to CARB of any previously unreported GenAI that results in a material impact to the functionality of a State system, risk to the State, or Grant performance, as determined by CARB.
e. If the use of previously undisclosed GenAI is approved by CARB, then upon request by CARB, Grantee will amend the Grant Agreement accordingly, and their related agreements with Grant Recipients, which may include incorporating the GenAI Special Provisions into these agreements, at no additional cost to the State.
f. CARB, at its sole discretion, may consider Grantee's failure to disclose or discontinue the provision or use of GenAI as described above, or to incorporate terms as requested in this section into their agreements with Grant Recipients, to constitute a material breach of the Grant Agreement when such failure results in a material impact to the functionality of the system, risk to the State, or Grant performance. CARB is entitled to seek any

and all remedies available to it under law as a result of such breach, including but not limited to termination of the Grant Agreement pursuant to the terms stated herein.

33. Governing Law and Venue:

This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California. CARB and Grantee hereby agree that any action arising out of this Grant Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California, Sacramento location. Grantee hereby waives any existing sovereign immunity for the purposes of this Grant Agreement.

34. Grantee's Responsibility for Work:

CARB shall not be responsible for disputes arising out of Grantee's contracts or agreements for work on a project funded by this Grant Award, including but not limited to payment disputes with Grant Recipients. The State will not mediate disputes between the Grantee and any other entity concerning responsibility for performance or payment of work under this Grant Agreement.

35. Incorporated Documents:

Grantee will administer this Grant according to the requirements described in the following documents, which are incorporated by reference into and made a part of this Grant Agreement:

a. Grant Agreement Cover Sheet
b. Exhibit A – Grant Provisions, General Terms and Conditions
c. As applicable, related guidelines or guidance document, related Program Advisories, Mail-Outs, and Executive Orders currently issued or updated during the grant performance period.

d. Funding Guidelines for Agencies that Administer California Climate Investments (August 2018 and succeeding revisions).
e. Advance Payment Request Form

36. Indemnification:

Grantee agrees to indemnify, defend, and hold harmless the State of California, CARB, and its/their officers, employees, agents, representatives, and successors-in-interest against and for any liability, loss, and expense, including reasonable attorneys' fees, from and for any and all claims for injury or damages (collectively, "Losses") arising out of Grantee's or any Grant Recipient's performance of this Grant Agreement, except for Losses arising out of the gross negligence or willful misconduct of CARB.

37. Independent Contractor:

Grantee, and its Grant Recipients, in their performance of this Grant Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State of California.

38. Insurance:

Unless Grantee is self-insured, Grantee shall add the State of California as an additional insured on all insurance policies it carries in relation to this Grant during the Term of this Grant Agreement. Grantee and all Grant Recipients shall maintain all insurance as required by federal, State, or local law.

If Grantee is self-insured, in whole or in part, Grantee shall provide CARB with written acknowledgement of this fact at the time of the execution of this Grant Agreement. CARB may require financial information to justify Grantee's self-insured status. If at any time after the execution of this Grant Agreement, Grantee abandons its self-insured status, Grantee shall immediately (by the next business day) notify CARB of this fact and shall comply with all of the terms and conditions of this Section pertaining to insurance requirements.

39. Labor Compliance for Drayage and Short-Haul:

Grantee shall ensure that all agreements with any and all Grant Recipients who receive or use any Grant Funds to purchase, or lease for greater than one year, new drayage or short-haul trucks contain a requirement that as a condition of Grant Fund receipt or use and as a condition of participation in the Program, Grant Recipients must comply at all times with all applicable provisions of California Health and Safety Code sections 39680 through 39693, which require Grant Recipients to maintain compliance with applicable labor law, retain direct control over the manner and means for performance of any individual using or driving the vehicle, and other requirements.

40. Liquidation and Return of Funds:

Funds not liquidated by June 30, 2030 must be returned to CARB by September 30, 2030. "Liquidate" means that all moneys allocated for the Grant have been spent by Grantee for eligible project expenses. Liquidate includes expenditure of Grant Funds related to performance under the grant program and not due to any loss incurred in an uninsured or under insured bank or investment account.
In the event the Grant is terminated prior to the term end date, Grantee shall transfer to CARB all Grant Funds that are not liquidated, including any advance payment and any earned interest, within 30 days of the notice of termination, or a longer period as CARB may provide in its sole discretion. This shall include Grant Funds remaining after accounting for (1) expenses incurred, and (2) funds encumbered in agreements for the purchase or lease of equipment that were executed before receipt of the termination notice. Upon demand by CARB, such funds shall also include Grant Funds recaptured by the Grantee pursuant to Section 5.c above. Grantee shall report to CARB any Grant Funds committed in

executed equipment-purchase agreements that are not spent within one year of the termination notice, and shall return said funds to CARB upon demand.

41. Nondiscrimination:

a. During the performance of this Grant Agreement, Grantee shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, reproductive health decision making, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age (over 40), sexual orientation, veteran or military status, or any other characteristic protected by law, or unlawfully deny family-care leave, medical-care leave, pregnancy-disability leave, or other legally-protected leave. Grantee shall ensure that the evaluation and treatment of its employees and applicants for employment are free of such discrimination and harassment. Grantee shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code section 12900 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, title 2, section 11000 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12990 (a)-(f), set forth in Chapter 5 of Division 4.1 of title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full.
b. During the performance of this Grant, Grantee shall comply with the provisions of California Government Code section 11135; Title VI of the U.S. Civil Rights Act of 1964; Section 504 of the federal Rehabilitation Act of 1973; the federal Age Discrimination Act of 1975; Section 13 of the Federal Water Pollution Control Act of 1972; and U.S. Environmental Protection Agency's implementing regulations at 40 C.F.R. Parts 5 and 7.

c. Grantee shall give written notice of their respective obligations under this clause to labor organizations with which any may have a collective bargaining or other agreement.
d. Grantee shall permit access by representatives of the California Civil Rights Department or CARB, upon reasonable notice to access all sources of information as required to ascertain compliance with this clause.
e. Grantee acknowledges and agrees that, pursuant to Government Code section 11136, whenever CARB has reasonable cause to believe that Grantee or Grant Recipients has violated any of the provisions of Government Code section 11135 or section 12900 et seq., or any of the provisions of California Civil Code sections 51, 51.5, 51.7, 54, 54.1, or 54.2, or any regulation adopted to implement these sections or Article 1 (commencing with Government Code section 12960) of Chapter 7 of the Government Code, then CARB will notify Grantee or, where applicable, the Grant Recipient, of such violation and will submit a complaint detailing the alleged violations to the California Civil Rights Department for investigation and determination pursuant to Government Code sections 11136 and 12960 et seq.
f. Grantee acknowledges and agrees that in the event of Grantee's or its Grant Recipients' noncompliance with this provision, Grantee or Grant Recipient may be subject to remedial action determined appropriate and consistent with applicable law by CARB or the California Civil Rights Department, including but not limited to termination of this Grant Agreement pursuant to the terms of this Grant Agreement.
g. Grantee acknowledges that CARB's Civil Rights Policy applies to this Grant Agreement and CARB will administer this Grant consistent with such policy. The policy may be found at: https://ww2.arb.ca.gov/california-air-resources-board-and-civil-rights.
h. Grantee shall include the provisions of this Nondiscrimination Section in all

contracts, subcontracts, and agreements, including but not limited to those with Grant Recipients, where work is performed to fulfill any term or condition of this Grant Agreement. Grantee shall notify CARB if it becomes aware that a Grant Recipient has violated the provisions of this Section and take appropriate remedial action as required by law or by CARB.

42. Office of Foreign Asset Control:

Transactions may be or are prohibited if they involve the property or interests in property of an entity or individual listed on the Office of Foreign Asset Control (OFAC) targeted lists. OFAC publishes lists of targeted individuals, groups, and entities, which can be found at https://home.treasury.gov/policy-issues/office-of-foreign-assets-control-sanctions-programs-and-information. Refer also to the U.S. Department of the Treasury website: https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/ukraine-russia-related-sanctions. The property and interests in property of an entity that is 50 percent or more owned by one or more persons whose property and interests in property are blocked pursuant to any part of 31 C.F.R. chapter V are also blocked, regardless of whether the entity itself is listed.

Grantee shall include in all recipient agreements an acknowledgment that the Grant Recipient and its agents and property are not in violation of any federal law pertaining to any entity or individual listed on any of the OFAC lists. Grantee shall notify CARB within 15 calendar days if it has knowledge that Grantee or any Grant Recipient is in violation of any federal law pertaining to any entity or individual listed on any of the OFAC lists.

43. Order of Precedence:

In the event of any inconsistency between the exhibits, attachments, specifications, or provisions which constitute this Grant Agreement, the following order of precedence shall apply:

a. Grant Agreement Cover Sheet
b. Exhibit A – Grant Provisions, General Terms and Conditions
c. All other Exhibits incorporated into the Grant Agreement or as otherwise listed on the Grant Agreement Cover Sheet.

44. Paragraph Headings:

The headings and captions of the various paragraphs, subparagraphs and sections hereof are for convenience only, and they shall not limit, expand, or otherwise affect the construction or interpretation of this Grant Agreement.

45. Personally Identifiable Information (PII):

Information or data that personally identifies an individual or individuals is confidential in accordance with relevant State or federal statutes and regulations. Grantee shall comply with all applicable State or federal statutes or regulations regarding the receipt, use, storage, and release of PII, including by safeguarding all such information or data which comes into their possession under this Grant Agreement and not releasing or publishing any such information or data, except as required by law, court order, or legal process (such as a subpoena).

46. Prevailing Wages and Labor Compliance:

Where applicable, Grantee agrees to be bound by and comply with all the provisions of California Labor Code Section 1771 et seq. regarding prevailing wages. Grantee shall ensure that all agreements subject to reimbursement from this Grant Agreement include language requiring compliance with the applicable provisions of California Labor Code Sections 1720-1861.

47. Project Equipment:

Project Equipment means any products, objects, vehicles, computers, hardware, vessels, engines, machinery, apparatus, implements or tools acquired by Grantee.

All such Project Equipment shall be used for the Grant project or program for which it was acquired and for as long as needed or required by the Grant project or program. All such Project Equipment shall be primarily, but need not be exclusively, used for such Grant project or program.

When Project Equipment is no longer needed for the original program purpose, Grantee must request disposition instructions from CARB. However, equipment with a current fair market value of $10,000 or less (per unit) may be retained, sold, or otherwise disposed of without requesting disposition instructions from CARB.

48. Professionals:

Grantee agrees that only licensed professionals will be used to perform services under this Grant Agreement where such services are called for and licensed professionals are required for those services under State law.

49. Reporting:

Required reporting includes the following:

a. California Climate Investments:

With CARB assistance and direction, the Grantee will implement reporting procedures for funded projects as specified in the *CARB Funding Guidelines for Agencies that Administer California Climate Investments* (Funding Guidelines) and from an applicable CARB issued program guidance document if available. Reporting procedures are to provide CARB program level information, including applicable project location information to document benefits to priority populations, applicable vehicle and equipment data to support the calculation of reductions in criteria and toxic pollutants and greenhouse gases, public outreach events, additional information related to jobs, earned interest, and funds used to cover administrative costs. Reports are due to CARB annually by the date provided in a CARB issued applicable program guidance document or by September 30 if a CARB issued applicable program guidance document is unavailable.

b. Annual Reports:

With CARB assistance and direction, the Grantee must submit annual reports to CARB about the program annually by the date provided in a CARB issued applicable program guidance document or by November 30 if a CARB issued applicable program guidance document is unavailable. The Grantee must submit annual reports until the end of the grant term, or until all funds have been liquidated in accordance with this grant agreement. Reports, at a minimum, must include:

i. Report number, title, Grantee name, date of submission, and grant number;
ii. Report costs associated with specific tasks (for example: identifying location for monitoring, deploying community air monitoring systems, fence- line monitoring, reporting emissions, developing a community emissions reduction program, establishing best available retrofit control technology requirements, adopting an expedited schedule for the implementation of best available retrofit control technology, community meetings or other Community Air Protection implementation efforts and outreach). Information for outreach events must include the date, location, topics, and number of attendees, for each event.
iii. Report how grant is being utilized to meet the goals of Assembly Bill 617. If applicable, include emission reductions being achieved.
iv. Summary of work completed and in progress since the last progress report;
v. Grant funds remaining and expended; and
vi. Expenditure summary showing all Community Air Protection Program Implementation Funds for which reimbursement is being requested.

c. Final Report:

Grantee must submit a Final Report to CARB by June 30, 2030. If the last annual report submittal covers expenditures for the full grant amount, that report will be accepted as the Final Report. At a minimum, the Final Report must include all required information contained in the annual report, as well as an accounting summary of funds expended and a summary of how the goals of the program have been achieved.

Reports may be submitted electronically to CARB Community Air Protection Program Liaison at AB617ProjectLiaison@arb.ca.gov.

50. Severability:

If a court of competent jurisdiction holds any provision of this Grant Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of those provisions, shall not be affected.

51. Survival:

All provisions in this Grant Agreement shall survive its termination, cancellation, or expiration, except the following sections (unless otherwise required by law): Additional Required Terms for Grant Recipient Agreements Funded by This Grant; Amendment; Americans with Disabilities Act; Assignment; Compliance with Law; Conflict of Interest; Disbursement Deadline; Disbursement Request; Environmental Justice; Executive Order N-6-22 – Russia Sanctions; Force Majeure; Funding Prohibitions for Sectarian Purposes and Non-Public Schools; GenAI Use and Reporting; Insurance; Labor Compliance for Drayage and Short-Haul; Nondiscrimination (except for 41.d); Office of Foreign Asset Control; Prevailing Wages and Labor Compliance; Professionals; and Timeliness.

52. Term:

This Grant Agreement shall be effective upon full execution of the Grant

Agreement Cover Sheet and shall continue in full force and effect until the Grant Agreement expires, is terminated or all conditions of the Grant Agreement have been met, whichever occurs first. This Grant Award is conditional based on CARB receipt and approval of a fully executed Grant Agreement.

53. Termination:

CARB may terminate this Grant Agreement with cause by written notice at any time prior to completion of projects funded by this Grant Award. Termination with cause means a violation by Grantee of any provision of this Grant Agreement after such violation has been called to the attention of Grantee and after failure of the Parties to resolve the dispute pursuant to Section 23 – Disputes.

54. Timeliness:

Time is of the essence in this Grant Agreement. Grantee shall proceed with and complete the Projects funded by this Grant Agreement in an expeditious manner.

55. Third-Party Beneficiaries:

Grantee represents, warrants and agrees that CARB and the State of California are third-party beneficiaries in all contracts, subcontracts, grants, subgrants and other agreements entered into using Grant Funds, or for the purpose of carrying out any of the terms or conditions of this Grant Agreement during the Term.
The existence of this Grant Agreement does not create, and nothing stated in this Grant Agreement creates, rights in or grants remedies to any third party or third parties, other than CARB and the State of California as stated in this section, as a beneficiary or beneficiaries of this Grant Agreement, or of any duty, covenant, obligation or undertaking established herein.

56. Waiver Of Rights:

Any waiver of rights with respect to a default or other matter arising under the Grant Agreement at any time by either Party shall not be considered a waiver of rights with respect to any other default or matter. Any rights and remedies provided for in this Grant Agreement to either Party are in addition to any other rights and remedies provided by law.

Lassen County Air Pollution Control District Governing Board Agenda Item

Submitted By:	Reesa Rice, Air Quality Specialist
Action Date:	July 7, 2026
Subject:	Consider Resolution No. 26-08 Establishing Meeting Dates and Times for Future Meetings
Presented By:	Erik Edholm, Air Pollution Control Officer
Summary:	The Lassen County Air Pollution Control District Governing Board currently meets on the second Tuesday of every other month at 1:00 p.m. Chair Scanlan requested that the Board discuss the current meeting schedule due to concerns that Lassen County Board of Supervisors meetings may occasionally run longer than anticipated, which could delay the start of Air Pollution Control District meetings. To address this concern and provide a more consistent meeting start time, staff recommends that the Board establish 3:00 p.m. as the regular meeting time for Lassen County Air Pollution Control District Governing Board meetings.
Fiscal Impact:	None.
Action Requested:	Consider Resolution No. 26-08 establishing meeting dates and times for future meetings.

Attachments:
1. Resolution No. 26-08

RESOLUTION NUMBER 26-08
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT CHANGING THE MEETING TIME OF REGULAR MEETINGS FROM 1:00 P.M. TO 3:00 P.M. BEGINNING AUGUST 11, 2026

WHEREAS, the Governing Board for the Lassen County Air Pollution Control District conducts meetings the second Tuesday of every other month, at 1:00 p.m. in the City Council Chambers located 66 N Lassen Street; and

WHEREAS, the Governing Board of the Lassen County Air Pollution Control District conducts regular meetings on the second Tuesday of every other month at 1:00 p.m. in the City Council Chambers, located at 66 N. Lassen Street; and

WHEREAS, the District desires to modify the regular meeting time in order to better accommodate the schedules of Board Directors, staff, and the public; and

WHEREAS, the District finds that adjusting the meeting time will not alter the regular meeting day, location, or frequency, but will only change the hour at which the regular meetings are convened.

NOW, THEREFORE, BE IT RESOLVED by the Governing Board of the Lassen County Air Pollution Control District as follows:

1. The regular meeting time of the Lassen County Air Pollution Control District is hereby changed from 1:00 p.m. to 3:00 p.m.
2. Regular meetings shall continue to occur on the second Tuesday of every other month in the City Council Chambers, located at 66 N. Lassen Street, unless otherwise noticed in accordance with applicable law.
3. The revised meeting time shall take effect beginning with the regular meeting scheduled for August 11, 2026, at 3:00 p.m., and shall remain in effect until further action of the Board.
4. All regular meetings shall continue to be conducted in compliance with the requirements of the Ralph M. Brown Act.

The foregoing resolution was approved and adopted by the following vote of the Board on July 7, 2026.

AYES:

NOES:

ABSTAIN:

ABSENT:

Mike Scanlan, Chair
Lassen County Air Pollution Control District

ATTEST:

Erik Edholm
Air Pollution Control Officer