CITY OF SUSANVILLE
66 N. Lassen Street • Susanville CA
Mendy Schuster, Chair
Patrick Parrish, Vice Chair
Curtis Bortle • Tom Neely • Jason Ingram • Mike Scanlan

Lassen County Air Pollution Control District

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

Tuesday, June 17, 2025 - 2:00 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 the time provided in the Agenda under Public Comment.*
- *The Board of Directors will not take action on any subject that is not on the Agenda.*

1. CALL TO ORDER

2. ROLL CALL OF BOARD OF DIRECTORS

3. AGENDA APPROVAL

4. APPROVAL OF MINUTES

4.A Receive and file minutes from the April 8, 2025 meeting.

5. BOARD MEMBER ISSUES/REPORTS

6. CORRESPONDENCE

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

8. MATTERS FOR BOARD CONSIDERATION

8.A Report on District Activities

8.B 25/26 Budget Review

8.C Carl Moyer Grant Award, Kramer Ranch

9. ADJOURN

The next regular meeting of the Lassen County Air Pollution Control District will be held on August 12, 2025 at 1:00PM.

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 special meeting scheduled for June 17, 2025 in the areas designated on June 13, 2025.

AGENDA ITEM NO. 4.A
Action Item

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT AGENDA ITEM

Submitted By:	Marci Rojas, Lassen County Air Pollution District
Action Date:	June 17, 2025
SUBJECT:	Receive and file minutes from the April 8, 2025 meeting.
PRESENTED BY:	Erik Edholm, Air Pollution Control Officer
SUMMARY:	Staff is presenting minutes from the April 08, 2025 meeting.
FISCAL IMPACT:	None
ACTION REQUESTED:	Receive and file minutes from the April 8, 2025 meeting.

ATTACHMENTS:
LCAPCD Board Meeting Minutes 04082025.pdf

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT Lassen County Air Pollution Control District Governing Board Regular Meeting Minutes TUESDAY, APRIL 8, 2025 – 1:00 PM

ADDRESSING THE BOARD

1. CALL TO ORDER

2. ROLL CALL OF BOARD OF DIRECTORS Tom Neely, Jason Ingram, Curtis Bortle, Patrick Parrish, Mendy Schuster, Mike Scanlan

3. AGENDA APPROVAL

Moved by Mike Scanlan; seconded by Patrick Parrish to
Approve . Motion Carried: 6 - 0
Voting For: Tom Neely, Jason Ingram, Curtis Bortle, Patrick Parrish, Mendy Schuster, Mike Scanlan
Voting Against: None

4. APPROVAL OF MINUTES

4.A Receive and file minutes from the February 11, 2025 meeting.
Receive and file minutes from the February 11, 2025 meeting.
20250211.lcapcd.min.draft.pdf

Moved by Mike Scanlan; seconded by Patrick Parrish to Receive and File .
Motion Carried: 6- 0
Voting For: Tom Neely, Jason Ingram, Curtis Bortle, Patrick Parrish, Mendy Schuster, Mike Scanlan
Voting Against: None

5. BOARD MEMBER ISSUES/REPORTS

None

6. CORRESPONDENCE

None

7. PUBLIC COMMENT

None

8. MATTERS FOR BOARD CONSIDERATION

8.A
Consider Resolution 25-02 accepting the Basic Financial Statements and Independent Auditor's Report for year ended June 30, 2023

Approve Resolution 25-02 accepting the Basic Financial Statements and Independent Auditor's Report for year ended June 30, 2023.

Air Pollution Control Officer Erik Edholm introduced Finance Director Chandra Jabbs to present this item. Director Jabbs presented the Financial Auditors Report for fiscal year 2022-2023. Mr. Neely had questions in regards to the increase of funds coming in. Director Jabbs further explained the causes of increase and decrease throughout the previous years which led to the current change of cost. Mr. Edholm reiterated certain programs as well as the income it brought in. Mr. Neely had questions about the net position. Director Jabbs went into detail of the audit receivables and answered Mr. Neely's question. Mr. Neely asked further about the Wood Smoke Reductions cost. Mr. Edholm explained the cash and balance for that program.

25-02 Reso Accepting 22-23 Audit.pdf
Final FS LCAPCD 2023.pdf

Moved by Jason Ingram; seconded by Patrick Parrish to Approve .
Motion Carried: 6- 0
Voting For: Tom Neely, Jason Ingram, Curtis Bortle, Patrick Parrish, Mendy Schuster, Mike Scanlan
Voting Against: None

8.B

Consider Resolution 25-03 approving the district to participate in Carl Moyer State Reserve Program 27th Cycle Funding

Approve Resolution 25-03 committing the district to participate in the Carl Moyer State Reserve Program, accepting Program Funds, and follow the requirements of the Program.

Mr. Edholm presented the Carl Moyer State Reserve Program and its funds. Mr. Edholm informed the board of community engagement from the district. The district has created a survey to gather the communities input on what would benefit the community most in regards to the Carl Moyer funds. Mr. Edlhom presented Resolution 25-03 to the board to continue participation in the Carl Moyer Program. Chair Mendy Schuster thanked the district for their community engagement. The board voted and passed Resolution 25-03.

25-03 Reso Carl Moyer Program.pdf MSCDITAB-152
State Reserve Application-LCAPCD.pdf

Moved by Patrick Parrish; seconded by Jason Ingram to Approve .
Motion Carried: 6- 0
Voting For: Tom Neely, Jason Ingram, Curtis Bortle, Patrick Parrish, Mendy Schuster, Mike Scanlan

Voting Against: None

8.C Carl Moyer Grant Award, Silas Rojas

Approve Resolution 25-04 authorizing the APCO to execute grant agreement 18-25-CMP-07 in the amount up to $59,360.80 with Silas Rojas

Mr. Edholm presented the Carl Moyer Grant Award for the tractor replacement to Silas Rojas in the amount of $59,360.80. Mr. Rojas has submitted a letter requesting additional funds. Mr. Edholm also mentioned the request meets the states guidelines. Mr. Ingram had question's about the applications and deadlines. Mr. Edholm answered. Mr. Rojas made a public comment thanking the board for the acceptance of the application. The board approved Resolution 25-04.

Resolution 25-04 Silas Rojas.pdf
Additional Funds Request Letter.pdf
Agreement 18-25-CMP-07 Silas Rojas.pdf

Moved by Jason Ingram; seconded by Patrick Parrish to Approve .
Motion Carried: 6- 0
Voting For: Tom Neely, Jason Ingram, Curtis Bortle, Patrick Parrish, Mendy Schuster, Mike Scanlan
Voting Against: None

8.D Carl Moyer Grant Award, Joe Egan

Approve Resolution 25-05 authorizing the APCO to execute grant agreement 18-25-CMP-08 up to the amount of $50,000 to Joe Egan.

Mr. Edholm presented the Carl Moyer Grant Award for the tractor replacement to Joe Egan in the amount of $50,000.00. The board approved Resolution 25-05.

Resolution 25-05 Joe Egan.pdf
Agreement 18-25-CMP-08 Joe Egan.pdf

Moved by Jason Ingram; seconded by Patrick Parrish to Approve .
Motion Carried: 6- 0
Voting For: Tom Neely, Jason Ingram, Curtis Bortle, Patrick Parrish, Mendy Schuster, Mike Scanlan
Voting Against: None

9. ADJOURN

Meeting adjourned at 1:24pm

AGENDA ITEM NO. 8.A
Discussion Item

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT AGENDA ITEM

Submitted By: Erik Edholm, Lassen County Air Pollution District

Action Date: June 17, 2025

SUBJECT: Report on District Activities

PRESENTED BY: Erik Edholm, Air Pollution Control Officer

SUMMARY: The District has been involved in the following since the last meeting:

Carl Moyer/FARMER Related Activities

- Executed new agreements
- Equipment inspections

Lawn and Garden Equipment Projects Residential

- 53 vouchers completed $ 20,770
- 44 vouchers allocated $ 18,410
- Funds Remaining $ 10,820

Lawn and Garden Equipment Projects Commercial

- 124 vouchers completed $ 284,243
- 14 vouchers allocated $ 14,300
- Funds Remaining $ 1,456

Woodsmoke Replacement Program

- 73 vouchers completed $ 291,500
- 12 vouchers allocated $ 47,500
- Funds Remaining $ 24,976

Residential Green Waste

- Spalding
- Doyle
- Oakwood Estates

Facility inspections, permit renewals, attended prescribed fire and grant incentives trainings

Some of these items will likely become the subject of future agenda items for Board discussion. Staff can answer questions about any of these items as necessary.

FISCAL IMPACT: None.

ACTION REQUESTED: Information Only

ATTACHMENTS:

AGENDA ITEM NO. 8.B
Action Item

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT AGENDA ITEM

Submitted By: Erik Edholm, Lassen County Air Pollution District

Action Date: June 17, 2025

SUBJECT: 25/26 Budget Review

PRESENTED BY: Erik Edholm, APCO

SUMMARY:

The Lassen County Air Pollution Control District's Fiscal Year 2025-2026 proposed budget is presented to the Board commensurate with cost of services budget provided by the City as stipulated in the Agreement.

Overall, revenues have been projected to increase slightly, while expenditures have been projected to stay the same. Projected revenues, which have proven stable over the years, are in excess of expenditures.

FISCAL IMPACT: Projected $21,599 increase to fund balance.

ACTION REQUESTED:

Approve Resolution 25-06 adopting the Fiscal Year 2025-2026 budget.

ATTACHMENTS:
25-06 Reso Adopting 25-25 Budget.pdf
APCD Budget 25-26.pdf

RESOLUTION NO. 25-06

A RESOLUTION BY THE BOARD OF DIRECTORS FOR THE LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT ADOPTING THE FISCAL YEAR 25/26 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 that the Governing Board hereby adopts the 2025-2026 Fiscal Year Budget as depicted in Exhibit A:

The foregoing resolution was approved and adopted by the following vote of the Board on June 17, 2025.

AYES:

NOES:

ABSTAIN:

ABSENT:

_____
Mendy Schuster, Chairman
Lassen County Air Pollution Control District

ATTEST:

_____
Erik Edholm
Air Pollution Control Officer

EXHIBIT A

Estimated Revenues Fiscal Year 25/26

Revenues in Support of Salaries and Benefits / Services and Supplies

Fund Description	Actual Received 22/23	Actual Received 23/24	Estimated Received 24/25				Proposed Budget 25/26
Real Property Taxes	$ 16,073	$ 17,621	$ 17,706				$ 18,000
Air Pollution Permits	$ 87,766	$ 84,383	$ 73,857				$ 73,000
AB 617 Admin	$ 8,368	$ 16,895	$ 17,012				$ 16,587
AB 197 Admin	$ -	$ -	$ 8,583				$ 8,583
Prescribed Burn Admin	$ -	$ 20,000	$ -				$ -
ST of California Air Pollution Subvention	$ 34,400	$ 44,000	$ 40,050				$ 40,000
Carl Moyer Admin	$ 56,250	$ 75,000	$ 25,000				$ 50,000
FARMER Admin	$ 88,293	$ 255,946	$ 93,241				$ 46,429
Interest Revenue	$ 7,840	$ 15,424	$ 17,516				$ 10,000
State Other DMV FEES	$ 67,617	$ 73,862	$ 73,000				$ 73,000
SUBTOTAL	$ 366,607	$ 603,130	$ 365,965				$ 335,599

Revenues in Support of Grant Programs

	24/25	YTD Actual	Budget
State-Other			
FARMER Program	$ -	$ 836,163	$ 996,556
Carl Moyer	$ 350,000	$ 275,000	$ 350,000
AB 617 Incentive	$ 235,192	$ 171,163	$ 116,107
			Budget
	$ 951,799	$ 1,648,291	$ 1,798,262

Exhibit A
Lassen County Air Pollution Control District
2025-2026 Expenditure Budget

	Actual Budget 24/25	Proposed Budget 25/26	Increase / Decrease
Salaries and Benefits	$ 239,000	$ 264,000	$ 25,000
Services and Supplies	$ 73,000	$ 50,000	$ (23,000)
Administrative Expenditure Subtotal	$ 312,000	$ 314,000	$ 2,000
Carl Moyer	$ 547,277	$ 404,234	$ (143,043)
FARMER Program Admin	$ 134,000	$ 145,000	$ 11,000
FARMER Program	$ 1,759,141	$ 779,000	$ (980,141)
CARB Woodsmoke Reduction Program	$ 290,750	$ 66,000	$ (224,750)
AB 617 Community Air Protection Program	$ 264,977	$ 281,000	$ 16,023
Grant Programs Expenditure Subtotal	$ 1,872,716	$ 1,675,234	$ (197,482)

AGENDA ITEM NO. 8.C
Action Item

LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT AGENDA ITEM

Submitted By:	Erik Edholm, Lassen County Air Pollution District
Action Date:	June 17, 2025
SUBJECT:	Carl Moyer Grant Award, Kramer Ranch
PRESENTED BY:	Erik Edholm, Air Pollution Control Officer
SUMMARY:	Attached is a proposed Carl Moyer Grant for execution under 26th cycle grant, of which the District currently has $75,012.41 of Cycle 26 funds available for award. The proposed grant is to Kramer Ranch and for a tractor replacement project that will replace a 1974 John Deere 1530 tractor with a 2023 John Deere 5067E for a total grant amount up to $50,000.
FISCAL IMPACT:	$50,000 in Carl Moyer Year 26 grant expenditures.
ACTION REQUESTED:	Approve Resolution 25-07 authorizing the APCO to execute grant agreement 18-25-CMP-08 up to the amount of $50,000 to Kramer Ranch.

ATTACHMENTS:
25-07 RESO Tractor Carl Moyer Kramer Ranch.pdf
18-25-CMP-09 Kramer Ranch.pdf

RESOLUTION NO. 25-07

A RESOLUTION BY THE BOARD OF DIRECTORS FOR THE LASSEN COUNTY AIR POLLUTION CONTROL DISTRICT APPROVING CARL MOYER GRANT AGREEMENT 18-25-CMP-09 WITH KRAMER RANCH

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, 2024 Resolution 24-17 Accepting Carl Moyer Program Funds from the California Air Resources Board;

WHEREAS, Resolution 24-17 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 24-17, each year until 2029;

NOW, THEREFORE, BE IT RESOLVED that the Governing Board hereby approves the Air Pollution Control Officer to execute Carl Moyer Grant Agreement 18-25-CMP-09 with Kramer Ranch;

The foregoing resolution was approved and adopted by the following vote of the Board on June 17, 2025.

AYES:

NOES:

ABSTAIN:

ABSENT:

_____
Mendy Schuster, Chairman
Lassen County Air Pollution Control District

ATTEST:

_____
Erik Edholm
Air Pollution Control Officer

Agreement Number 18-25-CMP-09

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 **Kramer Ranch** (Participant).

1.0 Recitals

1.1 The District is in an unclassified status 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 17, 2025 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, 2025**. 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 of a destruction alternative only if special circumstances justifying the use of an alternative exist, and there is no detrimental impact on 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 **January 1st, 2029**. 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 **Three 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 logbooks 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 the 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	Karen Kramer Po Box 130 Bieber, Ca 96009 Phone: (530) 640-2297 Email: RobKramer74@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 levy 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 (including the cross streets)	**557-900 Kramer RD / Kramer Rd**

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

	Within the Lassen County Area	Outside of Lassen County Area	Total Operation
Hours	90%	10%	617 Hours

Existing Vehicle Information

Make: John Deere	Model: 1530	Model Year: 1974	GVWR:
Vehicle Identification Number: 179191T	Fleet Identification Number:	License Plate:	Odometer:

Existing Engine Information

Make: John Deere	Model: 1530	Model Yr: 1974	Serial Number: 179191T	HP: 55.2	Hour Meter: N/A
Fuel Type: Diesel					

New or Replacement Vehicle Information

Make: John Deere	Model: 5067E	Model Year: 2023	GVWR:
Vehicle Identification Number: N/A	Fleet Identification Number:	License Plate:	Odometer:

New Engine or Retrofit System Information

Make: John Deere	Model: 5067E	Model Yr: 2023	Serial Number: N/A	HP: 67	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
2023 John Deer 5067 E Tractor		1650	.32	$27.01	$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. **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 (**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 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 must 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.