



AGENDA:
PCAPCD Board of Directors Meeting
Thursday, August 9, 2012, 2:30 P.M.
Placer County Board of Supervisors' Chambers
175 Fulweiler Avenue, Auburn, California

Call to Order

Flag Salute

Roll Call / Determination of a Quorum

Approval of Minutes: June 14, 2012, Regular Board Meeting and Special Budget Meeting

Public Comment: Any person desiring to address the Board on any item not on the agenda may do so at this time. No action will be taken on any issue not currently on the agenda.

Consent: Items 1

These items are expected to be routine and non-controversial. The Board will act upon these items at one time without discussion. Any Board member, Staff member, or interested citizen may request that an item be removed from the consent calendar for discussion.

- 1. Service Contract with Air Permitting Specialists:** Adopt Resolution #12-09, thereby authorizing the Air Pollution Control Officer to negotiate, sign, and amend, as needed, a multi-year contract with Ray Kapahi, dba Air Permitting Specialists, effective August 9, 2012, for technical staff support services.

Public Hearing/Action: Item 2

- 2. Adoption of Final Budget for Fiscal Year 2012-13:** Hold a public hearing to review the FY 2012-13 Proposed Final Budget and adopt Resolution #12-08 thereby approving the proposed FY 2012-13 Final Budget

Air Pollution Control Officer Report (*Verbal reports and/or handouts will be provided*)

- a. Presentation on Cap & Trade by California Air Resources Board staff
- b. Fiscal Update

Adjournment

Next Regularly Scheduled Board Meeting: Thursday, October 11, 2012 2:30 PM

Opportunity is provided for the members of the public to address the Board on items of interest to the public, which are within the jurisdiction of the Board. A member of the public wanting to comment upon an agenda item that is not a Public Hearing item should submit their name and identify the item to the Clerk of the Board.

Placer County Air Pollution Control District is committed to ensuring that persons with disabilities are provided the resources to participate fully in its public meetings. If you require disability-related modifications or accommodations, please contact the Clerk of the Board. All requests must be in writing and must be received by the Clerk five business days prior to the scheduled meeting for which you are requesting accommodation. Requests received after such time will be accommodated only if time permits.

District Office Telephone – (530) 745-2330



Board Agenda

Consent

Agenda Date: August 9, 2012

Prepared By: Todd K. Nishikawa, Deputy Air Pollution Control Officer

Topic: Professional Consultant Services Contract with Air Permitting Services

Action Requested: Adopt Resolution #12-09, thereby authorizing the Air Pollution Control Officer to negotiate, sign, and amend, as needed, a multi-year contract (No.CN000753) with Ray Kapahi, dba Air Permitting Specialists, effective August 9, 2012, for technical staff support services for a total of Sixty-nine Thousand, Four Hundred Sixty-seven Dollars and Twenty-two Cents (\$69,467.22). This contract updates and replaces an existing service contract (CN722663) that is currently encumbered for \$39,467.22 and adds an additional \$30,000.

Discussion: Current District staff levels are not always adequate to keep up with temporary increases in District workload. The lack of technically qualified District staff resources may be due to workload changes or the need for subject matter experts for critical special projects and tasks.

The District has balanced the resources required with the demands of accomplishing its mission by augmenting permanent staff with temporary part-time extra-help staff and through contracted technical support services. This provides the District with the flexibility of utilizing contract services where it is cost effective in order to meet program mandates and deliver service and where a permanent addition to the District staff is not supported by the persistence of the work or established funding sources. By these means the District has been able to meet temporary high resource demands in a cost effective manner, without increasing the number of permanent District personnel,

In the contracted support role the District has had a relationship with Air Permitting Specialists who has provided qualified personnel for over 14-years, most recently with a technical Staff Support Services contract executed in 2002. This agreement now has 13 amendments and has become unwieldy. The District has budgeted funds for the existing contract for FY 2012-13, however the District's legal counsel has recommended that the existing agreement be replaced with a new contract with updated terms. Support services that may be sought from Air permitting Specialists include permit evaluation, air monitoring technician support, administrative support, support for California Environmental Quality Act (CEQA) land use plan reviews, air toxics analysis, technical support by subject matter experts, and rule development services,

Fiscal Impact: This request is in keeping with the FY 2012-13 District Budget for an additional \$30,000 (Thirty Thousand Dollars) and is appropriated for work by Air Permitting Specialist Services under a multi-year contract.

Recommendation: Staff recommends that the Board approve Resolution #12-09 thereby authorizing the Air Pollution Control Officer to negotiate, sign, and amend as needed, a multi-year contract (No.CN000753) with Ray Kapahi, dba Air Permitting Specialists, for technical staff support services for the sum of Sixty-nine Thousand, Four Hundred Sixty-seven dollars and Twenty-two cents (\$69,467.22). This contract will replace current Contract CN722663 that was originally authorized by the Board on June 13, 2002.

Attachment(s) 1. Resolution #12-09, Authorizing the Air Pollution Control Officer to Enter Into and Sign a Multi-Year Contract (CN000753) with Ray Kapahi, dba Air Permitting Specialists, for Technical Staff Support Services, for a Total of \$69,467.22 and to Negotiate and Sign Future Amendments.

2. Contract No. CN000753

ATTACHMENT #1

SUBJECT:

Resolution #12-09



Board Resolution:
Resolution #12-09

**Before the Placer County
Air Pollution Control District Board of Directors**

In the Matter Of:

A Resolution approving/adopting Authorizing the Air Pollution Control Officer to Enter Into and Sign a Multi-Year Contract (CN000753) with Ray Kapahi, dba Air Permitting Specialists, for Technical Staff Support Services, for a Total of \$69,467.22 and to Negotiate and Sign Future Amendments.

The following Resolution was duly passed by the Placer County Air Pollution Control District Board of Directors at a regular meeting held on August 9, 2012, by the following vote:

- Ayes: Holmes, M. _____ Barkle _____ Nader _____ Weygandt _____ Ucovich _____
 Holmes, J. _____ Hill _____ Montgomery _____ Garcia _____
- Noes: Holmes, M. _____ Barkle _____ Nader _____ Weygandt _____ Ucovich _____
 Holmes, J. _____ Hill _____ Montgomery _____ Garcia _____
- Abstain: Holmes, M. _____ Barkle _____ Nader _____ Weygandt _____ Ucovich _____
 Holmes, J. _____ Hill _____ Montgomery _____ Garcia _____

Signed and approved by me after its passage:

_____ Chairperson

Attest:

_____ Clerk of said Board

WHEREAS, Section 40001 of the Health and Safety Code of the State of California authorizes the Air Pollution Control Board, County of Placer, to adopt and enforce such Rules and Regulations to achieve and maintain ambient air quality standards within the District; and

WHEREAS, Section 40702 of the Health and Safety Code of the State of California requires a district to adopt rules and regulations and do such acts as may be necessary or proper to execute the powers and duties granted; and

WHEREAS, Health and Safety Code 40701 provides that the District has the power to cooperate and contract with any federal, state, or local governmental agencies, private industries, or civic groups necessary or proper to the accomplishment of its duties; and

WHEREAS, the District sometimes may lack sufficient technically qualified staff resources to adequately fulfill necessary District programs and task assignments due to staffing level fluctuations, workload changes, and the prioritized support of critical special projects and tasks; and

WHEREAS, temporary contracted technical staff support services may be obtained, in situations where hiring of permanent staff is not feasible or warranted, such as to assist the District in the processing in a timely manner permit applications that have been filed; to provide required administrative support; to develop new and amended rules that are required to fulfill mandates or correct deficiencies in existing rules; to review land use plans, reports, and data as required of the District by the California Environmental Quality Act (CEQA); air toxics analysis; technical support by subject matter experts; and to assist in the on-going maintenance and support of ambient air monitoring station instrumentation and equipment; and

WHEREAS, the District has a current contract with Air Permitting Specialists, for staff support services to further these and other required programs of the District and the District wishes to update and replace this contract; and

WHEREAS, an appropriation of \$30,000 is included in the FY 2012-2013 District budget for technical staff support services from Air Permitting Specialists and the rollover is \$39,467.22 from the existing contract (CN722663) a total of \$69,467.22 will be available for a new services contract.

IT IS HEREBY RESOLVED that the Placer County Air Pollution Control District Board does approve the expenditure of funds for technical staff support services; and authorizes the Air Pollution Control Officer to negotiate, sign, and amend as needed, a multi-year contract (CN000753) with Ray Kapahi, dba Air Permitting Specialists, for technical support services, including permit evaluation, air monitoring technician services, administrative services, air toxics analysis, project technical support by subject matter experts, California Environmental Quality Act (CEQA) land use plan reviews, and rule development services, for the sum of Sixty-nine Thousand, Four Hundred Sixty-seven Dollars and Twenty-two Cents (\$69,467.22), and to negotiate and sign such future amendments as may be necessary.

BE IT FURTHER RESOLVED that the Placer County Air Pollution Control District Board may provide additional funding for this contract as may be authorized by the allocation of funds as needed.

ATTACHMENT #2

SUBJECT:

Contract No. CN000753



CONTRACTED SERVICES

Administering Agency: Placer County Air Pollution Control District

Contract No. CN000753

Contract Description: **PROFESSIONAL SERVICES CONTRACT TO PROVIDE TECHNICAL STAFF SUPPORT TO THE AIR POLLUTION CONTROL DISTRICT**

THIS AGREEMENT is made at Auburn, California, by and between the Placer County Air Pollution Control District, ("District"), and Air Permitting Specialists ("Consultant"), who agree as follows:

1. **Services.** Subject to the terms and conditions set forth in this Agreement, Consultant shall provide the services described in **Exhibit A**. Consultant shall provide said services at the time, place, and in the manner specified in **Exhibit A**.
2. **Payment.** District shall pay Consultant for services rendered pursuant to this Agreement at the time and in the amount set forth in **Exhibit B**. The payment specified in **Exhibit B** shall be the only payment made to Consultant for services rendered pursuant to this Agreement. Consultant shall submit all billings for said services to District in the manner specified therein, or, if no manner is specified, then according to the usual and customary procedures which Consultant uses for billing clients similar to District. **The amount of the contract shall not exceed** Sixty-nine thousand, Four Hundred, Sixty-seven Dollars and Twenty-two Cents (\$69,467.22).
3. **Facilities, Equipment and Other Materials, and Obligations of District.** Unless otherwise specified, Consultant shall, at its sole cost and expense, furnish all facilities, equipment, and other materials which may be required for furnishing services pursuant to this Agreement.
4. **Exhibits.** All exhibits referred to herein will be attached hereto and by this reference incorporated herein.
5. **Time for Performance.** Time is of the essence. Failure of Consultant to perform any services within the time limits set forth in Exhibit A shall constitute material breach of this contract.
6. **Independent Consultant.** At all times during the term of this Agreement, Consultant shall be an independent Consultant and shall not be an employee of the District. District shall have the right to control Consultant only insofar as the results of Consultant's services rendered pursuant to this Agreement. District shall not have the right to control

the means by which Consultant accomplishes services rendered pursuant to this Agreement.

7. **Licenses, Permits, Etc.** Consultant represents and warrants to District that it has all licenses, permits, qualifications, and approvals of whatsoever nature, which are legally required for Consultant to practice its profession. Consultant represents and warrants to District that Consultant shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, and approvals which are legally required for Consultant to practice its profession at the time the services are performed.
8. **Time.** Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary for the satisfactory performance of Consultant's obligations pursuant to this Agreement. Neither party shall be considered in default of this Agreement to the extent performance is prevented or delayed by any cause, present or future, which is beyond the reasonable control of the party.
9. **Hold Harmless And Indemnification Agreement.** At all times during the performance of this agreement, Consultant agrees to protect, defend, and indemnify District in accordance with the provisions contained in **Exhibit C**.
10. **Insurance.** Consultant shall file with District concurrently herewith a Certificate of Insurance, in companies acceptable to District, for the coverage shown in Exhibit C. All costs of complying with these insurance requirements shall be included in Consultant's fee(s). These costs shall not be considered a "reimbursable" expense under any circumstances.
11. **Consultant Not Agent.** Except as District may specify in writing Consultant shall have no authority, express or implied, to act on behalf of District in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied pursuant to this Agreement to Bind District to any obligation whatsoever.
12. **Assignment Prohibited.** Consultant may assign its rights and obligations under this Agreement only upon the prior written approval of District, said approval to be in the sole discretion of District.
13. **Personnel.**
 - A. Consultant shall assign only competent personnel to perform services pursuant to this Agreement. In the event that District, in its sole discretion, at any time during the term of this Agreement, desires the removal of any person or persons assigned by Consultant to perform services pursuant to this Agreement, including those members of the Project Team as explained below, Consultant shall remove any such person immediately upon receiving notice from District of the desire of District for removal of such person or persons.
 - B. Notwithstanding the foregoing, if specific persons are designated as the "Project Team" in Exhibit A, Consultant agrees to perform the work under this agreement

with those individuals identified. Reassignment or substitution of individuals or subcontractors named in the Project Team by Consultant without the prior written consent of District shall be grounds for cancellation of the agreement by District, and payment shall be made pursuant to Section 15 (Termination) of this Agreement only for that work performed by Project Team members.

14. **Standard of Performance.** Consultant shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged in the geographical area in which Consultant practices its profession. All products of whatsoever nature which Consultant delivers to District pursuant to this Agreement shall be prepared in a substantial first class and workmanlike manner and conform to the standards or quality normally observed by a person practicing in Consultant's profession.

15. **Termination.**

A. District shall have the right to terminate this Agreement at any time by giving notice in writing of such termination to Consultant. In the event District shall give notice of termination, Consultant shall immediately cease rendering service upon receipt of such written notice, pursuant to this Agreement. In the event District shall terminate this Agreement:

1) Consultant shall deliver copies of all writings prepared by it pursuant to this Agreement. The term "writings" shall be construed to mean and include: handwriting, typewriting, printing, photocopies, photographing, and every other means of recording upon any tangible thing any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combinations thereof.

2) District shall have full ownership and control of all such writings delivered by Consultant pursuant to this Agreement.

3) District shall pay Consultant the reasonable value of services rendered by Consultant to the date of termination pursuant to this Agreement not to exceed the amount documented by Consultant and approved by District as work accomplished to date; provided, however, that in no event shall any payment hereunder exceed the amount of the agreement specified in Exhibit B, and further provided, however, District shall not in any manner be liable for lost profits which might have been made by Consultant had Consultant completed the services required by this Agreement. In this regard, Consultant shall furnish to District such financial information as in the judgment of the District is necessary to determine the reasonable value of the services rendered by Consultant. The foregoing is cumulative and does not affect any right or remedy, which District may have in law or equity.

B. Consultant may terminate its services under this Agreement upon thirty (30) working days advance written notice to the District.

16. **Non-Discrimination**. Consultant shall not discriminate in its employment practices because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, sex, age, or sexual orientation in contravention of the California Fair Employment and Housing Act, Government Code section 12900 et seq.
17. **Records**. Consultant shall maintain, at all times, complete detailed records with regard to work performed under this agreement in a form acceptable to District, and District shall have the right to inspect such records at any reasonable time. Notwithstanding any other terms of this agreement, no payments shall be made to Consultant until District is satisfied that work of such value has been rendered pursuant to this agreement. However, District shall not unreasonably withhold payment and, if a dispute exists, the withheld payment shall be proportional only to the item in dispute.
18. **Ownership of Information**. All professional and technical information developed under this Agreement and all work sheets, reports, and related data shall become the property of District, and Consultant agrees to deliver reproducible copies of such documents to District on completion of the services hereunder. The District agrees to indemnify and hold Consultant harmless from any claim arising out of reuse of the information for other than this project.
18. **Waiver**. One or more waivers by one party of any major or minor breach or default of any provision, term, condition, or covenant of this Agreement shall not operate as a waiver of any subsequent breach or default by the other party.
19. **Conflict of Interest**. Consultant certifies that no official or employee of the District, nor any business entity in which an official of the District has an interest, has been employed or retained to solicit or aid in the procuring of this agreement. In addition, Consultant agrees that no such person will be employed in the performance of this agreement without immediately notifying the District.
20. **Entirety of Agreement**. This Agreement contains the entire agreement of District and Consultant with respect to the subject matter hereof, and no other agreement, statement, or promise made by any party, or to any employee, officer or agent of any party, which is not contained in this Agreement, shall be binding or valid.
21. **Alteration**. No waiver, alteration, modification, or termination of this Agreement shall be valid unless made in writing and signed by all parties, except as expressly provided in Section 15, Termination.
22. **Governing Law**. This Agreement is executed and intended to be performed in the State of California, and the laws of that State shall govern its interpretation and effect. Any legal proceedings on this agreement shall be brought under the jurisdiction of the Superior Court of the District of Placer, State of California, and Consultant hereby expressly waives those provisions in California Code of Civil Procedure §394 that may have allowed it to transfer venue to another jurisdiction.

23. **Notification.** Any notice or demand desired or required to be given hereunder including requests for payment, shall be in writing and deemed given when personally delivered or deposited in the mail, postage prepaid, and addressed to the parties as follows:

District:

Tom Christofk
Placer County APCD
110 Maple Street
Auburn, CA 95603

Consultant:

Air Permitting Specialists
Attn: Ray Kapahi, Principal
P.O. Box 38
Wilton, CA 95693

Any notice so delivered personally shall be deemed to be received on the date of delivery, and any notice mailed shall be deemed to be received five (5) days after the date on which it was mailed.

This agreement is effective on the date signed by both parties.

PLACER COUNTY AIR POLLUTION CONTROL DISTRICT

By: _____ Date: _____
Tom Christofk, Air Pollution Control District Officer
Placer County Air Pollution Control District

CONSULTANT

By: _____ Date: _____
Ray Kapahi, Principal
Air Permitting Specialists

Exhibits

- A. Scope of Work
- B. Payment for Services Rendered
- C. Hold Harmless Agreement and Insurance Requirements

EXHIBIT A

SCOPE OF SERVICES

TASK 1: Description: Authority to Construct Permit Application Evaluations:

- a. CONSULTANT shall perform a compliance evaluation of Authority to Construct permit applications forwarded by DISTRICT to CONSULTANT. CONSULTANT shall request, on the behalf of DISTRICT such supplemental information as may be required of the applicant to complete the evaluation. CONSULTANT shall advise DISTRICT if requested information is not forthcoming after a request allowing a reasonable time for a response has been made.
- b. The compliance evaluation by CONSULTANT shall be documented in a written report which is to be submitted upon the completion of the evaluation to DISTRICT in both paper and electronic media format. The compliance evaluation shall include a description of the facility and process for which application for a permit is being made; identification of points of pollutant discharge to the atmosphere and the characterization of air pollutants (e.g. particulate matter, oxides of nitrogen, volatile organic compounds, etc.); assumptions made in determining air pollutant emission rates; summarized estimates of emissions; findings as to the compliance or non-compliance of emissions for each emission point, and for the facility as a whole, with a citation of the applicable Federal, State, air pollution control laws and regulations and DISTRICT Rules; an evaluation of the process and control equipment, and a listing of equipment recommended for inclusion in permit(s); recommended operating, emission, and record keeping conditions for the permit(s); and a final recommendation for the approval or disapproval of permit(s) by DISTRICT.

Copies of information resource documents, or excerpted pages, are to be included (e.g. AP-42 pages) in the compliance evaluation report. Copies of printouts of spreadsheets used to calculate emissions and compliance are to be included. The actual or potential discharge of toxic air pollutants is to be identified and discussed, however the detailed quantification and the detailed evaluation of such pollutants is not required. A recommendation regarding the need for the further assessment of identified toxic air emissions shall be included. All documents and correspondence provided by DISTRICT or the applicant, and copies of correspondence and records of other communications regarding an application, shall be forwarded to DISTRICT with the completed evaluation report.

- c. For each Authority to Construct permit application forwarded by DISTRICT to CONSULTANT, CONSULTANT shall provide the number of estimated hours to complete the evaluation. CONSULTANT shall not proceed with the evaluation until authorized to commence the evaluation by the AIR POLLUTION CONTROL OFFICER or authorized agent. The estimate of hours required shall include the consideration of application review, preparation of information requests to permit applicants, consultation with applicants to clarify submissions, consultation with DISTRICT staff to clarify the

application of DISTRICT Rules, research, application evaluation, and preparation of documentation.

- d. The CONSULTANT shall prepare a cover letter, an Authority to Construct permit with the recommended conditions, and a permit invoice. These are to be submitted to DISTRICT in both paper and electronic media format.
- e. DISTRICT shall provide CONSULTANT with a copy of Placer County Air Pollution Control District Rules and Regulations, a sample of a completed evaluation report, permit formats and information on the word processing system currently in use by DISTRICT.

TASK 2: Description: Rule Preparation and Development:

- a. CONSULTANT shall research control measure requirements and effected source inventory for potential reductions, and prepare draft new or amended rules and accompanying rule adoption and submittal documents. If requested, CONSULTANT shall attend public workshops or rule adoption public hearing to provide information regarding the new rule or amendment and supporting rule adoption.
- b. For selected adopted rules for which SIP submittals were not completed CONSULTANT shall:
 - Review of SIP commitments and evaluate Rules specified by the DISTRICT as to whether they were satisfied by the rule adoption or amendment.
 - Review of Rule specified by DISTRICT for identification of desirable updates consistent with current emission control technology and processes, guidance documents, and regulations adopted elsewhere, and if requested the drafting of amended rules and accompanying rule adoption and submittal documents.
 - If no updates are needed, for adopted rules that have not been accepted as SIP submittals, prepare submittal documents required the California Air Resources Board (CARB), and/or the U.S. Environmental Protection Agency (US EPA), and gather other required documents for SIP submittal to US EPA via CARB of the rules. Address other deficiencies of rule submittal packages for the submission of adopted rules as revisions to the SIP.
- c. CONSULATANT shall review of drafts of new rules and rule amendments prepared by DISTRICT and identify corrections necessary to testing, record-keeping, and other requirements, in-keeping with CARB and US EPA guidance.
- d. CONSULTANT shall prepare Negative Declarations and supporting adoption and submittal documentation for source categories that have been identified as not being present in Placer County.

TASK 3: **Description: Administrative and Air Permitting Specialist Support**

- a. CONSULTANT shall perform administrative tasks as needed and/or requested by District Managers.
- b. CONSULTANT shall explain air pollution statutes and general information to the public and business concerns in the field, by telephone or in the office and co-ordinate with other outside agencies as needed.
- c. CONSULTANT shall investigate and respond to complaints, conduct field inspections and issue warning notices and citations as needed.
- d. CONSULTANT shall review applications for permits, issue permits, and maintain accurate data records and case files.
- e. CONSULTANT shall prepare documents and correspondence as necessary and prepare reports and studies related to area assigned.
- f. CONSULTANT shall compile, analyze and evaluate technical information and prepare recommendations regarding further action.
- g. CONSULTANT shall maintain the data in the database program and be responsible for accurately inputting the data for all permitted sources.

TASK 4: **Description: Air Monitoring Technical Support:**

- a. CONSULTANT shall perform ambient air monitoring duties at District operated air monitoring sites, on the behalf of DISTRICT. CONSULTANT shall install, maintain and operate air monitoring and meteorological equipment; monitor, collect and analyze air monitoring emission data; operate various surveillance and recording equipment; operate hand tools, compressed gas bottles, pressure regulators and flow meters; perform precision checks, quality control audits and follow established DISTRICT operating procedures for all equipment.

TASK 5: **Description: Technical Review:**

- a. CONSULTANT shall provide technical support and perform technical tasks as needed as a subject matter expert or possess expertise as needed to assist District Staff in achieving program/project objectives. Required support and tasks shall be assigned and approved by the APCO.

Work may begin when this agreement has been signed by both parties and continue until terminated.

EXHIBIT B

PAYMENT FOR SERVICES RENDERED

Maximum Limit & Fee Schedule

Consultant's compensation shall be paid at the schedule shown below. Reimbursement of travel, lodging and miscellaneous expenses is not allowed unless authorized in advance by the APCO. All expenses of Consultant, including any expert or professional assistance retained by Consultant to complete the work performed under this contract shall be borne by the Consultant.

Total of all payments made under this agreement shall not exceed the amount shown in Section 2 of this contract.

Invoices

Invoices shall be submitted to District in a form and with sufficient detail as required by District, including this contract agreement number CN000753. Work performed by Consultant will be subject to final acceptance by the District project manager(s).

Payment Schedule

<u>Task #</u>	<u>Maximum Hourly Payment Rate</u>
Task 1	Maximum \$61.50/hour
Tasks 2 & 4	Maximum \$31.68/hour
Task 3	Maximum \$19.99/hour
Task 5	Maximum \$61.50/hour

Maximum sum payable under this contract: Sixty-nine Thousand, Four Hundred, Sixty-seven Dollars and Twenty-two Cents (\$69,467.22)

Payments shall be made to Consultant within thirty (30) days after the billing is received and approved by District unless otherwise specified.

EXHIBIT C

HOLD HARMLESS AGREEMENT AND INSURANCE REQUIREMENTS

The Consultant hereby agrees to protect, defend, indemnify, and hold District free and harmless from any and all losses, claims, liens, demands, and causes of action of every kind and character including, but not limited to, the amounts of judgments, penalties, interest, court costs, legal fees, and all other expenses incurred by District arising in favor of any party, including claims, liens, debts, personal injuries, death, or damages to property (including employees or property of District) and without limitation by enumeration, all other claims or demands of every character occurring or in any way incident to, in connection with or arising directly or indirectly out of, the contract or agreement. Consultant agrees to investigate, handle, respond to, provide defense for, and defend any such claims, demand, or suit at the sole expense of the Consultant. Consultant also agrees to bear all other costs and expenses related thereto, even if the claim or claims alleged are groundless, false, or fraudulent. This provision is not intended to create any cause of action in favor of any third party against Consultant or District or to enlarge in any way the Consultant's liability but is intended solely to provide for indemnification of District from liability for damages or injuries to third persons or property arising from Consultant's performance pursuant to this contract or agreement.

As used above, the term District means District or its officers, agents, employees, and volunteers.

1. Insurance Requirements

Consultant shall file with the District, concurrently herewith, Certificates of Insurance, in companies acceptable to District, with a Best's rating of no less than A: VII.

Each policy shall be endorsed with the following specific language: **Cancellation Notice: "This policy shall not be canceled or materially changed without first giving thirty (30) days prior written notice to the District Air Pollution Control District."**

Workers Compensation and Employers Liability Insurance

If Consultant represents that they have no employees, and does not hire Sub-Consultants with employees, then they are not required to have Workers Compensation coverage.

Worker's Compensation Insurance shall be provided as required by any applicable law or regulation. Employer's liability insurance shall be provided in amounts not less than one million dollars (\$1,000,000) each accident for bodily injury by accident, one million dollars (\$1,000,000) policy limit for bodily injury by disease, and one million dollars (\$1,000,000) each employee for bodily injury by disease.

If there is an exposure of injury to Consultant's employees under the U.S. Longshoremen's and Harbor Worker's Compensation Act, the Jones Act, or under laws, regulations, or statutes applicable to maritime employees, coverage shall be included for such injuries or claims.

Consultant shall require all Sub- Consultants to maintain adequate Workers' Compensation insurance. Certificates of Workers' Compensation shall be filed with District upon demand.

General Liability Insurance

a) Comprehensive General Liability or Commercial General Liability insurance covering all operations by or on behalf of Consultant, providing insurance for bodily injury liability and property damage liability for the limits of liability indicated below and including coverage for:

1. Contractual liability insuring the obligations assumed by Consultant in this Agreement.

b) One of the following forms is required:

1. Comprehensive General Liability;
2. Commercial General Liability (Occurrence); or
3. Commercial General Liability (Claims Made).

c) If Consultant carries a Comprehensive General Liability policy, the limits of liability shall not be less than a Combined Single Limit for bodily injury damage, and Personal Injury Liability of:

- One million dollars (\$1,000,000) each occurrence
- One million dollars (\$1,000,000) aggregate

d) If Consultant carries a Commercial General Liability (Occurrence) policy:

1. The limits of liability shall not be less than:
 - One million dollars (\$1,000,000) each occurrence (combined single limit for bodily injury and property damage)
 - One million dollars (\$1,000,000) for Products-Completed Operation
 - One million dollars (\$1,000,000) General Aggregate
2. If the policy does not have an endorsement providing that the General Aggregate Limit applies separately, or if defense costs are included in the aggregate limits, then the required aggregate limits million dollars (\$2,000,000).

e) Special Claims Made Policy Form Provisions:

Consultant shall not provide a Commercial General Liability (Claims Made) policy without the express prior written consent of District, which consent, if given, shall be subject to the following conditions:

- a. The limits of liability shall not be less than:

- (a) One million dollars (\$1,000,000) each occurrence (combined single limit for bodily injury and property damage)
- (b) One million dollars (\$1,000,000) aggregate for Products Completed Operations
- (c) One million dollars (\$1,000,000) General Aggregate
- (d) The insurance coverage provided by CONSULTANT shall contain language providing coverage up to six (6) months following the completion of the contract in order to provide insurance coverage for the hold harmless provisions herein if the policy is a claims-made policy.

ENDORSEMENTS:

- b. Each Comprehensive or Commercial General Liability policy shall be endorsed with the following specific language:
 - (a) "The District, its officers, agents, employees, and volunteers are to be covered as insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this Agreement."
 - (b) "The insurance provided by the Consultant, including any excess liability or umbrella form coverage, is primary coverage to the District with respect to any insurance or self-insurance programs maintained by the District and no insurance held or owned by the District shall be called upon to contribute to a loss."
 - *c) "This policy shall not be canceled or materially changed without first giving thirty (30) days' prior written notice to the District."

2. Automobile Liability Insurance

- a. Automobile Liability insurance covering bodily injury and property damage in an amount no less than one million dollars (\$1,000,000) combined single limit for each occurrence.
- b. Covered vehicles should include owned, non-owned, and hired automobiles/trucks.



Board Agenda

Public Hearing/Action

Agenda Date: August 9, 2012

Prepared By: Jane Bailey, Fiscal Officer

Topic: Proposed Final Budget FY 2012-13

Action Requested:

- 1) Conduct a Public Hearing for the purpose of reviewing the District's Fiscal Year 2012-13 Proposed Final Budget.
- 2) Adopt Resolution #12-08 (Attachment #1), thereby approving the District's budget for Fiscal Year 2012-13.

Discussion: The District offers the following analysis of the differences between the *Proposed Final Budget* for FY 2012-13 and the *Approved Revised Budget* for FY 2011-12.¹ Please refer to Table 1 (see Attachment #2) for the following discussion:

Proposed Revenue: There is a projected **\$75,673** net decrease from the *Approved Revised* FY 2011-12 Budget¹ for the total proposed Revenue of **\$3,433,548** in FY 2012-13 as compared to **\$3,487,657** in FY 2011-12. The interest revenue from the District's funds continues to drop by approximately \$50,000 for this budget cycle. One of the reasons for this is that the District drew from the Settlement Fund and the Litigation Cost Recovery Fund almost 1.9 million dollars for the Board approved purchase and refurbishment of the District facility in 2010. In the Proposed Final Budget the District proposes to commence the replenishment of the Settlement Fund by allocating \$50,000 to that fund. Also, the District does not budget the revenue from the mitigation plans that have not yet been approved by the jurisdictions that have authority over those plans. These two decreases in revenue are the main reasons for the lower projected revenue.

Proposed Expenditures: The Total Expense of **\$3,891,634** for FY 2012-13 is **\$26,351** lower than the *Approved Revised* Budget for FY 2011-12¹ that shows a Total Expense of **\$3,917,985**. This is because "Salaries and Benefits" are proposed to be \$115,230 lower in FY 2012-13 due to a planned reduction in extra-help personnel support, cost savings caused by retiring personnel and the lower entry level salary cost to fill a vacancy. See the fifth bullet on page 11 of the enclosed Proposed Final Budget for FY 2012-13 for a detailed explanation. "Supplies and Services" are proposed to be increased by \$84,879 and "Clean Air Grants (CAG) and Technology Assessment Program (TAP)" are proposed to be \$46,000 lower than the *Approved Revised* Budget for FY 2011-12. If

¹The Approved Budget for FY 2011-12 has been revised three times since the original approval. It was revised once to include the EPA 105 grant funding of \$74,866, a second time to increase the funding received from State Subvention to be used for a PSA consultant of \$5,000, and a third time to increase the funding of services from Placer County in the amount of \$10,000 from the County's Biomass Utilization Project.

Mitigation Revenue is received in the current FY 2012-13, the available CAG funding will be increased through a budget revision as has been the practice in past fiscal years.

The total proposed Revenue -- **\$3,433,548** for FY 2012-13 combined with the total "Fund Carry-Over" -- **\$790,209** from FY 2011-12 are the "Total Funds Available" -- **\$4,223,757** (see the top pie chart shown in Attachment #3).

The total proposed Expenditures -- **\$3,891,634** for FY 2012-13 plus the Total Ending Fund Balance -- **\$332,123** for FY 2012-13 equal the "Total Fund Usage" -- **\$4,223,757** (see the bottom pie chart shown in Attachment #3).

In this enclosed Proposed Final Budget for FY 2012-13 (pages 4 through 9), Staff has linked program and project resource expenditures to specific goals and objectives contained within the District's Mission Statement. Also, page 14 of the enclosed Proposed Final Budget FY 2012-13 has a complete listing of the expenditures proposed in this budget.

Fiscal Impact: The Proposed Final Budget for FY 2012-13 for **\$4,223,757** is 1.76% lower than the budget presented and approved in FY 2011-12. This proposed budget has **\$26,351** less in expenditures than the FY 2011-12 Budget and covers the operational costs, maintains services and program delivery, and provides for selected critical resource needs. It also maintains an Operations Fund Balance of **\$329,084** which is 7.8% of the total Proposed Operations Budget for FY 2012-13.

Recommendation: Having complied with the Health and Safety Code 40131 (3) (A) and 40131 (3) (B) in regards to the adoption of a board approved budget, it is recommended that the Board adopt Resolution #12-08, thereby approving the District's budget for Fiscal Year 2012-13.

Enclosure (s) #1: Proposed Final Budget FY 2012-13

Attachment(s) #1: Resolution #12-08 for the approval of the proposed Budget FY 2012-13.
#2: Table showing comparison of Proposed Final Budget FY 2012-13 and the Revised Final Budget FY 2011-12
#3: Pie Chart showing Funds Available and Fund Usage

ATTACHMENT #1

SUBJECT:

Resolution #12-08
Approval of Proposed Final Budget for FY 2012-13



Board Resolution:
Resolution #12-08

Before the Placer County
Air Pollution Control District Board of Directors

In the Matter Of: Adopt a Resolution to Approve the Placer County Air Pollution Control District’s Fiscal Year 2012-13 Final Budget.

The following Resolution was duly passed by the Placer County Air Pollution Control District Board of Directors at a regular meeting held on August 9, 2012, by the following vote:

- Ayes: Holmes, M. _____ Barkle _____ Nader _____ Weygandt _____ Ucovich _____
Holmes, J. _____ Hill _____ Montgomery _____ Garcia _____
- Noes: Holmes, M. _____ Barkle _____ Nader _____ Weygandt _____ Ucovich _____
Holmes, J. _____ Hill _____ Montgomery _____ Garcia _____
- Abstain: Holmes, M. _____ Barkle _____ Nader _____ Weygandt _____ Ucovich _____
Holmes, J. _____ Hill _____ Montgomery _____ Garcia _____

Signed and approved by me after its passage:
_____ Chairperson

Attest:
_____ Clerk of said Board

WHEREAS, on June 14, 2012, the District held a Public Hearing for the exclusive purpose of reviewing its budget and providing the public with an opportunity to comment upon the proposed District budget, as required by Health and Safety Code Section 40131 (a)(3); and

WHEREAS, The District made available to the public at least 30 days prior to the June 14, 2012, public hearing, a summary of the proposed budget, as required by Health and Safety Code Section 40131(a)(1); and

WHEREAS, The District provided public notice and direct mailings to persons subject to District fees in the preceding year at least 30 days in advance of the scheduled public hearing on June 14, 2012, as required by Health and Safety Code Section 40131(a)(2); and

WHEREAS, on August 9, 2012, the District Board held an appropriately noticed public hearing for the purpose of considering and adopting the District Budget for Fiscal Year 2012-13; and

WHEREAS, consideration of the final proposed budget has been made before a public hearing,

NOW THEREFORE BE IT RESOLVED that the Placer County Air Pollution Control District's Board of Directors hereby approves the proposed budget as the final budget of the Placer County Air Pollution Control District for Fiscal Year 2012-13, as shown in Enclosure #1 of the Staff Memorandum on the Fiscal Year 2012-13 Budget.

BE IT FURTHER RESOLVED that the Placer County Air Pollution Control District's Board of Directors hereby expressly authorizes and directs the Air Pollution Control Officer or his designee, to negotiate, sign, and amend as necessary, agreements on behalf of the District; to make such purchases; and to expend, encumber, or disencumber funds, for budgeted expenditures included in the final budget of the Placer County Air Pollution Control District for Fiscal Year 2012-13.

ATTACHMENT #2

SUBJECT:

Comparison Between
Proposed Final Budget for FY 2012-13 and the
Approved Revised Budget for FY 2011-12

**COMPARISON OF THE PROPOSED FY 2012-13
TO THE
REVISED FINAL BUDGET FOR FY 2011-12**

Table 1

Fund Carry-Over	Proposed Budget FY 2012-13	Approved Revised Budget FY 2011-12	Difference	Percentage Change
Permit Fees	836,942	764,550	72,392	9.47%
Fines & Penalties	35,000	35,000	-	0.00%
Interest	70,000	120,000	(50,000)	-41.67%
DMV (AB2766, AB923)	2,040,000	2,013,000	27,000	1.34%
Statewide PERP	43,000	43,675	(675)	-1.55%
State Subvention	106,000	102,000	4,000	3.92%
Other Government Assistance	74,866	84,866	(10,000)	-11.78%
Mitigation Fees		82,107	(82,107)	
Burn / Land / Other Permits	32,134	48,707	(16,573)	-34.03%
Per Capita Assessment	177,664	176,190	1,474	0.84%
District Facility Rental Income	15,242	14,862	380	2.56%
Miscellaneous	2,700	2,700	-	0.00%
TOTAL REVENUE	3,433,548	3,487,657	(54,109)	-1.55%
Operations Fund Carry-Over from the Previous FY*	510,247	654,583	(144,336)	-22.05%
DMV (AB2766, AB923) Carry-Over from the Previous FY	97,257	281	96,976	34511.03%
Mitigation Fund Carry-Over from the Previous FY	182,705	156,909	25,796	16.44%
TOTAL FUND CARRY-OVER	790,209	811,773	(21,564)	-2.66%
TOTAL FUNDS AVAILABLE	4,223,757	4,299,430	(75,673)	-1.76%
Fund Usage:				
Salary & Benefits	2,189,600	2,304,830	(115,230)	-5.00%
Supplies & Services	742,034	657,155	84,879	12.92%
Clean Air Grants & TAP	910,000	956,000	(46,000)	-4.81%
Building Purchase Payback	50,000	-	50,000	
TOTAL EXPENSE	3,891,634	3,917,985	(26,351)	-0.67%
Operations Ending Fund Balance **	329,084	379,125	(50,041)	-13.20%
DMV (AB2766 & AB923) Ending Fund Balance	334	410	(76)	-18.54%
Mitigation Ending Fund Balance	2,705	1,910	795	41.62%
TOTAL ENDING FUND BALANCE	332,123	381,445	(49,322)	-12.93%
TOTAL FUND USAGE	4,223,757	4,299,430	(75,673)	-1.76%

* Included in the Operations Fund Carry-Over from the previous fiscal year:	FY 2012-13	FY 2011-12
Operations Fund	\$ 230,247	\$ 449,583
Non-Tort Defense Fund	90,000	90,000
Reserve (Contingency Fund)	95,000	85,000
Building Capital Maintenance Fund	50,000	
Vehicle Replacement Fund	45,000	30,000
Total*	\$ 510,247	\$ 654,583

** Included in the Operations Ending Fund Balance:	FY 2012-13	FY 2011-12
Operations Fund ¹	\$ 34,084	\$ 99,125
Non-Tort Defense Fund	90,000	90,000
Reserve (Contingency Fund)	95,000	95,000
Building Capital Maintenance Fund	50,000	50,000
Vehicle Replacement Fund	60,000	45,000
Total**	\$ 329,084	\$ 379,125

¹\$50,000 is proposed to be moved from the Operations Fund to the Settlement Fund in order to initiate the payback plan for the District Facility Purchase.

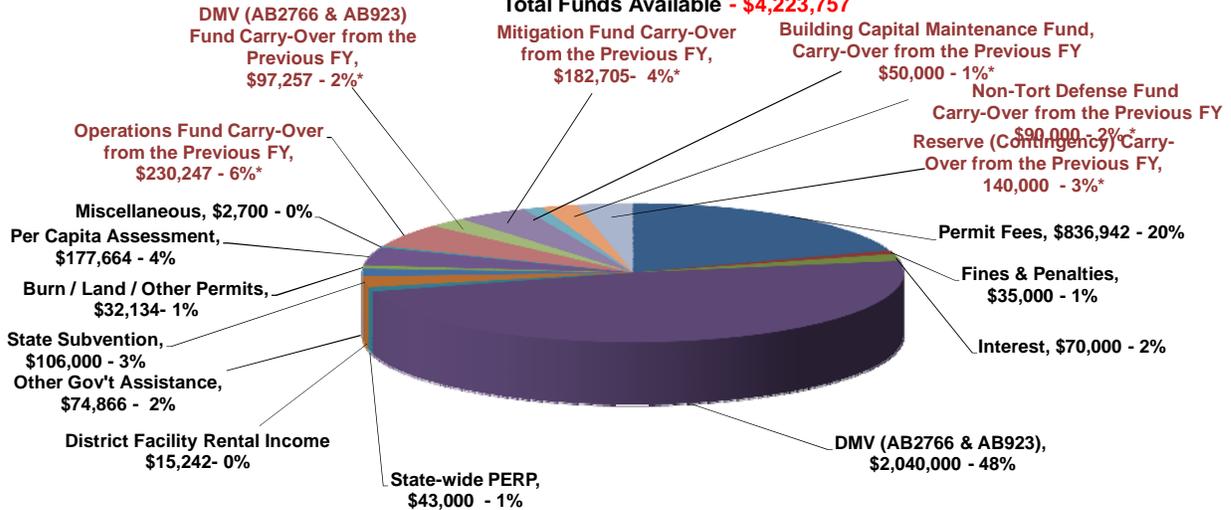
ATTACHMENT #3

SUBJECT:

Proposed Final Budget for Fiscal Year 2012-13
Pie Charts for Funds Available and Fund Usage

Consolidated Funds Available

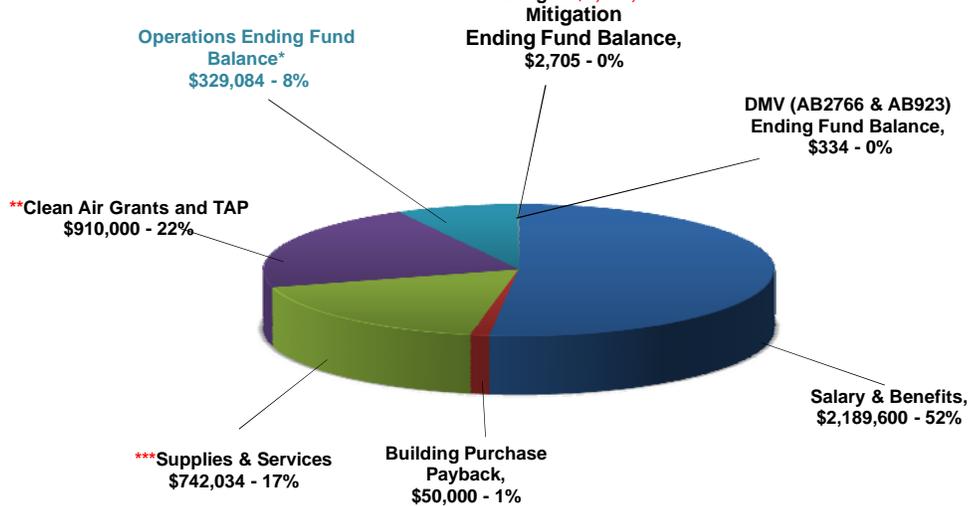
for FY 2012-13 Proposed Budget
Total Funds Available - \$4,223,757



*The total actual "Fund Carry-Over" from the previous fiscal year is \$790,208 (based on actual revenue and expenditures from FY 2011-12).

Consolidated Fund Usage

for FY 2012-13 Proposed Budget
Total Fund Usage - \$4,223,757



* The Operations Ending Fund Balance includes \$90,000 Non-Tort Defense Fund , \$95,000 Reserve (Contingency), \$50,000 Building Capital Maintenance Fund, \$60,000 Vehicle Replacement Fund, and \$34,084 general Operations Fund.

** "Clean Air Grants and TAP " are comprised of: \$670,000 from DMV Fund and \$180,000 from the Mitigation Fund for the CAG Program. This year the District is proposing to fund \$60,000 for the Technology Assessment Program (TAP).

***The "Services" contained in "Supplies and Services" are for contracted services that augment the Staff in programs and projects. These services include the Biomass Project - \$45,000; Spare the Air Program - \$7,888; Legal Support - \$100,000; Gasoline Dispensing Facility Inspections - \$15,960; Programming and Software Support - \$78,000; Air Permitting Specialist Support - \$30,000; and \$40,403 for special services that augment the existing Staff. Additional costs in the form of Liability Insurance - \$25,000; Air Monitoring Equipment Maintenance - \$15,000; District Facility Operations and Maintenance - \$55,759; Other District Participation - \$10,000 and Air Monitoring Site Construction - \$10,000 are included. The District also contracts with the County for an additional \$95,560 in administrative services.