

**EL DORADO COUNTY AIR QUALITY MANAGEMENT DISTRICT  
PLACER COUNTY AIR POLLUTION CONTROL DISTRICT  
MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding (MOU) is made between the El Dorado County Air Quality Management District (EDCAQMD), and the Placer County Air Pollution Control District (PCAPCD).

**1.0 Recitals**

- 1.1 In 2019, the United States Congress directed the Environmental Protection Agency (“EPA”) to make funds available for competitive grants to reduce air pollution in nonattainment areas, of which the Sacramento area is a top five nonattainment area for the 2006 federal 24-hour PM2.5 2006 24-hour standards.
- 1.2 The Sacramento nonattainment area (“Nonattainment Area”) includes the western portion of El Dorado County and Placer County. The eastern boundary of the Nonattainment Area in Placer County is identical to the eastern boundary of the Sacramento Valley Air Basin (“SVAB”);
- 1.3 The Sacramento Metropolitan Air Quality Management District (“Sac Metro AQMD”), as primary applicant, applied for and received an EPA Targeted Airshed Grant (“TAG”), which included funding for wood stove replacements in the Nonattainment Area portion of El Dorado County and the SVAB portion of Placer County;
- 1.4 The PCAPCD has applied for, and was approved to receive funding from the Tahoe Regional Planning Agency (“TRPA”) which is to be used for wood stove replacements and building permits in the Lake Tahoe Air Basin (“LTAB”) portion of Placer County;
- 1.5 The PCAPCD has identified and allocated existing district funding for building permits in the SVAB portion of Placer County, and wood stove replacements and building permits in the Mountain Counties Air Basin (“MCAB”) portion of Placer County, the area of Placer County that is outside of the SVAB and outside of the LTAB;
- 1.6 The PCAPCD intends to use these funding sources to implement a countywide Wood Stove Replacement Incentive Program (“Program”) for residents of Placer County;
- 1.7 Incentive funding is available on a first-come, first-served basis, and the Program will continue until the allocated funds are depleted;

**NOW, THEREFORE**, in consideration of the mutual promises hereafter set forth, the EDCAQMD and the PCAPCD agree as follows:

## 2.0 Terms and Conditions

### 2.1 Purpose of MOU

The purpose of this MOU is for EDCAQMD to accept and expend TAG, TRPA, and PCAPCD designated funds on behalf of the PCAPCD in support of the Program.

### 2.2 Term of Contract

The term of this MOU will commence upon execution by all parties and terminate on August 29, 2026, or earlier upon mutual agreement between EDCAQMD and PCAPCD.

### 2.3 Scope of Work

EDCAQMD will administer the Program for PCAPCD as detailed in Exhibit A, including, but not limited to the following:

- Enter into agreements with appropriately licensed installers in Placer County.
- Process all paperwork required by Sac Metro AQMD and EPA for the Program.
- Process all paperwork required by TRPA for the Program.
- Process claims for payment to applicants with the El Dorado Auditor/Controller.
- Invoice PCAPCD within thirty (30) days of execution of this MOU for fifty (50) percent of the administration, incentive and building permit costs associated with implementing the Program in the MCAB portion of Placer County and building permit costs in the SVAB portion of Placer County and at least one hundred eighty (180) days after execution of this MOU for the remaining fifty (50) percent (“PCAPCD Funds”).
- Invoice PCAPCD within thirty (30) days of execution of this MOU for administration, incentive and building permit costs associated with implementing the Program in the LTAB portion of Placer County (“TRPA Funds”).
- Account for and provide quarterly reports of costs incurred and EDCAQMD staff time spent performing work under this MOU and reimburse itself from the funds covered by this MOU.

PCAPCD will assist with program administration as detailed in Exhibit A, including, but not limited to the following:

- Perform pre-inspections at residences in Placer County.
- Advertise the Program in newspapers, direct mailers, etc. to residents in areas of Placer County determined to be in areas of greatest need.
- Perform targeted outreach.

### 2.4 Funding

TAG funding is provided by the 2019 Consolidated Appropriations Act and has been allocated to PCAPCD as a subrecipient to the Sacramento Metropolitan Air Quality Management District. TRPA funding is provided by the TRPA Air Quality Mitigation Fund Account and has been allocated to Placer County. PCAPCD is allocating additional district funding.

PCAPCD and EDCAQMD agree to allow EDCAQMD to receive the TAG incentive funding originally allocated to PCAPCD in performance of this MOU. EDCAQMD will invoice the Sac

Metro AQMD directly for TAG funds, including funds that will be reimbursed to PCAPCD for mailers and advertising in Placer County.

Fifty percent (50%) of the funding allocated from PCAPCD Funds and all of the TRPA Funds will be paid to EDCAQMD within thirty (30) days of receipt of invoices. A subsequent invoice for the remaining fifty percent (50%) of the PCAPCD Funds will be submitted by EDCAQMD to PCAPCD at least one hundred eighty (180) days from the execution of this MOU, and these funds will be paid to EDCAQMD within thirty (30) days of the receipt of the invoice. The amount of funding from TAG, TRPA and PCAPCD is specified in Exhibit B. Also refer to Exhibit C, Billing and Invoice Detail.

At PCAPCD's discretion, PCAPCD and TRPA funding not expended within twenty-four (24) months of the execution of this MOU will be returned to PCAPCD.

2.5 **Reporting**

EDCAQMD will provide PCAPCD with electronic copies of all reports submitted to Sac Metro AQMD, and EPA.

2.6 **Indemnification**

- a. EDCAQMD will indemnify and defend PCAPCD, its officers, agents and employees from and against all claims, demands, losses, damages, liability, costs, and expenses of whatever nature including court costs and Counsel fees, accruing or resulting to any person, firm, or corporation who may be injured by the intentional acts or negligence of El Dorado AQMD in the performance of its obligations under this MOU.
- b. PCAPCD will indemnify and defend EDCAQMD, its officers, agents and employees from and against all claims, demands, losses, damages, liability, costs, and expenses of whatever nature including court costs and Counsel fees, accruing or resulting to any person, firm, or corporation who may be injured by the intentional acts or negligence of PCAPCD in the performance of its obligations under this MOU.

2.7 **Alteration**

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

2.8 **Termination**

Either party may terminate this MOU without cause upon thirty (30) days written notice served upon the other party. Any unspent funds will be returned to PCAPCD less EDCAQMD's share of costs incurred as of the date of the notice.

2.9 **Notices**

Any notice, demand, request, consent, or approval that either party hereto may be or is required to give the other, must be in writing, and be either personally delivered or sent by prepaid, certified first class mail, return receipt requested, addressed as follows:

<b>To EDCAQMD</b>	<b>To PCAPCD</b>
Dave Johnston, Air Pollution Control Officer El Dorado County AQMD 330 Fair Lane Placerville, CA 95667 Phone (530) 621-7501 Fax (530) 295-2774	Erik White, Air Pollution Control Officer PCAPCD 110 Maple Street Auburn, CA 95603 Phone (530) 745-2330 Fax (530) 745-2373

- A. **Change of Address:** Either party may change the address for service by giving thirty (30) days advance written notice to the other party.
- B. **Effective Date:** All notices will be effective upon receipt and will be deemed received (i) upon delivery if personally delivered, (ii) on the 5<sup>th</sup> day following deposit in the mail, if sent by certified mail, or (iii) upon the date stated in the facsimile delivery confirmation, if sent by facsimile.

2.10 **Audit of EDCAQMD Records**

With regard to this MOU, EDCAQMD will maintain appropriate financial records relating to this MOU, and PCAPCD may demand access to these financial records to perform an audit of any work performed under this MOU. EDCAQMD must make these records available to PCAPCD thirty (30) days after receiving a written request for the records from PCAPCD, and EDCAQMD will retain the records until December 31, 2029.

2.11 **Timely Performance**

The parties agree to work together in good faith to timely carry out their obligations under this MOU.

2.12 **Successors and Waivers**

This MOU binds the successors of EDCAQMD and PCAPCD in the same manner as if they were expressly named. Waiver by either party of any default, breach or condition precedent will not be construed as waiver of any other default, breach or condition precedent or any other right hereunder.

2.13 **Severability**

If any provision of this MOU is held invalid or unenforceable, its invalidity or unenforceability will not affect any other provisions of this MOU, and this MOU will be construed and enforced as if the invalid or unenforceable provision had not been included.

2.14 **Statutory Limitations**

This MOU and any payments for compensation and expenses are subject to the provisions and limitations imposed by federal and State law. PCAPCD has no liability for payment of any compensation and expenses that are found to be in contravention of federal or State law provided that the payment was not made because of PAPCD’s intentional acts or negligence. EDCAQMD will reimburse PCAPCD for any funds paid by it under this MOU that are later

determined to be in contravention of any federal and State law provided that the payment was not made because of PAPCD’s intentional acts or negligence.

2.15 **Contract Administrator:** Dave Johnston is the named Contract Administrator for this MOU. It is the responsibility of the Contract Administrator to: 1) verify compliance with the terms and conditions of the MOU, 2) determine that the work has been completed, 3) ensure that funding is available to pay approved invoices, and 4) approve all invoices under the MOU.

2.16 **Authority to Bind:** The persons signing on behalf of the parties to this MOU warrant that they have the legal authority to execute this MOU.

Executed by:

El Dorado County Air Quality  
Management District

Placer County Air Pollution Control  
District

By \_\_\_\_\_ Date: \_\_\_\_\_  
Dave Johnston  
Air Pollution Control Officer  
“EDCAQMD”

By \_\_\_\_\_ Date: \_\_\_\_\_  
Erik White  
Air Pollution Control Officer  
“PCAPCD”

Approved as to form:

By \_\_\_\_\_  
Janeth SanPedro  
County Counsel  
El Dorado County

By \_\_\_\_\_  
Christiana Darlington  
District Counsel

**EXHIBIT A****EDCAQMD shall:**

- Develop and enter into agreements with woodstove installers licensed to perform work in Placer County to ensure old woodstoves are rendered inoperable and instruct residents on proper operation of new woodstove.
- Process all paperwork for the Program, including applications, payment claims, and any tracking documents required by the Program.
- Submit payment claims to the El Dorado County Auditor/Controller, approving grant reimbursements to the recipients of grant funding through the Program.
- Provide PCAPCD with electronic copies of all reports submitted to Sac Metro AQMD, and EPA.
- Invoice PCAPCD within thirty (30) days of execution of this MOU for fifty (50) percent of the administration, incentive and building permit costs associated with implementing the Program in the MCAB portion of Placer County and building permit costs in the SVAB portion of Placer County and at least one hundred eighty (180) days of execution of this MOU for the remaining fifty (50) percent (PCAPCD Funds).
- Invoice PCAPCD within thirty (30) days of execution of this MOU for administration, incentive and building permit costs associated with implementing the Program in the LTAB (TRPA Funds).
- Account for, and provide quarterly reports of, costs incurred and EDCAQMD staff time spent performing work under this MOU and reimburse itself from the funds covered by this MOU, not to exceed the amounts specified in Exhibit B.
- Provide PCAPCD with quarterly reports, in an agreed upon format, of all Placer County applications received, applications pre-approved, changeouts completed, total changeout costs, incentive funding amount per project, location by Placer County air basin (SVAB, MCAB or LTAB) and other program metrics as agreed upon by EDCAQMD and PCAPCD staff.
- Invoice Sac Metro AQMD on a quarterly basis for TAG grant eligible project costs in El Dorado and Placer Counties, eligible EDCAQMD staff costs for administering TAG funded projects in El Dorado and Placer Counties, and advertising and direct mail costs to promote the Program in El Dorado and Placer Counties. Invoice and backup documentation supporting the invoiced amount shall be submitted to Sac Metro AQMD by the 15th day of the calendar month following fiscal quarter-end (i.e., October 15th for the fiscal quarter ended September 30th).
- Prepare and submit quarterly reports, which are due to Sac Metro AQMD on January 15, April 15, July 15 and October 15 of each year during the TAG grant term.
- Prepare and submit a final report to Sac Metro AQMD within ninety (90) days of the TAG grant's project period end date or termination date of the TAG grant's EPA assistance agreement.
- Reimburse PCAPCD for TAG grant eligible advertising and direct mail costs within Placer County, not to exceed the amounts specified in Exhibit B. Payment will be made by EDCAQMD after approval of the quarterly TAG invoice by EPA, and within thirty (30) days of the receipt by EDCAQMD of the quarterly TAG reimbursement of costs from Sac Metro AQMD.

- Be responsible for administering the TAG grant portion of the Program on behalf of PCAPCD in conformance with the TAG subrecipient requirements. This will include an annual meeting with Sac Metro AQMD to perform monitoring requirements.

**PCAPCD shall:**

- Perform pre-inspections for applicants of the Program residing in Placer County, travelling to the applicants' residences to verify the non-EPA certified status of the existing woodstove as required by the Program. Upon verification of non-EPA certified status of the existing woodstove, PCAPCD staff shall:
  - Sign the application as being approved for the Program, and have the applicant sign the application.
  - Photograph the stove as currently installed on the hearth, the inside of the stove, the back of the stove, as well as photograph the signed application form.
  - Leave the signed application form with the applicant to submit with the required documents upon completion of installation of the new device, and thoroughly explain the Program's procedures to the applicant.
  - Email the photos to [aqmd@edcgov.us](mailto:aqmd@edcgov.us) or other specified staff at EDC AQMD upon returning to the office.
- Perform outreach for the Program, utilizing newspapers, direct mailers, door hangers, social media, etc. in Placer County.
- Perform targeted outreach to community groups in designated low-income communities and other identified communities.
- Invoice EDCAQMD on a quarterly basis for TAG-grant eligible advertising and direct mail costs to promote the Program in Placer County, providing backup materials necessary to document reimbursement eligibility, not to exceed the amounts specified in Exhibit B. Invoice and backup documentation supporting the invoiced amount shall be submitted to EDCAQMD by the 10<sup>th</sup> day of the calendar month following fiscal quarter-end (i.e., October 10<sup>th</sup> for the fiscal quarter ended September 30<sup>th</sup>).

<b>EXHIBIT B</b>			
<b>BUDGET</b>			
	Placer County Allocated Funds	Total by Category	Percentage by Category
<b>Expenditures</b>			
<b>Woodstove Incentives for Placer Residents</b>			
<i>EPA TAG Grant Funded Changeouts SVAB*</i>	\$ 859,854.50	<b>\$ 1,005,693.50</b>	92.85%
<i>TRPA Funded Changeouts and Building Permits (LTAB)**</i>	\$ 72,475.00		
<i>PCAPCD Funded Changeouts and Building Permits MCAB (10% of total moved to EDC Admin)***</i>	\$ 48,204.00		
<i>PCAPCD Funded Building Permits SVAB</i>	\$ 25,160.00		
<b>Administrative Costs</b>			
<b>Advertising &amp; Direct Mail Costs - Placer County Publications****:</b>			
<i>TAG grant funded</i>	\$ 14,039.70	<b>\$ 77,457.10</b>	7.15%
<b>El Dorado County AQMD staff costs:</b>			
<i>TAG grant funded</i>	\$ 49,831.00		
<i>TRPA Funded**</i>	\$ 8,766.00		
<i>PCAPCD Funded***</i>	\$ 4,820.40		
<b>Total</b>	<b>\$1,083,150.60</b>	<b>\$ 1,083,150.60</b>	<b>100.00%</b>
<p>The distribution of expenses between staff and administrative tasks are estimates only. This spreadsheet represents the composition of the MOU. In the performance of the scope of services to be provided in accordance with this budget, either party to the MOU may request to reallocate the expenses listed herein among personnel and among the various tasks identified herein, subject to mutual written agreement between the parties to the MOU. If additional funding is allocated to the Placer County APCD in the future, and both parties to the MOU agree to continue the performance of the services defined in the MOU, the additional funding will be distributed in the same method as represented in this budget.</p>			
<p><i>*amount is 50% of total amount awarded to El Dorado County and Placer County. Actual amount of funds expended on projects in each county will vary.</i></p>			
<p><i>**EDCAQMD to submit an invoice to PCAPCD for these funds within 30 days of the execution date of the MOU.</i></p>			
<p><i>***Wood stove changeout, building permit, and admin costs for changeouts in MCAB and building permits in SVAB to be billed by EDCAQMD to PCAPCD within 30 days of the execution date of the MOU and after 180 days from the MOU execution date.</i></p>			
<p><i>****advertising &amp; direct mail costs to be billed quarterly by PCAPCD to EDCAQMD by the 10th of the month following the end of each fiscal quarter.</i></p>			