

GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT



GOVERNING BOARD REGULAR MEETING INFORMATION

Meeting Date & Time

Thursday, March 8, 2018 at 10:00 a.m.

Meeting Location

City of Los Angeles Department of Water and Power Administrative
Building, Training Room 134A
111 Sulfate Road
Keeler, California 93530

District Board

John Wentworth, Town of Mammoth Lakes, Chair
David Griffith, Alpine County, Vice Chair
Ron Hames, Alpine County
Dan Totheroh, Inyo County
Fred Stump, Mono County
Matt Kingsley, Inyo County
Stacy Corless, Mono County

Phillip L. Kiddoo, Air Pollution Control Officer
157 Short Street, Bishop, California 93514
(760) 872-8211 E-mail: pkiddoo@gbuapcd.org



Great Basin Unified Air Pollution Control District

157 Short Street, Bishop, California 93514-3537

Tel: 760-872-8211 Fax: 760-872-6109

NOTICE OF PUBLIC HEARING GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT REVIEW OF 2018-2019 DISTRICT AND SB 270 BUDGETS AND ORDER

The Governing Board of the Great Basin Unified Air Pollution Control District will conduct a public hearing for the purpose of reviewing the District's annual budgets and proposed California Health and Safety Code Section 42316 fee order for the 2018-2019 fiscal year and to provide the public with an opportunity to comment on the proposed budgets. The District has prepared a summary of its proposed total annual budget for the 2018-2019 fiscal year, including a schedule of fees to be imposed by the District to fund its programs. It should be noted that a portion of the budget is funded through an order authorized by California Health and Safety Code Section 42316, which requires the City of Los Angeles to pay fees to the District based on an estimate of the actual costs to the District of its activities associated with the development of mitigation measures and related air quality analysis associated with the air quality impacts of the City of Los Angeles' water diversion, conveyance and storage activities. A copy of the budget summaries will be available for inspection at the District office at the address shown below on or after February 6, 2018. The FY 2018-2019 District (non-SB 270) budget may include an automatic adjustment to permit fees to account for changes in the California Consumer Price Index. The budgets will not be adopted at the same meeting during which this public hearing is conducted. Rather, the Governing Board will consider adoption of the budgets at its next regular meeting, scheduled for May 10, 2018.

The public hearing will be conducted at a regular meeting of the District Governing Board to be held at 10:00 a.m. on Thursday, March 8, 2018, at the City of Los Angeles Department of Water and Power Administrative Building, Training Room 134A, 111 Sulfate Road, Keeler, California 93530. The public hearing on the District's total annual budgets is set for 10:05 a.m. Written comments are invited, and should be addressed to Phillip L. Kiddoo, Air Pollution Control Officer, Great Basin Unified Air Pollution Control District, 157 Short Street, Bishop, California 93514. Written comments received by close of business on Tuesday, February 20, 2018, will be included in the staff report sent to the Governing Board members. Comments may also be made during the public hearing. For further information, call the District's Board Clerk, Tori DeHaven at (760) 872-8211.

Publication Dates

Inyo Register	January 30 & February 3, 2018
The Sheet	February 3 & February 10, 2018
Tahoe Daily Tribune	January 31 & February 3, 2018
Record Courier	January 31 & February 4, 2018



GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT

157 Short Street, Bishop, California 93514-3537

Tel: 760-872-8211 www.gbuapcd.org

GOVERNING BOARD REGULAR MEETING AGENDA

THURSDAY, MARCH 8, 2018 AT 10:00 AM

**City of Los Angeles Department of Water and Power Administrative Building
Training Room 134A
111 Sulfate Road
Keeler, California 93530**

Assistance for those with disabilities: If you have a disability and need accommodation to participate in the meeting, please call Tori DeHaven, Board Clerk, at (760) 872-8211 for assistance so the necessary arrangements can be made.

1. Call to Order and Pledge of Allegiance
2. Public Comment on Matters not on the Agenda (No Action)
3. Election of Governing Chair and Vice Chair for 2018 (Action)1
4. Adopt and Authorize the Board Chair to Sign Resolution 2018-02 Recognizing Larry Johnston's Service to the Great Basin Governing Board (Action)2
5. **10:05 a.m.: PUBLIC HEARING - Fiscal Year 2018-2019 Total District Budget** – Staff Report and Public Comments on the Draft District and SB 270 Sub-budgets (No Action – First of Two Required Budget Hearings)4
6. Consent Items (Action)
 - a. Approval of January 11, 2018 Governing Board Meeting Minutes15
 - b. Waiver of District Rule 1102 Annual \$0.55 Per Capita Town and Counties Assessment Fee for Fiscal Year 2018-201924
 - c. Approval of Contract Amendment with Ramboll in the Amount of \$75,000 to Task 2 (Hydrological Evaluation Services)26
 - d. Approval of Contract Amendment with Desert Research Institute in the Amount of \$33,620 for Task 2 (Porous Roughness Element Study)29
 - e. Approve Time Extension and Expansion of Inyo County Environmental Public Benefit Fund Expenditure for Lone Pine Veterans of Foreign War Parking Lot Paving32
7. Approval of Redirecting Unappropriated Interest to the PARS Pension Trust (Action)35
8. Keeler Dunes Dust Control Project Update (No Action)48
9. Informational Items (No Action)
 - a. FY 2017-2018 2nd Quarter Financial Reports (Oct 1 - Dec 31)55
 - b. Travel Report63
 - c. Permit Enforcement Activity Report64
 - d. Contracts Less than \$10,000 or Otherwise Within the APCO's Authority65

10. Board Member Reports (No Action)
11. Air Pollution Control Officer Report (No Action)66
12. Confirm Date and Location of Next Regular Meeting (May 10, 2018, Mono County, CA) 67
13. **CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
 - a. Russell Covington; Robert Moore; Randy Sipes; Randal Sipes, Jr.; Laborers’ International Union of North America Local Union No. 783 vs. Great Basin Unified Air Pollution Control District; Mono County Superior Court, Case No. CV140075; pursuant to subdivision (a) of Section 54956.9 of the California Government Code.
 - b. Mammoth Community Water District vs. Great Basin Unified Air Pollution Control District; Mono County Superior Court, Case No. CV140076; pursuant to subdivision (a) of Section 54956.9 of the California Government Code.
14. Field trip to Keeler Dunes and Owens Lake – Transportation will be provided for the Board. Limited additional transportation may be available. The public is responsible for providing its own transportation. Lunch provided by Great Basin Unified APCD at Plover Wing Plaza (No Action)68
15. Return to Training Room 134 A for adjournment

(All Meetings Are Electronically Recorded – All public records relating to an agenda item on this agenda are available for public inspection at the time the record is distributed to all, or a majority of all, members of the Board. Such records shall be available at the District office located at 157 Short Street, Bishop, California.)



GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT

157 Short Street, Bishop, California 93514-3537

Tel: 760-872-8211

BOARD REPORT

Mtg. Date: March 8, 2018

To: District Governing Board

From: Tori DeHaven, Clerk of the Board

Subject: Election of Board Chair and Vice-Chair for 2018

Each year, after January, when Great Basin's member agencies appoint their representatives to the District Governing Board, the Board elects its Chair and Vice-Chair for the calendar year. Although the Governing Board is not restricted in any way in the selection of officers, historically the Board has observed a rotation of positions among the four government agencies that compose the District. The rotation order has been Alpine, Inyo, Mono and Mammoth Lakes. If that rotation is to be observed this year, it is Alpine County's turn as the Chair (David Griffith or Ron Hames) with Inyo County as the Vice-Chair (Matt Kingsley or Dan Totheroh). David Griffith was the Vice-Chair and John Wentworth was the Chair for 2017; staff thanks both for their service.

Fiscal Impact

None.

Staff Recommendation

Staff recommends that the Board nominate and elect a Chair and Vice-Chair for 2018.

Election of Board Chair and Vice-Chair for 2018

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GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT

157 Short Street, Bishop, California 93514-3537
Tel: 760-872-8211 Fax: 760-872-6109

BOARD REPORT

Mtg. Date: March 8, 2018

To: District Governing Board

From: Phillip L. Kiddoo, APCO

Subject: Resolution for Larry Johnston, Great Basin Unified Air Pollution Control
District Governing Board Member

Summary:

The Governing Board expressed a desire to recognize and honor Larry Johnston's many years of service as a Governing Board member of Great Basin Unified Air Pollution Control District upon his sudden and unexpected departure from the Board. Larry Johnston's service on the Governing Board started in 2011 when he was elected as a Mono County Supervisor for Supervisorial District #1, representing the central and eastern part of the Town of Mammoth Lakes. His service continued for seven years to the end of 2017. While the attached resolution cannot possibly encompass all of the accomplishments of Larry's contribution to the District over the last seven years, it is meant to be an overview of his valuable service to protect the public health and environment from the harmful effects of air pollution within the tri-county Great Basin Unified Air Pollution Control District.

Board Action:

Adopt and authorize the Board Chair to sign Resolution 2018-02 recognizing Larry Johnston, Governing Board Member, upon his departure from the Board.

Adopt and Authorize the Board Chair to Sign Resolution 2018-02 Recognizing Larry Johnston,
Great Basin Unified Air Pollution Control District Governing Board Member (Action)
March 8, 2018 – Agenda Item No. 4 – Page 1

RESOLUTION 2018-02 OF THE GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT GOVERNING BOARD

Whereas, Larry Johnston, Governing Board Member, has left the Great Basin Unified Air Pollution Control District Governing Board on January 2, 2018, after seven years of dedicated service to the District and the citizens of and visitors to Alpine, Mono, and Inyo counties; and,

Whereas, Larry Johnston's service on the Governing Board started in 2011 when he was elected as a Mono County Supervisor for Supervisorial District #1, representing the central and eastern part of the Town of Mammoth Lakes; and,

Whereas, Larry Johnston served honorably as Chair of the Governing Board in 2012, Vice-Chair in 2015 and Chair 2016; and,

Whereas, Larry Johnston's leadership was a critical part of the negotiations that led to the Settlement Agreement and Stipulated Order of Abatement in 2013 and the Stipulated Judgment of 2014; and,

Whereas, Larry Johnston served as a member of the Governing Board Hiring Committee and Screening Committee in 2015 for filling the District's Air Pollution Control Officer vacancy; and,

Whereas, Larry Johnston's participation as member of the Governing Board was vital for productive discussion and important decision making; and,

Whereas, during Larry Johnston's tenure as a member of the Governing Board, other critical noteworthy accomplishments include; adoption of order to the City of Los Angeles to pay District legal costs associated with implementing, defending, and enforcing Owens Lake 2011 Supplemental Control Requirements Determination, approval of Clean Air Projects Program projects funding, adoption of District Rule 701 – Air Pollution Episode Plan, settlement and implementation of the Keeler Dunes Dust Control Project, approval of the District's Town of Mammoth Lakes PM10 Planning Area redesignation request, distribution of Mono County Environmental Public Benefit funds, adoption of Board Order 160413-01 for the City of Los Angeles Department of Water and Power to install, operate, and maintain additional dust control measures on Owens Lake, adoption of Rule 433 – Control of Particulate Emissions at Owens Lake, and adoption of the 2016 Owens Valley Planning Area PM10 State Implementation Plan; and,

Now, Therefore Be It Resolved, that the Great Basin Unified Air Pollution Control Governing Board hereby recognizes and expresses our sincere appreciation to Larry Johnston for his dedicated service, his impeccable representation of the citizens and visitors to Alpine, Mono, and Inyo counties, his loyalty to the District, and his unwavering devotion to the noble cause of clean air for all.

Governing Board Chair
March 8, 2018



GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT

157 Short Street, Bishop, California 93514-3537
Tel: 760-872-8211 Fax: 760-872-6109

BOARD REPORT

Mtg. Date: March 8, 2018

To: District Governing Board

From: Phillip Kiddoo, Air Pollution Control Officer
Susan Cash, Administrative Projects Manager

Subject: **Public Hearing** – Fiscal Year 2018-2019 Draft Budget
Staff Report and Public Comments on the District and SB 270 Sub-budgets

State law requires that all air pollution control districts hold a public hearing on their proposed budgets at a meeting separated by at least two weeks from the meeting at which they adopt the budgets (CH&SC §40131). Today's public hearing is on the entire budget, including the sub-budgets referred to as the "District" budget and the "SB 270" budget. Those proposed budgets are discussed in this report. No formal action for approval of the budget is to be taken at this time. Instructions can be given to staff to modify the budget based upon Board and public input at the hearing and other decisions made during the regular meeting. The budget will be adopted at the Board's May meeting.

District Budget Overview

The District Budget is funded primarily by permit/air monitoring fees (~80%) and state subvention funds (~20%). The Regular District budget covers the permitting of commercial sources, air quality planning and monitoring not associated with the water-gathering activities of the City of Los Angeles Department of Water and Power (City or LADWP), and enforcement of air quality rules and regulations.

Base District Budget. The District Budget for fiscal year FY 2018-2019 is \$656,750. Compared to FY 2017-2018, expenses are estimated to be \$42,050 lower (-6.02%). Anticipated revenue will balance the 2018-2019 budget.

Normal employee costs are up by \$12,100 (2.44%) primarily due to normal and contractually required step increases and Cost of Living Adjustments. Retirement costs have decreased because in July 2017, the Board approved a contribution to pay off the District's (non-SB270) actuarially determined share of pension liabilities through June 30, 2015. Therefore, the annual contribution decreased from prior years. An actuarial valuation for retiree medical liabilities was updated through July 1, 2017 and no significant contributions for 2018-2019 are suggested by the actuary.

Revenue for the FY 2018-2019 District budget (non-SB 270) is projected to decrease by \$42,050 (-6.02%) mainly due to a lack of transfer from the Capital Asset Reserves as no purchases are planned. It is anticipated that the State subvention allocation will remain steady, as the District has received its full allocation the past four fiscal years and there has been no word of reductions.

FY 2018-2019 revenue incorporates the Governing Board's waiver of the per capita revenue source (later on today's agenda). Given the District's reserve policy¹, fee payers and permit holders did not see an out-of-pocket fee increase the last six years (FYs 2012-2013 through 2017-2018) and based on the current proposed budget, this will again occur in FY 2018-2019. The District annually calculates and adjusts the fees due based on the Consumer Price Index (CPI) and the Governing Board must take action annually to waive the automatic CPI increase. Should the CPI waiver be approved, a rebate or subsidy of that amount for that fiscal year is applied and reflected on the invoice. If in a subsequent year the CPI waiver does not apply, then the difference, as opposed to cumulative, in the CPI rate from the last adjustment and the current CPI rate will be in effect and invoiced.

District budget reserve funds are available to make up any potential revenue shortfall. The following tables provide details regarding the proposed District budget expenditures and revenues. The District budget contains a special sub-account funded by the \$10 million public benefit contribution from the City to control PM10 emissions at the Keeler Dunes (Table 3). This was a result of the 2013 Settlement Agreement dated August 19, 2013 (2013 SA) and is a part of the District budget and not the SB 270 budget or assessment. NOV #461 and subsequent board action (Board Order #161110-05) added \$1.2 million to this sub-account.

The Keeler Dunes Special Fund budget for 2018-2019 is \$148,062. Compared to FY 2017-2018, expenses are estimated to be \$1,139,141 lower. The majority of this difference is due to the large contract created in FY 2017-2018 with Nature's Image. The unspent funds from that contract will carry over into this year but have been accounted for as "budgeted" in FY 2017-2018 and won't be adjusted to actuals until the close of the 2017-2018 fiscal year. Removing that anomaly from the figures produces an anticipated increase in spending of less than \$7,000 over last year.

District (Non-SB270) Budget Narratives

This section breaks down the District by functional divisions and discusses the accomplishments each division has made or will make during the FY 2017-2018, as well as the expected accomplishments for the FY 2018-2019, subject to the Governing Board's approval of the proposed budget that supports these goals.

KEELER DUNES DUST CONTROL PROJECT

The District is implementing the Keeler Dunes Dust Control Project per the 2013 Settlement Agreement between the District and the City of Los Angeles Department of Water and Power (LADWP). Project construction began in September 2014. The project was originally designed to

¹ Policy: If the District (non-SB270) reserves are above 20% of the adopted final budget in May/June, then any automatic CPI increase for permit fees will not take place for the upcoming fiscal year.

be completed in December 2017 but has been extended for 18 months until June 2019. The District Governing Board approved the extension in November 2017 as part of the long-term planning effort.

Project Goal:

The main project goal is to attain the Federal and California State PM10 standards in the communities of Keeler and Swansea from dust from the Keeler Dunes. The project is designed to create a stable self-sustaining vegetated dune system similar to other systems in the Owens Lake area.

Project Accomplishments:

The Keeler Dunes Dust Control Project is in its fourth year of work. Two of the main components of the project (the irrigation system and straw bale placement) have been completed. The third main component, plant establishment has been more difficult than expected both in terms of getting the needed plant material and also in having plants survive in the field. There were three planting phases conducted over the first three years of the project, with a fourth planting effort underway at the time of writing of this report. The current planting effort has been modified significantly from previous efforts with changes made based on things that have been learned over the course of the project.

Overall the project has decreased the overall amount of dust in the local area and in the community of Keeler but has not yet achieved its goal of reduction in PM10 below the Federal and State standards. One of the main difficulties in achieving the project goal is the continued activity of the southern portion of the dunes such that changes to the project design have been implemented.

Although the main project goal has not yet been achieved, there are signs of success that are encouraging including: stabilization of the northern two-thirds of the project, successful planting work from January 2015, recruitment of native annual and shrub volunteers within the project during the relatively wet winter and spring of 2017, and significant increases in observed wildlife within the dunes.

A brief synopsis of the work completed during each of the project years is provided below.

- **Year 1 (Fall 2014 to Summer 2015):** During the first year; the temporary irrigation system was installed, ~66,000 straw bales were placed, and ~15,000 plants were installed by Barnard Construction Company.
- **Year 2 (Fall 2015 to Summer 2016):** Approximately 15,000 straw bales were placed in the project to complete original bale placement design. An additional 75,000 plants were installed in the project. Supplemental irrigation events were conducted in the fall of 2015 and Spring 2016. Seed was collected by Comstock Seed in Fall of 2015 for grow-out of additional plants. Greenheart Farms was selected through bid process for propagation of 77,000 additional plants, plants and started at the nursery in Spring 2016. Supplemental irrigations of plants material were conducted in the Fall 2015 and Spring 2016.

- **Year 3 (Fall 2016 to Summer 2017):** Bale mounds were installed in Southern Dunes. Seed was collected by Comstock Seed in Fall of 2016 for grow-out of additional plants. Greenheart Farms was contracted to grow-out 25,000 additional plants, plants were started at the nursery in Spring 2017. Supplemental irrigations of planted material were conducted in Fall 2016, Spring 2017 and Summer 2017. A long-term planning effort was conducted to decide how to move forward with project and achieve the project goals.
- **Year 4 (Fall 2017 to Fall 2018):** *In progress.* Additional bale mounds were installed in the Northern Dune and Southern Dunes. Seed was collected by Comstock Seed in Fall of 2017 for up-coming seed test and potential future grow-out of additional plants. The work design was changed to have a full-time crew of three local workers present on site in the project. Supplemental irrigation was conducted in the fall of 2017. Planting of 25,000 additional plants in the dunes in specific target plant zones (*in progress at the time of writing*). The contract with Barnard Construction ended in November 2017 and a new contract was executed with Nature's Image for operation and maintenance of the project through June 2019. Supplemental irrigations are planned for the Spring 2018 and Summer 2018. Planned implementation of small-scale direct seeding test in February/March 2018.

Long-Term Project Plan:

The main work activity over the next 18 months of the project is to nurture the plants that have been installed over the past 4 years. This primarily consists of providing continued irrigation during plant establishment so that the plants mature and develop a root system capable of tapping into available moisture within the dunes so that they can survive on their own. In addition to irrigation, young plants maybe unburied if they become covered with moving sand.

In addition to watering existing plants, a small-scale test of two potential methods of direct seeding will be conducted in the project area. The test is scheduled to begin in February/March 2018. Two methods of direct seeding will be tested including hydroseeding and distribution of prilled (clay covered) seed. The test plots will be irrigated with sprinklers to mimic natural rain fall and encourage seed germination. The seed material for the test was collected in the Fall of 2017 by Comstock Seed. If the test is successful, the results may be used to help get additional plants established in the dunes in targeted locations.

A protected nursery was built in the Fall of 2017 in the yard at the District's Keeler Field office to allow the 25,000 planted being installed in January 2018 to acclimate to the local conditions. Once the plants are installed in the field, this nursery facility may be used on a limited scale to start and grow-out plants for the project.

The District will continue to oversee and manage the project with the assistance of staff from Amec Foster Wheeler. Day-to-day work in the dunes will be completed by the three-person full time local work crew from Nature's Image. Duties for the work crew include, irrigation of plants in the project, general care of installed plants, maintenance and minor repairs of the irrigation system, removal of invasive weeds from within the project area, operation and maintenance of the small-

scale direct seed test areas, repair of bale mounds, and general maintenance of project infrastructure and facilities.

AIR MONITORING DIVISION

See SB 270 Assessment for narrative; similar functions performed for District.

Additional District-specific functions: The Division installed and began operation of two new filter-based monitors at White Mountain Research Center (WMRC). Also at WMRC following extensive testing the community PM10 and PM2.5 continuous monitors were replaced by one monitor, a Teledyne T640x that continuous measures both PM2.5 and PM10. The District's operations of gaseous monitors at the NCore station at WMRC were refined following an independent Technical Systems Audit. Goals for the future fiscal year include replacement of equipment at the Mammoth Lakes monitoring station.

PERMITTING AND ENFORCEMENT DIVISION

The Permitting and Enforcement Division enforces federal, state and local air quality rules and regulations in Alpine, Mono and Inyo Counties through regulation, permitting, planning, field inspections, enforcement and public education. The Permitting and Enforcement Division is responsible for the issuance of air quality permits for stationary equipment and the management of the resulting emissions. The Division also implements the Smoke Management Program and the Asbestos Program for the District. During the 17/18 FY, in addition to routine permitting, inspections and handling of non-compliance issues, the Division focused on reviewing historical practices to find areas in need of updating. Notable changes included consolidation and streamlining of billing, a comprehensive evaluation of District rule and regulations to prioritize necessary revisions, and development of a new settlement procedure. For the future fiscal year, the Division looks forward to seeking Board approval for implementation of a new Mutual Settlement Program and several rule revisions. The Division will also be performing an evaluation all fee schedules during the 2018-2019 FY. Lastly, the Division plans to develop a new permitting and inspection database to modernize and improve District operations and capabilities.

DATA SYSTEMS AND TECHNOLOGY DIVISION

See SB 270 Assessment for narrative; similar functions performed for District.

ADMINISTRATIVE SERVICES DIVISION

See SB 270 Assessment for narrative; similar functions performed for District.

TABLE 1

2018.02.06

FY 2018-19 **DISTRICT** BUDGET

EXPENSES	2017-2018 Budget	2018-2019 Budget	% Change
I. Employee Costs			
A. Employee Wages	322,500	336,500	4.34%
B. Retirement	57,700	54,500	-5.55%
C. Insurance Benefits	57,500	54,000	-6.09%
D. Taxes	55,600	60,000	7.91%
E. Worker's Compensation Insurance	3,100	3,500	12.90%
Employee costs	496,400	508,500	2.44%
II. Operating & Compliance Costs			
A. Advertising - Legal Notices & Ads	4,000	2,200	-45.00%
B. Dues, Subscriptions, Education, Use Tax, Fees, AB2588	10,000	6,100	-39.00%
C. Equipment: Computer, Furniture, General, Office, Safety, Scientific, Software, Furniture (<\$5,000 ea)	18,000	15,500	-13.89%
D. Fuel & Gasoline	4,300	4,000	-6.98%
E. Health & Safety	1,000	1,000	0.00%
F. Insurance - Liability, Fire & Casualty	10,000	9,500	-5.00%
G. Leases & Rents: Equipment, Office, Site, Storage	25,700	23,000	-10.50%
H. Maintenance & Repairs of Equipment - Labor	12,000	10,000	-16.67%
I. Maintenance & Repairs of Equipment - Materials	12,000	15,000	25.00%
J. Postage & Shipping	1,000	1,000	0.00%
K. Professional & Special Services	45,000	8,800	-80.45%
L. Supplies & Tools (In Field, Office, General Use)	3,000	2,500	-16.67%
M. Transportation & Travel	5,500	4,900	-10.91%
N. Utilities	8,500	6,400	-24.71%
O. Public Assistance/Grant Programs	6,000	6,000	0.00%
Operating & Compliance Costs	166,000	115,900	-30.18%
III. Materials and Equipment			
A. Equipment: Computer, Furniture, General, Office, Scientific, Software, Furniture (>\$5,000 ea)	31,400	27,850	-11.31%
B. Capital Expenditure Fund: Vehicles & Equipment	5,000	4,500	-10.00%
Materials and Equipment	36,400	32,350	-11.13%
FY 2018-19 TOTAL DISTRICT EXPENSES	698,800	656,750	-6.02%

EPA 105 Grant (Restricted)	71,899	71,889	(10)
EPA PM2.5 Grant (Restricted)	23,245	23,245	-

General Fund Reserve as of January 31, 2018

1,045,489

TABLE 2

FY 2018-2019 DISTRICT BUDGET

REVENUE	2017-18	2018-2019	% change
I. Fees, Permits & Penalties			
A. AB2588 - Toxic Hot Spots	1,500	1,500	0.00%
B. Conservation Mgmt Plan/Prescribed Burn Plan	5,000	5,000	0.00%
C. Geothermal	309,000	310,000	0.32%
D. Hearing Board	-	-	
E. Initial Permit Fees (FF, ATC, Mods)	30,000	30,000	0.00%
F. Penalties & Late Fees	20,000	7,500	-62.50%
G. Sources (Asbestos, Diesel, Fuel, Electric, PERP)	114,400	115,000	0.52%
H. Service Station Vapor Recovery	15,000	15,000	0.00%
Fees, Permits & Penalties	494,900	484,000	-2.20%
II. Other Revenue			
A. Air Monitoring Audits	0	0	
B. Interest	2,000	2,000	0.00%
C. Per Capita Fee	0	0	
D. Sales, Services, Fees, Rebates & Refunds	2,000	7,250	262.50%
E. State Subvention (3 counties)	138,500	138,500	0.00%
F. Town of Mammoth Lakes (Air Monitoring)	25,000	25,000	0.00%
G. From Capital Asset Reserves: E&M	36,400		-100.00%
H. From Reserves:Unfunded Pension Liabilities			
Other Revenue	203,900	172,750	-15.28%
FY 2018-19 TOTAL DISTRICT REVENUE	698,800	656,750	-6.02%

EPA 105 Grant (Restricted)

71,889

71,889

-

EPA PM2.5 Grant (Restricted)

23,245

23,245

-

TABLE 3

2018.02.06

FY 2017-18 DISTRICT SPECIAL FUND ACCOUNTS (Non-SB270)

	2013-2017	2017-18	2018-19	
Keeler Dunes Project	Years 1-4 Actuals	Year 5 - Budgeted	Year 6 - Budgeted	Total
I. Administration				
A. Professional Services - AMEC	534,578	50,000	40,000	624,578
II. Project				
A. BLM Fee	24,263	20,000	5,000	49,263
CEQA - Notice of Determination Fee	3,030	-	-	3,030
State Water Resources Control Board Fee	9,634		7,000	16,634
Fees: Other	-	-	-	-
B. EIR & CEQA: Sapphos (Dec. 1, 2013 and forward)	346,521	-	-	346,521
EIR & CEQA: Sapphos (Pre-Construction Cultural Survey)	18,653	-	-	18,653
C. Equipment, Seeds, Supplies, Misc.	12,247	5,000	7,000	24,247
D. Construction: Barnard, Nature's Image	6,919,413	1,146,003	-	8,065,416
E. Straw Bales: Myers Farms (March 2014)	144,442	-	-	144,442
Straw Bales: Long Valley Hay (January 2015)	260,105	-	-	260,105
Straw Bales: R.S. Green (March 2014)	181,097	-	-	181,097
Straw Bales: R.S. Green (March 2015)	93,300	-	-	93,300
Straw Bales: R.S. Green (May 2015)	42,500	-	-	42,500
F. Plant Propagation: Antelope Valley Resource/Greenhart Farms	502,400	-	-	502,400
G. Straw Bale Demonstration Test- DRI	37,218	-	-	37,218
H. KCSD Water System Upgrade	25,000	3,000	-	28,000
I. KCSD Irrigation Water	3,505		5,000	8,505
J. Water Well Monitoring & Lab Analysis	1,965		2,500	4,465
	-			
III. Employee Costs	-			
A. Senior Scientist (.20)/Field Services Tech (.30)/Technical Svcs Spec (.10)	172,882	63,200	81,562	317,644
TOTAL DISTRICT SPECIAL FUND ACCOUNTS	9,332,752	1,287,203	148,062	10,768,017

Keeler Dunes Project Funding

LADWP Public Benefit Contribution (Dec. 5, 2013)	10,000,000		10,000,000
NOV #461 transfer per B/O #161110-05	-	1,199,707	1,199,707
Interest	57,594		57,594
Refund from AVRCD	35,000		35,000
Refund from Myers Farms	94,992		94,992
			11,387,293

*FY 2013-14 Special Fund Account budget of \$355,000 was from the Owens Lake Trust Fund for the Keeler Dunes EIR & Science.

Budget Difference (spent-project funding) **619,276**

SB 270 Fee Assessment Budget

The annual SB 270 budget and fee assessment is the District's estimate of the cost to maintain the level of effort necessary to address violations of state and federal air quality standards due to the water-gathering activities by the City of Los Angeles within the District's boundaries. The assessment is a fee as provided for in Section 42316 of the California Health & Safety Code. The fee funds the cost of monitoring air quality affected by the City's water-gathering activities, the development of air quality plans, monitoring the City's implementation of control measures, enforcing control measure compliance, control measure research, legal fees to enforce and defend its decisions, and collection of data on significant Owens Lake area environmental resources for California Environmental Quality Act (CEQA) purposes.

During the period between this initial public hearing for comment on the budget and the May Board meeting to adopt the budget and order to the City to pay the SB 270 assessment, District staff invites representatives from the City to meet to discuss and finalize the proposed assessment. The City received a copy of the proposed assessment via email, and as of this report deadline have made no comment.

The SB 270 fee assessment includes the costs associated with District employees working on SB 270 matters. The assessment also includes general recurring operating costs, the cost of enforcing air quality requirements, long-term or ongoing project costs and material/equipment costs. Funding for dust source research and consulting have been incorporated into professional services.

Included with your Board packet materials for this meeting is a separately bound February 6, 2018 dated document titled, *2018-2019 Fiscal Year SB 270 Budget and Fee Assessment*. District staff has distributed this document to the Board as well as to City of Los Angeles. It is available, upon request, to any interested party. The assessment is summarized below—assessment details can be found in the above referenced *Assessment* document.

The SB 270 fee includes the estimated cost of all District employees (wages and benefits), operating costs (rent, utilities, insurance, supplies, travel and professional services associated with regular budget activities), and equipment costs associated with the LADWP's efforts to control the air pollution caused by its water-gathering activities. The proposed fee total is \$5,128,500. Compared to the 2017-2018 fee total of \$5,025,500, the proposed fee total represents an increase of 2.05% (\$103,000). The 2018-2019 budget contains estimates in each category to meet commitments made by the District in the 2016 SIP Board Order¹, Phase 9/10² EIR, December 2014 Stipulated Judgment³, and 2010 Coso Junction Maintenance Plan⁴. These commitments include: 1) maintenance and replacement of air monitoring equipment at Owens Lake; 2) consultant fees necessary to carry out committed regulatory and compliance tasks at Owens Lake and Mono Lake; and 3) the December 2014 Stipulated Judgment³ to implement the terms of the stipulation and agreement. The Owens Lake Scientific Advisory Panel (OLSAP) deferral came to an end in July 2017 and this budget does not add anything to the \$750,000 carried over from the FY 2015-2016 budget. The increase in the proposed fee from the 2017-2018 fee is primarily due to planned control measure testing and increases in equipment purchases.

The Stipulated Judgment entered by the California Superior Court on December 30, 2014 (2014 Stipulated Judgment) included resolutions of several dust control matters at Owens Lake².

The 2014 Stipulated Judgment provides for financial support by the LADWP of the OLSAP, (Paragraph 12.G). Initial funding for the OLSAP was made pursuant to fee orders by the District per California Health & Safety Code §42316 for FY 2015-2016. Activation of the OLSAP was deferred until July 2017 such that the funds from 2015-2016 remain unspent. The LADWP is responsible for providing additional funding to the OLSAP for reporting and analyzing new and relevant testing data up to \$2,000,000 annually. Although the OLSAP deferral came to an end in July 2017, this budget adds no funds to the OLSAP as the District still has \$750,000 unspent from FY 2015-2016.

Compared to 23 years ago in 1995, the proposed FY 2018-2019 SB 270 estimated budget and fee assessment has increased a total of \$442,086 (9.43%). Compared to the 2007 assessment of \$5,816,250 when the LADWP and District were implementing the 2006 Settlement Agreement, the proposed FY 2018-2019 assessment is \$687,750 less (-11.82%). Since 1995, the California consumer price index has increased by 41.40% and by 41.71% since 2007.

Fiscal Impact

The proposed total budget for all 2018-2019 District and SB270 activities is \$5,933,312. This is \$1,078,191 less than or a 15.38% decrease from the 2017-2018 total budget of \$7,011,503. Details of the specific increase and decreases can be found in the included and attached tables and the *2018-2019 Fiscal Year SB 270 Budget and Fee Assessment (Draft)*. Total costs will be funded by a combination of permit fees, state subvention, project funds and SB270 fees charged to the City of Los Angeles.

Board Action:

Staff recommends that the Board conduct the first of two public hearings on the total budget, consisting of the District and SB 270 sub-budgets and direct staff to make any changes based upon the results of the public hearing. The budgets are a no-action item at this time and but will be adopted at the May 2018 Board meeting.

Attachments:

1. Total District Budget Summary
2. *2018-2019 Fiscal Year SB 270 Budget and Fee Assessment (Draft)*, dated February 6, 2018 (bound separately)

² 2011 SCRD, 2012 SCRD, 2013 SCRD, 2014 SCRD (2014 Stipulated Judgment p. 17-18).

TOTAL GBUAPCD BUDGET

2018.02.06

FY 2018-19 DISTRICT AND SB 270 BUDGET

	2017-2018	2018-2019	% Change
DISTRICT			
I. Employee Costs	496,400	508,500	2.44%
II. Operating & Compliance	166,000	115,900	-30.18%
III. Materials & Equipment	36,400	32,350	-11.13%
IV. Special Fund Account	1,287,203	148,062	-88.50%
Total District	1,986,003	804,812	-59.48%
SB 270 FEE			
I. Employee Costs	2,869,000	2,774,500	-3.29%
II. Operating & Compliance	1,915,500	2,083,000	8.74%
III. Materials & Equipment	241,000	271,000	12.45%
Sub-Total SB 270 Fee	5,025,500	5,128,500	2.05%
IV. Owens Lake Scientific Advisory Panel	-	-	
Total SB 270 Fee	5,025,500	5,128,500	2.05%
Less Reserve Policy Credit	166,382	-	-
SB 270 Fee Due	4,859,118	5,128,500	5.54%
TOTAL DISTRICT AND SB 270 BUDGET	7,011,503	5,933,312	-15.38%



GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT

157 Short Street, Bishop, California 93514-3537

Tel: 760-872-8211 Fax: 760-872-6109

BOARD REPORT

Mtg. Date: March 8, 2018

To: District Governing Board

From: Tori DeHaven, Clerk of the Board

Subject: Approval of the January 11, 2018 Regular Governing Board Meeting Minutes

Summary:

Attached for the Board's approval are the minutes from the January 11, 2018 regular meeting held in Independence, California.

Board Action:

Staff recommends that the Board review and approve the minutes from the January 11, 2018 meeting.

Attachment:

1. January 11, 2018 minutes

GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT
GOVERNING BOARD MINUTES

January 11, 2018

(All Meetings Are Mechanically Recorded)

The Great Basin Unified Air Pollution Control District Governing Board of the Counties of Alpine, Inyo and Mono, State of California met at 10:00 am on January 11, 2018 in the Inyo County Administrative Center, Board of Supervisors Chamber, 224 North Edwards Street, Independence, California 93526.

Governing Board members present:

John Wentworth, Board Chair, Town of Mammoth Lakes
David Griffith, Board Vice Chair, Alpine County
Fred Stump, Mono County
Stacy Corless, Mono County
Matt Kingsley, Inyo County
Dan Totheroh, Inyo County
Ron Hames, Alpine County

Governing Board members absent:

None

A quorum was present.

GBUAPCD staff present:

Phill Kiddoo, Air Pollution Control Officer
Ann Logan, Deputy Air Pollution Control Officer
Susan Cash, Administrative Projects Manager
Lajos Kurucz, Air Monitoring Technician II
Tori DeHaven, Clerk of the Board

Members of the public included: (as indicated by voluntary sign-in)

Paul Lamos, Rio Tinto Minerals
Ron Ward, Rio Tinto Minerals

Agenda Item #1
Call to Order
Pledge of Allegiance

Board Chair Wentworth called to order the regular meeting of the Governing Board at 10:01 a.m.

Board Chair Wentworth then led the Pledge of Allegiance.

Agenda Item #2
Public Comment on
Items not on the
Agenda
(No Action)

Board Chair Wentworth asked for public comment on items not on the agenda at 10:03 am.

Mr. Patrick Hayes, General Manager of Mammoth Community Water District (MCWD), indicated that he wished to speak regarding ORMAT's proposed Casa

Diablo IV project and what has transpired since the Governing Board (Board) approved the environmental documents in 2013. He noted that MCWD has been concerned about the geothermal extractions in the Mammoth Lakes area since at least 2006 and in the coming weeks a report from the U.S. Geological Survey (USGS) is going to be released. The report supports concerns that there are impacts, specifically in the Basalt Canyon area, from geothermal extraction that are not necessarily related to volcanic activity. Impacts include an increase in soil temperature at the ground surface, greater emissions of carbon dioxide, increased tree kills and a detection of isobutane which is used by ORMAT in their binary power production process. These impacts indicate that there is no impermeable barrier between the geothermal system and the ground surface. In previous models, ORMAT made an assumption that there were, in fact, impermeable barriers. The USGS data are there and clearly indicate that is intermixing with geothermal fluids and the MCWD's groundwater well 17 and monitoring well 26 which means that the assumptions stated in the Environmental Impact Report (EIR) are flawed. On that basis MCWD believes there is enough evidence that there are impacts and potential impacts and that if ORMAT continues with their plan to install sixteen additional extraction wells that the problem will be exacerbated and will be a direct threat to the only reliable groundwater source available on a year-round basis. Although MCWD does not oppose the project, they do believe there needs to be proper controls and a means to determine how this process will evolve as ORMAT begins to extract a lot more hot water. The USGS and its experts have proposed that an additional deep groundwater monitoring well needs to be put between the two systems (shallow groundwater and deep groundwater). In the meantime, MCWD believes that a supplemental EIR should be opened up to address the previously made assumptions which have been proven to be incorrect.

Board member Stump suggested that, in light of the active litigation regarding this topic, the Board ask staff to contact legal counsel to see if it would be appropriate to have the MCWD make a presentation at the next Board meeting so that the Board can engage in the discussion. If it is appropriate that it is so agendized.

APCO Kiddoo explained that this item is addressed in closed session item 11b.

Mr. Paul Lamos, Rio Tinto Minerals/U.S. Borax, announced that he will be retiring, and that Mr. Ron Ward will be taking his place. Mr. Lamos has been actively involved in Owens Lake issues for the last forty-one years and is a regular attendee of the Board meetings.

The public comment period ended at 10:20 am.

Agenda Item #3
Consent Items
(Action)

Motion (Hames/Corless) approving consent items a through b as follows:

- a. Approval of the November 9, 2017 Regular Governing Board Meeting Minutes
- b. Correction of Funding Sources for Ramboll Environ Contract Originally Approved by the Board on May 11, 2017 to Reflect District Funding of \$30,000 for Town of Mammoth Lakes PM10 Maintenance Plan Progress Report

Ayes: Board Members – Wentworth, Griffith, Totheroh, Kingsley, Hames, Stump, Corless

Noes: 0

Abstain: 0

Absent: 0

Motion carried 7/0 and so ordered.

B/O #180111-03a

Item c was pulled to correct spelling errors.

Motion (Griffith/Hames) approving consent item c as follows:

- c. Resolution of the Governing Board Declaring that Governing Body Members and Volunteers Shall be Deemed to be Employees of the District for the Purpose of Providing Workers' Compensation Coverage for Said Certain Individuals While Providing their Services

Ayes: Board Members – Wentworth, Griffith, Totheroh, Kingsley, Hames, Stump, Corless

Noes: 0

Abstain: 0

Absent: 0

Motion carried 7/0 and so ordered.

B/O #180111-03c

Agenda Item #4
Approval of
Monitoring and
Avoidance of Phase
9/10b Cultural
Resource Areas at
Owens Lake (Action)

APCO Kiddoo gave a brief introduction as outlined in the Board Packet including explanation for the referenced attachments.

Board member Stump asked if there had been any complaints from the tribes about prior protection efforts.

APCO Kiddoo responded that there have been some concerns from the tribes about access to those areas.

Board member Stump asked who has the complete list of redacted sites.

APCO Kiddoo replied that all parties involved, that have signed a confidentiality agreement, have access to the complete list of sites.

Discussion continued between the Board and staff regarding the logistics and tribal recommendations.

Board Chair Wentworth asked for public comment at 10:40 am.

Ms. Kathy Jefferson Bancroft, Tribal Historic Preservation Officer for the Lone Pine Paiute Shoshone Reservation, thanked the District for their growing concern and respect for tribal concerns. Although it's a well worthwhile project there is a way to complete it and protect everybody's interests. Right now, the project and archaeology take precedent on the lake; the tribal input and perspective is not even considered. Very seldom the tribes are able to have a recommending capacity for anything that goes on out at the lake. The tribes are on the lake daily watching and doing what they can to protect the lake and the valley.

The public comment period ended at 10:49 am.

Motion (Griffith/Kingsley) authorizing the Board Chair to sign letter (Attachment A) regarding Approval of Monitoring and Avoidance of Phase 9/10b Cultural Resource Areas at Owens Lake.

Ayes: Board Members – Wentworth, Griffith, Totheroh, Kingsley, Hames, Stump, Corless

Noes: 0

Abstain: 0

Absent: 0

Motion carried 7/0 and so ordered.

B/O #180111-04

Agenda Item #5
Approval of Proposed
2018 District Rule and
Policy Adoption
Schedule (Action)

Board Chair Wentworth asked for public comment at 11:01. No comment was offered.

Motion (Hames/Totheroh) approving the proposed list and authorizing the Air Pollution Control Officer to initiate any necessary processes for the listed rule policy adoptions, revisions and recensions.

Ayes: Board Members – Wentworth, Griffith, Totheroh, Kingsley, Hames, Stump, Corless

Noes: 0

Abstain: 0

Absent: 0

Motion carried 7/0 and so ordered.

B/O #180111-05

Agenda Item #6
Approval of Triennial
Progress Report for
the Town of

Deputy APCO Logan gave a presentation as represented in the Board Packet (*this presentation is available upon request to the Clerk of the Board*) It was noted that since the 2015 designation as a maintenance area in attainment, by the United

States Environmental Protection Agency (U.S. EPA), of the Town of Mammoth Lakes (TOML) the U.S. EPA requires areas to track the progress of maintenance plans.

Following discussion with the Board it was clarified that the attainment planning area, which pertains to air quality issues, is different from the Town of Mammoth Lakes Planning Area.

Board Chair Wentworth asked for public comment at 11:41 am.

Mr. Nolan Bobroff, Assistant Planner for the Town of Mammoth Lakes, added that that the TOML is hopeful that progress will continue to be made going forward. The TOML is committed to continue monitoring air quality during the winter months and to be proactive with getting street sweepers out to collect road cinders after storm events. The TOML continues to make progress towards change out of all U.S. EPA non-compliant woodstoves, in fact, in 2017 172 permits for woodstove change outs were issued. Mr. Bobroff noted for the Board that there is an exemption code for those that have woodstoves as their sole source of heat which would allow them to avoid penalties of non-change out due to economic situations. The TOML will continue to work closely with the District.

The public comment period ended at 11:44 am.

Motion (Griffith/Corless) approving the Town of Mammoth Lakes Air Quality Management Plan Triennial Progress Report, dated December 2017, for submission to the United States Environmental Protection Agency.

Ayes: Board Members – Wentworth, Griffith, Totheroh, Kingsley, Hames, Stump, Corless

Noes: 0

Abstain: 0

Absent: 0

Motion carried 7/0 and so ordered.

B/O #180111-06

A break was taken at 11:48 am.

The Board reconvened in open session at 12:05 pm.

Agenda Item #7
Informational Items
(No Action)

No report or questions from the Board.

Agenda Item #8
Board Member
Reports
(No Action)

Board member Kingsley reported that he is still trying to get a meeting with LADWP's Board of Commissioners and will continue to do so.

Board member Stump requested recognition for former Board member Larry Johnston for his service to the District and the Governing Board.

Board Chair Wentworth reported that it was interesting to hear from the Mammoth Community Water District and he's looking forward to follow-up about that. He also noted that he spoke with staff about the role that this Board plays if there is a state policy with regards to cap and trade programs and climate change. He believes that at some point down the road it would be of value to this Board and to our communities to start to clarify where we stand on those kinds of things and how we look at policy consistent with the kind of efforts that are happening.

Agenda Item #9
Air Pollution Control
Officer's Report
(No Action)

APCO Kiddoo updated the Board as follows:

- Introduction of new Air Monitoring Technician II, Mr. Lajos Kurucz.
- Phase 7a and Phase 7a Transition: LADWP met their deadline for Phase 7a and Phase 7a Transition for areas that were either gravel or shallow flooding in December 2015. LADWP was unable to meet their deadline for Phase 7a managed vegetation and Phase 7a Transition to vegetation in December 2017. The District has been working with LADWP to try to come up with a reasonable pathway forward. Although there has been some success, they still are not meeting the performance criteria for that Best Available Control Measure (BACM). The District has met with LADWP regarding an order to pay as required by the 2011 Stipulated Order for Abatement (2011 SOA).
- Phase 9/10: There have been four to five loose ends that staff and LADWP are working through to try and resolve. One such issue concerns part of the project that is on private property with the landowner unwilling to allow LADWP to implement their controls. As a result, a small exchange on California State Lands Commission (CSLC) property was found and has proven successful and is now complete with pending notification from the District to LADWP. There are two areas on Owens Lake that LADWP has applied for minor boundary modifications. LADWP is required to turn in a modeling analysis to determine the impacts of those boundary modifications. Area T2-1c: is an area on Bureau of Land Management (BLM) property for which LADWP was required to get permission from BLM, a right-of-way grant, to implement dust controls. However, permission was not given due to cultural resource sensitivities. As a result, LADWP is asking the District to accept force majeure provisions of the Stipulated Judgment. Staff has met with LADWP and BLM to develop a pathway forward.
- Additional BACM Contingency Measures: As part of the 2016 State Implementation Plan (2016 SIP) the District is required to make a determination on a calendar basis on whether or not LADWP has additional areas to implement control. At this time zero additional areas have been ordered for control.

- Owens Lake Scientific Advisory Panel (OLSAP): staff has been working with LADWP since mid-2017 to reinstate the OLSAP, which was put aside in 2015 until 2017. There are currently six tasks that need to be addressed by the OLSAP and the cost estimate received from them in order to address the tasks was upwards of \$4M. At this time staff and LADWP have decided to proceed with one task, specifically as required in the Stipulated Judgment, which is the development of new dust control technologies and waterless dust control technologies.
- Lee Vining Air Quality Monitoring Station: the foundation and shelter are in place. Currently waiting for the Southern California Edison (SCE) electrical drop and then to start putting the monitoring equipment in the station.

Agenda Item #10
Confirm Date and
Location of Next
Regular Meeting
(March 8, 2018, in
Keeler, CA)
(No Action)

The next regular meeting of the District Governing Board will convene at 10:00 am at a future date, to be announced. The District's Clerk of the Board will find and reserve a handicap accessible meeting room and contact the District Board members as to its location.

**Agenda Item #11 &
#12 CLOSED
SESSION**

The Board convened into closed session at 12:20 pm.

11. CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

- a. Russell Covington; Robert Moore; Randy Sipes; Randal Sipes, Jr.; Laborers' International Union of North America Local Union No. 783 vs. Great Basin Unified Air Pollution Control District; Mono County Superior Court, Case No. CV140075; pursuant to subdivision (a) of Section 54956.9 of the California Government Code.
- b. Mammoth Community Water District vs. Great Basin Unified Air Pollution Control District; Mono County Superior Court, Case No. CV140076; pursuant to subdivision (a) of Section 54956.9 of the California Government Code.

12. CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – City of Los Angeles v. Great Basin Unified Air Pollution Control District, et al., Superior Court of the State of California, County of Sacramento, Case No. 34-2013-80001451-CU-WM-GDS, Interpretation of 2014 Stipulated Judgment Recital BB, Paragraphs 2, 3, 9, District 2013 Stipulated Order of Abatement, and District Board Order #160413-01, pursuant California Government Code §54956.9 (d)(4).

The Board reconvened into open session at 1:05 pm with nothing to report.

Adjournment

The meeting was adjourned by Board Chair Wentworth at 1:05 pm. The Board will reconvene in open session at 10:00 am, at a future date to be announced.

Board Chair

Attest:

Tori DeHaven, Board Clerk



GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT

157 Short Street, Bishop, California 93514-3537

Tel: 760-872-8211

BOARD REPORT

Mtg. Date: March 8, 2018

To: District Governing Board

From: Phillip L. Kiddoo, Air Pollution Control Officer
Susan Cash, Administrative Projects Manager

Subject: Consideration of Waiver of Rule 1102 Annual Town and Counties Per Capita
Assessment for Fiscal Year 2018-2019

Summary:

Section 40701.5 of the California Health and Safety Code provides for expenses of an air pollution control district to be met by, among other things, an annual per capita assessment on the counties and cities that make up a district. District Rule 1102 provides for each of the District's three counties and the Town of Mammoth Lakes to help fund District programs by paying \$0.55 per capita annually. Based on the latest U.S. Census Bureau population estimates (2010), the annual assessment amounts would be \$646 for Alpine County, \$10,200 for Inyo County, \$3,282 for Mono County and \$4,529 for the Town of Mammoth Lakes (see summary below). Since 1992, the District Board has suspended the collection of these contributions. The decision to waive the contributions for a given fiscal year is made on an annual basis. The waiver decision must be made by the Governing Board and should occur before the budget is finalized.

<u>Member Agency</u>	<u>2010 pop</u>	<u>@ \$0.55 ea.</u>
Alpine Co.	1,175	\$ 646
Inyo Co.	18,546	10,200
Mono Co.	5,968	3,282
Mammoth Lakes	<u>8,234</u>	<u>4,529</u>
Totals	33,923	\$18,657

Fiscal Impact:

Approving the waiver would reduce District revenues in FY 2018-19 by \$18,657, however, it is not expected to have a significant impact on the District budget. The District general fund (non-SB270) reserve amount as of January 31, 2018 is \$1,045,489. The estimated 2018-19 annual budget for District operations (non-SB270, non-special) is \$656,750. Waiver of the capita fee is assumed in the forecasted District revenue in FY 2018-19.

Because District reserves are currently more than 33.3% of the annual operating budget, the District reserve policy dictates that we suspend annual CPI adjustments to the permit fee schedule until reserves drop below 33.3%. Since the District reserve is currently above the 33.3% threshold, waiving the per capita fee is consistent with the intent of the reserve policy.

Board Action:

Staff recommends that the Board waive the Rule 1102 annual per capita fee for the 2018-2019 fiscal year.



GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT

157 Short Street, Bishop, California 93514-3537

Tel: 760-872-8211 Fax: 760-872-6109

www.gbuapcd.org

BOARD REPORT

Mtg. Date: March 8, 2018

To: District Governing Board

From: Grace A. McCarley Holder, Senior Scientist

Subject: Approval of Contract Amendment with Ramboll in the Amount of \$75,000 to Task 2 (Hydrological Evaluation Services)

Summary

The City of Los Angeles Department of Water and Power (City) is currently working on the Owens Lake Master Project. One of the primary goals of the City for the Master Project is to reduce the amount of water used from the Los Angeles Aqueduct on the Owens Lake dust control project while maintaining the dust control requirements and overall wildlife habitat. Aqueduct water use reduction is anticipated to be achieved by two primary methods: 1) transitioning water intensive dust controls to low-water or waterless measures and 2) development of groundwater resources from under Owens Lake for dust control use.

As part of the development of the Master Project, the City has formed several working groups to address various issues of concern to interested stakeholders. One of the working groups is the Groundwater Working Group which is tasked to evaluate the proposed plan for groundwater development under Owens Lake and develop recommendations on how to implement the use of groundwater without causing environmental impacts to the resources in the Owens Lake area. Another workgroup is the Habitat Workgroup which is working on developing a habitat suitability model to help balance habitat conditions within the dust control project and develop recommendations on protection of wetland areas around and on Owens Lake. District staff have participated in both the Groundwater Work, Habitat Work Group, and the Owens Lake Master Plan Advisory Committee.

In December 2017, the Groundwater Working Group reviewed a draft resource protection protocol developed by the City that proposed a monitoring network along with water level and water quality triggers and thresholds designed to protect against impacts to local water supplies and water quality within the Owens Lake area. District staff along with professional hydrologists from Ramboll Environ reviewed the draft groundwater resource protection protocol and submitted comments to the City in December 2017.

Consent (Action) - Approval of contract amendment with Ramboll in the amount of
\$75,000 to Task 2 (Hydrological Evaluation Services) (Action)
March 8, 2018 – Agenda Item No. 6c – Page 1

As the Master Project moves forward, the City will prepare a revised resource protection protocol as well as a groundwater development plan. The City is also planning on reconvening the Owens Lake Master Plan Advisory Committee as they prepare draft environmental documents required for the California Environmental Quality Act (CEQA) process. District staff will need assistance to fully review these documents to make sure they are technically sound and meet the objectives of the project. The contract amendment being brought to the District Governing Board for their consideration at the March 8, 2018 meeting is to provide funds for continued work by professional hydrologists at Ramboll Environ on the evaluation and review of the documents and technical materials associated with the Groundwater Working Group and the Owens Lake Master Project.

Fiscal Impact

The 2017-2018 SB270 Budget includes \$100,000 in item II.K. (Professional and Special Services) for Hydrological Evaluation Services. The Air Pollution Control Officer (APCO), under his authority per the District's Purchasing, Bidding and Contracting Policy, approved Contract Amendment 1 with Ramboll Environ in November 2017 for Task 2 (Hydrological Services) for an amount not to exceed \$25,000 leaving \$75,000 in the budget for this work. Amendment 2 to the contract with Ramboll Environ was approved by the APCO in December 2017 and revised the schedule of fees payable under the contract. Approval of Contract Amendment 3 (see Attachment 1) will encumber the remaining \$75,000 in item II.K. in the 2017-2018 SB270 budget for the upcoming work by Ramboll Environ on the technical hydrological evaluation of materials developed for the Groundwater Working Group and the Master Project.

BOARD ACTION

Staff recommends the Governing Board approve Contract Amendment 3 with Ramboll Environ for an amount not to exceed \$75,000 for Task 2 (Hydrological Evaluation Services) with the funds to come from the SB270 Budget Item II.K.

Attachment 1:

Attachment 1 - Contract Amendment 3 with Ramboll Environ

Consent (Action) - Approval of contract amendment with Ramboll in the amount of
\$75,000 to Task 2 (Hydrological Evaluation Services) (Action)
March 8, 2018 – Agenda Item No. 6c – Page 2

**AMENDMENT NUMBER THREE TO
AGREEMENT BETWEEN
GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT
AND RAMBOLL ENVIRON US CORPORATION
FOR THE PROVISION OF AIR QUALITY MODELING SERVICES**

WHEREAS, the Great Basin Unified Air Pollution Control District (hereinafter referred to as “District”) and Ramboll Environ US Corporation of Lynnwood, Washington (hereinafter referred to as “Contractor”), have entered into an Agreement for the provision of air quality modeling services dated May 12, 2017;

WHEREAS, District and Contractor do desire and consent to a third amendment to said Agreement;

WHEREAS, such Agreement provides that it may be modified, amended, changed, added to, or subtracted from, by mutual consent of the parties thereto, if such amendment or change is in written form, and executed with the same formalities as such Agreement, and attached to the original Agreement to maintain continuity.

District and Contractor do hereby amend such Agreement as follows:

The “Limit upon amount payable under Agreement” set forth in Paragraph 3.D. shall be increased by \$75,000 through this Amendment for a total contract limit not to exceed of \$380,000. The increase shall apply to Task 2 – Hydrologic Evaluation Services, the total sum to be paid for professional services under this task shall not exceed \$100,000.

The effective date of this amendment to the Agreement is February 1, 2018. All the other terms and conditions of the Agreement are unchanged and remain the same.

IN WITNESS THEREOF, THE PARTIES HERETO HAVE SET THEIR HANDS AND SEALS
THIS _____ DAY OF MARCH 2018.

DISTRICT

CONTRACTOR

RAMBOLL ENVIRON US CORPORATION

By: _____
Air Pollution Control District

By: _____
Name:

Dated: _____

Dated: _____



GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT

157 Short Street, Bishop, California 93514-3537

Tel: 760-872-8211 Fax: 760-872-6109

www.gbuapcd.org

BOARD REPORT

Mtg. Date: March 8, 2018

To: District Governing Board

From: Grace A. McCarley Holder, Senior Scientist

Subject: Approval of Contract Amendment with Desert Research Institute in the Amount of \$33,620 for Task 2 (Porous Roughness Element Study)

Summary

Researchers at the Desert Research Institute (DRI) in Reno and Las Vegas, Nevada have been studying a potential new waterless dust control measure as part of the SB270 program since the 2013-2014 fiscal year. The main emphasis of the research is to develop a dust control measure using engineered roughness elements (ERE) that can be placed on the surface providing protection from dust emissions generated during high wind events.

The first phases of the program were completed as two separate field tests on Owens Lake using an array of plastic tubs with solid walls. The first field test was conducted in the T1A-4 dust control area in 2014-2015 but was impacted by construction activities and had to be cut short. The second field test occurred in the T26 dust control area in 2015-2016. In addition to the field tests using solid elements, research also was conducted in a wind tunnel to test the ability of porous elements to improve control efficiencies. Based on the results of the wind tunnel work, a field test of porous elements was started in 2017. This test is being conducted at the Mono Shore site at Mono Lake instead of Owens Lake so that it can take place on an expansive uncontrolled sand surface. The test consists of an array of 6 cubic and 2 cylindrical porous elements.

The study at Mono Lake was originally supposed to end in December 2017. However, it is proposed to extend the research for another 6 months until June 2018 in order to collect data through the spring windy season. A contract amendment (Amendment 2) was completed in December 2017 by the Air Pollution Control Officer (APCO), under his authority per the District's Purchasing, Bidding and Contracting Policy, to add \$10,000 to continue the porous roughness element study work through February 2018. The contract amendment (Amendment 3) being brought to the District Governing Board today is to provide funding to extend the porous roughness element work through June 2018.

Consent (Action) - Approval of contract amendment with Desert Research Institute
in the amount of \$33,620 for Task 2 (Porous Roughness Element Study)
March 8, 2018 – Agenda Item No. 6d – Page 1

Fiscal Impact

The porous roughness element study being conducted at Mono Lake through December 2017 was funded through the SB270 program as part of the 2016-2017 budget. The field test began in the spring of 2017 and was given a no-cost extension through December 2017 to allow collection of data through the fall windy season. The proposed continued extension of the porous roughness element study at Mono Lake through June 2018 would be funded with monies available in the 2017-2018 SB270 budget. The 2017-2018 budget included \$75,000 in Professional and Special Services (Item II.K.) for research on Brine BACM. The Brine BACM work is not being conducted this year so that the funds are available for use on other research such as the porous roughness element study. Contract amendment 2 to the 2017-2018 contract with DRI, completed in December 2017, encumbered \$10,000 from the Brine BACM funds for extending the porous roughness element study through February 2018. Approval of contract amendment 3 (Amendment 3) with DRI would encumber an additional \$33,620 from the Brine BACM work included in Item II.K (Professional and Special Services) in the 2017-2018 SB270 budget for a total of \$43,620 through June 2018.

BOARD ACTION

Staff recommends the Governing Board approve Contract Amendment 3 with the Desert Research Institute for an amount not to exceed \$33,620 for Task 2 (Porous Roughness Element Study) with the funds to come from the SB270 Budget Item II.K.

Attachment 1:

Attachment 1 - Contract Amendment 3 with Desert Research Institute

Consent (Action) - Approval of contract amendment with Desert Research Institute
in the amount of \$33,620 for Task 2 (Porous Roughness Element Study)
March 8, 2018 – Agenda Item No. 6d – Page 2

**AMENDMENT NUMBER THREE TO AGREEMENT BETWEEN
GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT
AND THE BOARD OF REGENTS OF THE NEVADA SYSTEM OF HIGHER
EDUCATION ON BEHALF OF THE DESERT RESEARCH INSTITUTE
FOR THE PROVISION OF CONSULTING SERVICES**

WHEREAS, the Great Basin Unified Air Pollution Control District (hereinafter referred to as "District") and the Desert Research Institute located in Reno, Nevada (hereinafter referred to as "Contractor"), have entered into an Agreement for the provision of consulting services dated May 12, 2017;

WHEREAS, District and Contractor do desire and consent to a third amendment to said Agreement;

WHEREAS, such Agreement provides that it may be modified, amended, changed, added to, or subtracted from, by mutual consent of the parties thereto, if such amendment or change is in written form, and executed with the same formalities as such Agreement, and attached to the original Agreement to maintain continuity.

District and Contractor do hereby amend such Agreement as follows:

The "Limit upon amount payable under Agreement" set forth in Paragraph 3.D. shall be increased by \$33,620 for a total contract limit not to exceed \$253,620. This increase shall apply to Task 2 - Porous Roughness Element Study. The total sum to be paid for professional services under Task 2 – Porous Roughness Element Study shall not exceed \$43,620.

The effective date of this amendment to the Agreement is March 1, 2018. All the other terms and conditions of the Agreement are unchanged and remain the same.

IN WITNESS THEREOF, THE PARTIES HERETO HAVE SET THEIR HANDS AND SEALS
THIS _____ DAY OF MARCH 2018.

DISTRICT

CONTRACTOR

Desert Research Institute

By: _____
Air Pollution Control District

By: _____
Name:

Dated: _____

Dated: _____



GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT

157 Short Street, Bishop, California 93514-3537

Tel: 760-872-8211

BOARD REPORT

Mtg. Date: March 8, 2018

To: District Governing Board

From: Phillip L. Kiddoo, Air Pollution Control Officer

Subject: Approve Time Extension and Expansion of Inyo County Environmental Public Benefit Fund Expenditure for Lone Pine Veterans of Foreign War Parking Lot Paving

Background:

In February 2014, the Great Basin Unified Air Pollution Control District (District) and the Los Angeles Department of Water and Power (LADWP) settled a lawsuit brought by the District against LADWP for failure to pay ordered fees on time. One of the conditions of the settlement was that the LADWP would make an "environmental public benefit (EPB) payment" in the amount of \$1,350,000 to the District. On May 5, 2014, the Board divided the money between the District's four member agencies and five public community or utility service districts in the Owens Lake area.

Discussion:

On March 9, 2017 the Governing Board approved an extension of time for Inyo County to expend the original distributed EPB funds until December 2017 for the Big Pine Veterans Trail Project. Inyo County was unable to expend these funds due to failure of being able to obtain a site agreement with LADWP.

On February 14, 2018, the District received a request from Kevin Carunchio, County Administrative Officer for Inyo County, for a time extension and expansion of Inyo County EPB fund expenditure for a Lone Pine Veterans of Foreign War parking lot paving project (Attachment 1). District staff previously discussed this project with Inyo County and determined this alternative would be more relevant and applicable to Owens Lake equivalent PM10 emissions reductions than the reallocation of monies for heating, ventilation and air conditioning systems that was approved by the Board on April 14, 2016. Implementation of this project will provide a public health benefit of air pollution reductions sooner than later hence, District staff support for the request.

Board Action:

Staff recommends the Board approve a time extension and expansion of Inyo County Environmental Public Benefit fund expenditure for the Lone Pine Veterans of Foreign War parking lot paving until December 2018.

Attachment:

1. Inyo County Correspondence Dated February 14, 2018



COUNTY OF INYO

ADMINISTRATOR'S OFFICE

KEVIN D. CARUNCHIO
COUNTY ADMINISTRATIVE OFFICER



February 14, 2018

Phill Kiddoo, Air Pollution Control Officer
Great Basin Unified Air Pollution Control District
157 Short Street
Bishop, CA 93514-3537

SUBJECT: GBUAPCD Environmental Public Benefit Funds Grant

Dear Mr. Kiddoo:

I am writing on behalf of the Inyo County Board of Supervisors to respectfully request that Great Basin Unified Air Pollution Control District Governing Board provide the County of Inyo an extension to December 31, 2018, to expend the remaining Environmental Public Benefit Funds the District has generously granted to the County. The Board of Supervisors also respectfully requests the County be afforded the flexibility to, possibly, use the remaining Environmental Public Benefit Funds, either in total or in part, for an alternate dust control project not currently on the list of Inyo County EPB Fund projects approved by the District's Governing Board: paving the Veterans of Foreign Wars' parking lot in Lone Pine.

Inyo County and the air quality in our communities have benefitted greatly from the Environmental Public Benefit Funds Program; completing (by my count) 17 projects that have aided in reducing dust or other air pollutants since 2015. The \$120,783 in EPB Funds that remain have been earmarked for the Big Pine Veteran's Path Project in Big Pine, and the County sincerely appreciates GBUAPCD's previous extensions of time for completing this dust control project. During this time, the County negotiated a right of entry from the Los Angeles Department of Water and Power and has conducted preliminary site assessment, engineering design and environmental work for the project. However, as described in my December 27, 2017, email, and discussed in further detail in the attached staff report and Board Order from the February 6, 2018, Board of Supervisors meeting, obtaining a site agreement from LADWP that would allow the County to proceed with constructing the project has proven elusive and frustrating.

At its meeting on February 6th, the Board of Supervisors determined that, pending District Governing Board approval of this request for an extension to finish expending the EPB Funds, if the Board is not

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presented with a site agreement from LADWP for the Veteran's Path Project that the Board can approve by the end February, it will – with District Governing Board concurrence – proceed to use the remaining EPB Funds to pave the VFW parking lot in Lone Pine. From an air quality perspective, the County believes the Lone Pine VFW Parking Lot Paving Project will provide similar dust control and public environmental benefits as the Veteran's Path in Big Pine, and is therefore a more equitable alternative project concepts. For this reason, if the County is able to move forward and complete the Veteran's Path Project, the Board also seeks the ability to pledge any "leftover" EPB Funds toward the Lone VFW Parking Lot Project.

The Inyo County Public Works Department estimates that either the Big Pine Veteran's Path Project or the Lone Pine VFW Parking Lot Project will take at least 150 days to complete (e.g., until at least the end of August 2018). Given the likelihood of any possible site agreement for the Veteran's Path Project also requiring a lengthy subsequent approval process in Los Angeles after being approved by the Board of Supervisors, it seems prudent for the County to request an extension for expending the EPB Funds through the end of 2018.

In closing, I want to thank you and the District Governing Board for its support for the Inyo EPB Fund projects, and especially the Veteran's Path Project, to date, as well as the County's previous requests for time to complete them. And, the County truly appreciates the Governing Board's willingness to consider this request. The Board of Supervisors recognizes the objective of the EPB Fund Program is to accomplish air pollution reduction sooner than later and takes this charge seriously, the aforementioned delays notwithstanding.

Thank you again.

Sincerely,



Kevin D. Carunchio
Inyo County Administrator

cc: Inyo County Board of Supervisors

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GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT

157 Short Street, Bishop, California 93514-3537
Tel: 760-872-8211 Fax: 760-872-6109

BOARD REPORT

Mtg. Date: March 8, 2018

To: District Governing Board

From: Susan Cash, Administrative Projects Manager

Subject: Approval of Redirecting Unappropriated Interest to the PARS Pension Trust

Summary:

Employers that participate in defined benefit Other Post Employment Benefit (OPEB) plans are required by the GASB to measure and disclose an amount for annual OPEB cost. This is equal to the employer's Annual Required Contribution (ARC) with certain adjustments if the employer has a net OPEB obligation for past under- or overcontributions. Agencies with less than 200 participants (active and retired) are required to have a valuation performed every three years.

Attached is the District's Actuarial Valuation performed by Demsey, Filliger, and Associates as of July 1, 2017. In summary, the combined OPEB trusts that the District maintains through Public Agency Retirement Services (PARS) had a net position of \$6,737,369 and the total amount of actuarial liability for current and future retirees is \$6,023,517. The surplus position on a fully projected basis is \$713,852. The annual OPEB cost is therefore \$0.

In 2003, the Governing Board directed that any remaining unappropriated interest at the end of each fiscal year be transferred to the Retiree Health Benefit Trust Fund – now the PARS OPEB trust funds. This has been standard operating practice since that time. Staff is asking for redirection of the remaining unappropriated interest at the end of each fiscal year to the PARS pension trusts instead of the PARS OPEB trusts as they are now in super-funded status.

Fiscal Impact:

The District is well-positioned to meet its OPEB obligations at a 112% funding level. No additional funding for OPEB is required for the foreseeable future. If approved, future unappropriated interest at the end of each fiscal year will be redirected to the PARS pension trust to pay down unfunded accrued liability (UAL).

Board Action:

District staff recommends the Governing Board approve redirection of unappropriated interest to the PARS pension trust.

Attachment:

1. Great Basin Unified Air Pollution Control District GASB 45 Valuation as of July 1, 2017 (prepared by Demsey, Fillinger, and Associates)

Approval of Redirecting Unappropriated Interest to the PARS Pension Trust (Action)
March 8, 2018– Agenda Item No. 7 – Page 1



January 18, 2018

Ms. Susan Cash
Administrative Projects Manager
Great Basin Unified Air Pollution Control District
157 Short Street
Bishop, CA 93514

Re: Great Basin Unified Air Pollution Control District ("District")
GASB 45 Valuation as of July 1, 2017

Dear Ms. Cash:

This report sets forth the results of our actuarial valuation of the Great Basin Unified Air Pollution Control District's retiree health insurance program as of July 1, 2017.

In June 2004, the Governmental Accounting Standards Board (GASB) issued its accrual accounting standards for retiree healthcare benefits, GASB 43 and GASB 45. GASB 43/45 require public employers such as the District to perform periodic actuarial valuations to measure and disclose their retiree healthcare liabilities for the financial statements of both the employer and the trust, if any, set aside to pre-fund these liabilities. In June 2015, GASB released new accounting standards for postretirement benefit programs, GASB 74 and GASB 75, which replace GASB 43 and GASB 45, respectively.

To accomplish these objectives the District selected Demsey, Filliger and Associates (DF&A) to perform an actuarial valuation of the retiree health insurance program as of July 1, 2017. This report may be compared with the valuation performed by DF&A as of July 1, 2015, to see how the liabilities have changed since the last valuation.

We are available to answer any questions the District may have concerning the report.

Financial Results

We have determined that the amount of actuarial liability for current and future retirees, as of July 1, 2017, is \$6,023,517. This represents the present value of all benefits expected to be paid by the District for its current and future retirees. If the District were to place this amount in a fund earning interest at the rate of 5.5% per year, and all other actuarial assumptions were exactly met, the fund would have exactly enough to pay all expected benefits.

The valuation includes benefits for 16 current retirees as well as 22 active employees who may become eligible to retire and receive benefits in the future. It does not include employees hired after the valuation date.

When we apportion the \$6,023,517 into past service and future service components under the Entry Age, Level Percent of Pay Cost Method, the Total OPEB Liability (under GASB 75) is \$4,552,664 as of July 1, 2017. This represents the present value of all benefits accrued through the valuation date if each employee's liability is expensed from hire date until retirement date as a level percentage of pay. The \$4,552,664 is comprised of liabilities of \$2,173,738 for active employees and \$2,378,926 for retirees.

The District has established two irrevocable trusts under the "PARS GASB 45 Program" for the pre-funding of retiree healthcare benefits. As of June 30, 2017, the trust balances or Plan Fiduciary's Net Position (GASB 75) is \$6,737,369.

Fund	Trust Balance
SB 270	\$5,253,894
District Fund	1,483,475
Total	\$6,737,369

The Net OPEB Liability/(Surplus), Total OPEB Liability over the Plan Fiduciary's Net Position, is (\$2,184,705). The surplus position on a fully projected basis is (\$713,852).

We have determined the following components of the District's Net OPEB Expense for fiscal year 2017-18: Service Cost, Interest Cost, and Expected Return on Assets. The Service Cost represents the present value of benefits accruing in the current year. Interest Cost represents the interest on the Total OPEB Obligation using a discount rate of 5.5%. Expected Return on Assets is the expected return based on a 5.5% investment rate of return. Other components (Deferred Outflows and Inflows) will be determined based on the Net OPEB Obligation as of June 30, 2018.

We summarize the valuation results in the table on the next page and in Exhibit I, which apportions the valuation results into SB270 and District-paid subtotals. All amounts are net of expected future retiree contributions, if any.

Great Basin Unified Air Pollution Control District
Net OPEB Liability and Expense under
GASB 75 Accrual Accounting Standard

Total OPEB Liability	
Actives	\$2,173,738
Retired	<u>2,378,926</u>
	\$4,552,664
Plan Fiduciary Net Position (Plan Assets)	<u>(6,737,369)</u>
Net OPEB Liability at July 1, 2017	(\$2,184,705)
Components of Net OPEB Expense for fiscal year 2018¹	
Service Cost at Year-End	\$182,625
Interest Cost	245,494
Expected Return on Assets	<u>(365,653)</u>
Subtotal	\$62,466
Change in Deferred Outflows ^{1,3}	
Change in Deferred Inflows ^{2,3}	

1. To be determined based on the Total OPEB Obligation as of June 30, 2018.
2. To be determined based on the Total OPEB Obligation as of June 30, 2018.
3. When the District begins preparation of the June 30, 2018 government-wide financial statements, DF&A will be available to assist the District and its auditors in preparing the footnotes and required supplemental information for compliance with GASB 75 (and GASB 74, if applicable).

Differences from Prior Valuation

The most recent prior valuation was completed as of July 1, 2015 by DF&A. The AL (Accrued Liability) as of that date was \$4,272,664 (see page 3 of the prior report), compared to \$4,552,664 as of July 1, 2017. In this section, we provide a reconciliation between the two numbers so that it is possible to trace the AL from one actuarial report to the next.

Several factors have caused the AL to change since 2015. The passage of time increases the AL as the employees accrue more service and get closer to receiving benefits. There are actuarial gains/losses from one valuation to the next, and changes in actuarial assumptions and methodology for the current valuation. The most important changes were as follows:

1. We changed our valuation software to be able to track experience more precisely over time. This change decreased the AL by \$8,941.
2. There was a net census gain (a decrease in the AL) of \$137,776.
3. There was a gain of \$596,848 (a decrease in the AL) due to increases in healthcare premiums less than expected.
4. We decreased the PEMHCA administrative expense assumption from 0.34% of premium to 0.31% of premium. This decreased the AL by \$1,124.
5. We included the "implicit subsidy" as required by Actuarial Standard of Practice Number 6 (ASOP 6). This change increased the AL by \$303,673.
6. We changed the actuarial cost method from Projected Unit Credit to Entry Age, Level Percent of Pay, as required by GASB 75. This change increased the AL by \$145,310.

The estimated changes to the AL from July 1, 2015 to July 1, 2017 may be summarized as follows:

Changes to AL	AL
AL as of 7/1/15	\$4,272,664
Passage of time	575,706
Change in system	(8,941)
Net census gain	(137,776)
Difference in premiums from expected	(596,848)
Change in administrative expenses	(1,124)
Valuation of implicit subsidy	303,673
Change in cost method	145,310
AL as of 7/1/17	\$4,552,664

Funding Recommendations

As discussed on Page 1, the District's present value of future OPEB benefits is \$6,023,517 as of July 1, 2017. Because the trust assets have a total value of \$6,737,369 as of July 1, 2017, the plan is in a surplus position of \$713,852, based on the assumptions used in this valuation. Because trust assets are irrevocable (that is, they may only be used for the purpose for which they were intended - defraying retiree medical premiums - and surplus funds may be difficult or impossible to recover until all obligations are met) we recommend that the District not make any further contributions to the PARS trust until at least the next actuarial valuation, scheduled for July 1, 2019. Because of this recommendation, the funding schedules usually found at this point in our report have been omitted.

Actuarial Assumptions

To perform the valuation, it is necessary for the actuary to make certain assumptions regarding such items as rates of employee turnover, retirement, and mortality, as well as economic assumptions regarding healthcare inflation and interest rates. We used the same mortality, turnover and retirement assumptions as we did for the July 1, 2015 valuation. We will continue to monitor the reasonability of each assumption and recommend changes, when appropriate.

The discount rate of 5.5% is based on our best estimate of expected long-term plan experience and is in accordance with our understanding of the guidelines for selection of these rates under GASB 45 for funded plans such as the District's. Please see the "Actuarial Assumptions" section of the report for further details.

Valuation of Implicit Subsidy

Since the District's implementation of GASB 45, we have availed ourselves of the "community rating" exception to PERS Health (PEMHCA). This exception has permitted an actuary to ignore the effects of the use of a blended premium for active employees and early retirees (those under age 65) as is the case for PEMHCA. This unique treatment of PEMHCA resulted in actuarial estimates for PEMHCA agencies that were significantly lower than for most other insurance providers, and has been prevailing practice among California-based actuarial firms. The Actuarial Standards Board has amended Actuarial Standard of Practice Number 6 (ASOP 6) to virtually eliminate this practice for valuations beginning with the July 1, 2017 fiscal year. As shown on page 4, the increase in liability associated with the implicit subsidy is \$303,673.

Projected Pay-as-you-go Costs

As part of the valuation, we prepared the following projection of the expected annual cost to the District to pay benefits on behalf of its retirees on a pay-as-you-go basis. These numbers are on a closed group basis, and exclude the implicit subsidy:

FYB	Pay-as-you-go
2017	\$145,515
2018	150,889
2019	165,063
2020	188,626
2021	206,470
2025	223,909
2030	242,255
2035	266,209
2040	285,970
2045	298,593
2050	320,356
2055	399,134
2060	359,604
2065	233,246
2070	114,214

Exhibits

Exhibit I, attached at the end of this report, shows a breakdown of District liabilities and expense items according to whether the retiree health benefits will be paid from the SB 270 budget or the District's budget.

Certification

The actuarial certification, including a caveat regarding limitations of scope, if any, is contained in "Actuarial Certification" section at the end of the report.

We have enjoyed working with the District on this report, and are available to answer any questions you may have concerning any information contained herein.

Sincerely,
DEMSEY, FILLIGER AND ASSOCIATES



Carlos Diaz, ASA, EA, MAAA
Actuary

Benefit Plan Provisions

This report analyzes the actuarially projected costs of the Great Basin Unified Air Pollution Control District retiree health insurance program. Our findings and assumptions are based on census data as of July 2017 and a 50-50 average of PERS premiums applicable for calendar years 2016 and 2017. In general, the postretirement medical plans are continuations of the plans for active employees.

Active Employee Coverage

Integrated medical/prescription drug coverage is provided through CalPERS under the Public Employees' Medical and Hospital Care Act (PEMHCA). Employees can choose from the PERSCare and PERSChoice PPOs.

The District pays the full cost for the employee and/or dependent coverage under the above plans for active employees and retirees, including an administrative charge of 0.31% of premium. In addition, the District pays for dental and vision insurance for active employees.

Post-retirement Coverage

The District offers the same medical plans to its retirees as to its active employees, with the general exception that once a retiree becomes eligible for Medicare (that is, reaches age 65), he or she must join a Medicare Supplement PPO, with Medicare becoming the primary payor.

Employees become eligible to retire and receive District-paid healthcare benefits upon attainment of age 50 and 5 years of covered PERS service, or upon disability before age 50. Benefits are paid for the lifetime of the retiree. Employees are eligible for full retirement benefits at age 55. Employees hired on or after January 1, 2013, and who are not defined as “classic employees” by CalPERS, are eligible for full retirement benefits at age 62.

The following table shows 2017 monthly premiums for retirees:

	PERS Care South	PERS Care LA Area
<u>Basic Plan</u>		
Retiree	\$802.24	\$715.88
Retiree + 1	1,604.48	1,431.76
Family	2,085.82	1,861.29
<u>Medicare Supplement</u>		
Retiree	\$389.76	\$389.76
Retiree + 1	779.52	779.52
Family	1,169.28	1,169.28

Valuation Data

Age/years of service distribution of active employees included in the valuation

Years →	0-4	5-9	10-14	15-19	20-24	25+	Total
<u>Age</u>							
Under 30	1	0	0	0	0	0	1
30-34	2	1	0	0	0	0	3
35-39	1	1	0	0	0	0	2
40-44	0	0	2	0	0	0	2
45-49	1	2	1	0	0	0	4
50-54	0	1	1	2	0	0	4
55-59	0	2	0	0	3	1	6
60-64	0	0	0	0	0	0	0
65+	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
All Ages	5	7	4	2	3	1	22

Average Age: 46.66

Average Service: 10.89

Age distribution of retirees included in the valuation

Age	Total
Under 50	0
50-54	2
55-59	2
60-64	3
65-69	5
70-74	2
75+	<u>2</u>
Total	16

Average Age: 65.83

Actuarial Assumptions

The liabilities set forth in this report are based on the actuarial assumptions described in this section.

Valuation Date:	July 1, 2017
Actuarial Cost Method:	Entry Age, Level Percent of Pay
Amortization Method:	30-year level percent of pay, open period
Discount Rate:	5.5% per annum
Salary Increases:	3.0% per annum
Pre-retirement Turnover:	According to Crocker-Sarason Table T-5 less mortality, without adjustment. Sample rates are as follows:

Age	Turnover (%)
25	7.7%
35	6.3
45	4.0
55	0.9

Pre-retirement Mortality: RP-2014 Employee Mortality, without projection. Sample deaths per 1,000 employees are as follows:

Age	Males	Females
25	0.48	0.17
30	0.45	0.22
35	0.52	0.29
40	0.63	0.40
45	0.97	0.66
50	1.69	1.10
55	2.79	1.67
60	4.69	2.44

Post-retirement Mortality: RP-2014 Healthy Annuitant Mortality, without projection. Sample deaths per 1,000 retirees are as follows:

Age	Males	Females
55	5.74	3.62
60	7.78	5.19
65	11.01	8.05
70	16.77	12.87
75	26.83	20.94
80	44.72	34.84
85	77.50	60.50
90	135.91	107.13

Actuarial Assumptions (Continued)

Claim Cost per Retiree/Spouse:

Age	Medical/Rx
50	\$9,687
55	11,230
60	13,019
64	14,653
65	4,103
70	4,420
75	4,761

Retirement Rates:

Age	Percent Retiring*
50-52	2.5%
53	1.0
54-55	5.0
56-57	3.0
58-59	15.0
60-61	10.0
62	40.0
63	35.0
64	20.0
65	100.0

* Of those having met eligibility to receive District-paid benefits. The percentage refers to the probability that an active employee who has reached the stated age will retire within the following year.

Trend Rate:

Year	Medical/Rx
2017	6.0%
2018+	5.0

Percent of Retirees with Eligible Dependents:

Future Retirees: 10% of married retirees under age 65 were assumed to have dependent children. Current Retirees: Actual dependent data was used.

Percent of Retirees with Spouses:

Future Retirees: 60% of future retirees were assumed to have spouses. Female spouses assumed three years younger than male spouses.

Plan Selection

100% of future retirees assumed to select PERSCare PPO.

Actuarial Certification

The results set forth in this report are based on our actuarial valuation of the health and welfare benefit plans of the Great Basin Unified Air Pollution Control District ("District") as of July 1, 2017.

The valuation was performed in accordance with generally accepted actuarial principles and practices. We relied on census data for active employees and retirees provided to us by the District. We also made use of claims, premium, expense, and enrollment data, and copies of relevant sections of healthcare documents and PARS trust statements provided to us by the District.

The assumptions used in performing the valuation, as summarized in this report, and the results based thereupon, represent our best estimate of the actuarial costs of the program under GASB 45, and the existing and proposed Actuarial Standards of Practice for measuring post-retirement healthcare benefits. We have assumed no post-valuation mortality improvements, consistent with our belief that there will be no further significant, sustained increases in life expectancy in the United States over the projection period covered by the valuation.

Throughout the report, we have used unrounded numbers, because rounding and the reconciliation of the rounded results would add an additional, and in our opinion unnecessary, layer of complexity to the valuation process. By our publishing of unrounded results, no implication is made as to the degree of precision inherent in those results. Clients and their auditors should use their own judgment as to the desirability of rounding when transferring the results of this valuation report to the clients' financial statements.

The undersigned actuary meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report.

Certified by:



Carlos Diaz, ASA, EA, MAAA
Actuary

Great Basin Unified Air Pollution Control District
GASB 75 Valuation Results By SB 270 Funded vs. District Funded

Exhibit I

	7/1/2017	7/1/2017	7/1/2017
	Valuation Results	Valuation Results	Valuation Results
	SB 270 Funded	District Funded	Total (Page 3 of Report)
	Employees & Retirees	Employees & Retirees	Employees & Retirees
Present Value of Benefits			
Actives	\$ 2,992,233	\$ 652,358	\$ 3,644,591
Retirees	2,053,956	324,970	2,378,926
Total Present Value of Benefits (PVB):	\$ 5,046,189	\$ 977,328	\$ 6,023,517
Total OPEB Liability:			
Actives	\$ 1,749,019	\$ 424,719	\$ 2,173,738
Retirees	2,053,956	324,970	2,378,926
Total OPEB Liability:	\$ 3,802,975	\$ 749,689	\$ 4,552,664
Plan Fiduciary Net Position (Plan Assets) ¹	(5,253,894)	(1,483,475)	(6,737,369)
NET OPEB Liability	\$ (1,450,919)	\$ (733,786)	\$ (2,184,705)
<u>GASB 75 Net OPEB Expense Components</u>			
Service Cost at Year-end	\$ 148,049	\$ 34,576	\$ 182,625
Interest Cost	204,945	40,549	245,494
Expected Return on Assets	(284,746)	(80,907)	(365,653)
Subtotal for 2017-18	\$ 68,248	\$ (5,782)	\$ 62,466
Change in Deferred Outflows ²			
Change in Deferred Inflows ²			

1. Numbers in shaded area are for illustration purposes only; GASB 75 does not provide authority for this calculation.
2. To be determined based on the Total OPEB Obligation as of June 30, 2018.

Demsey, Filliger &
Associates

1/18/2018



GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT

157 Short Street, Bishop, California 93514-3537

Tel: 760-872-8211 Fax: 760-872-6109

www.gbuapcd.org

BOARD REPORT

Mtg. Date: March 8, 2018

To: District Governing Board

From: Grace A. McCarley Holder, Senior Scientist

Subject: Keeler Dunes Dust Control Project Update

This Board report provides the District Governing Board with an update and information on the Keeler Dunes dust control project activities through mid-February 2018.

Project Update

The Keeler Dunes dust control project is in its fourth year of activities. The project was extended from the original completion date of December 2017 to allow for additional planting and control efforts. The new project schedule extends the project through June 2019. The extended project is being implemented by Nature's Image of Lake Forest, CA with the following three primary tasks in addition to decommissioning at the end of the project:

- 1) Irrigation of existing plants
- 2) Additional plant installation, and
- 3) Bale mounds

Plant Irrigation: A three-person full-time crew is responsible for irrigating the plants that have been installed in the project. The main irrigation periods are in the fall, spring, and summer but having a full-time crew allows for additional irrigation, as needed. It is anticipated that the increased irrigation volume and the flexibility to irrigate as conditions warrant will result in greater plant establishment success within the project. The next irrigation event is scheduled to begin in March 2018 following completion of the current planting effort and start of the direct seeding test (see below).

Additional Planting: Plant establishment success has been more difficult than expected in the project. The first three planting efforts have had mixed success. The first effort, in January 2015, was the most successful, with an establishment rate of approximately 45%, but was limited to only 15,000 plants. The second two planting efforts, in 2016 and 2017, totaled approximately 174,000 plants but were much less successful with an overall survivorship rate ranging from 5-18%, depending on location. The low establishment rate is thought to be related to a variety of reasons including dry soil

Keeler Dunes Dust Control Project Update (No Action)
March 8, 2018 – Agenda Item No. 8 – Page 1

conditions from the drought, timing of planting, plant location, and acclimation of plant material to the dune environment.

Several changes were made to the fourth planting effort that is currently underway based on what was learned from the first three plantings. The changes include but are not limited to: targeted planting areas within the project, plant installation away from the straw bales, fewer plants per planting location, an increase in the proportion of sand in the potting mix for plant grow-out, acclimation of the plants to the local climate before installation in the project and planting in the late winter instead of the fall.

Instead of trying to complete another blanket planting effort across the entire project, the current planting effort involves fewer plants (25,000) installed in seven target locations where there are the best conditions for success. The current planting effort consists of plants grown-out by Greenheart Farms using seed collected from around Owens Lake with the planting areas selected based on the results of the plant survey results. The plants were delivered in October 2017 and placed in a temporary nursery created at the District's Keeler Field office yard so that the plants could acclimate to the local conditions before being placed in the dune environment. The temporary nursery has been named by the District staff as the Keeler Dunes Plant Acclimation Center (KDPAC).

The current planting work began in mid-January 2018. The planting effort began in the Northern Dune and the new plants were immediately impacted by severe browsing by Jack Rabbits and Kangaroo Rats. In order to allow for protection of the new plants, work was halted for two weeks while Nature's Image and District staff designed and began construction and installation of protective cages around each new plant. Planting work resumed on February 12, 2018 and is expected to be completed by the end of February or very beginning of March 2018.

In addition to the planting of nursery stock, the project is investigating alternative planting methods, such as ways to successfully directly seed portions of the project. A small-scale test is scheduled to begin at the end of February using two methods of direct seeding: hydroseeding and prilling (clay-covered seed). The prilled seed is designed to discourage seed browsing by resident small mammals present in the project. The test areas will be irrigated with sprinklers and will contain seed from six species of native shrubs including the four perennial species used in past and current planting work and two annual species commonly found in the dunes during wet years.

Bale Mounds: The bale mounds constructed in the Southern Dunes in 2016 appear to have been successful in stabilizing the active dune areas. Additional bale mounds were built over 11 acres of the project in two main areas where active sand motion is hindering plant establishment and control efforts. The first area is along the northern edge of the Northern Dune and the second area is in the southern portion of the project towards Keeler. Each new bale mound used the same 6-bale design as that used in 2016 and was built from a combination of bales already within the project and bales from the existing stock piles. Bale mound construction was completed in December 2017.

Decommissioning: Following the spring 2019 irrigation work it is anticipated that the project will be decommissioned. The decommissioning work will consist of removal and disposal of the irrigation system, back filling of access routes used within the project with straw bales, restoration of staging areas, and removal and disposal of all trash and debris remaining in the project. Recycling of the

HDPE irrigation pipe will be encouraged rather than disposal in a landfill. The pump, backflow preventer, flow meter and other equipment located at the Keeler Well will be removed from the well head but the pipe extending under SR 136 will be capped and remain in place for future use by the community of Keeler.

Photos, Maps and Field Trip

A current project map and a few photos are provided at the end of this Board report. A presentation with more photos and maps of the project will be shown at this Board Meeting. A field trip with two stops in the Keeler Dunes is planned in the afternoon of this Board meeting.

Board Action:

None

Map and Photos of the Keeler Dunes Project, January-February 2018

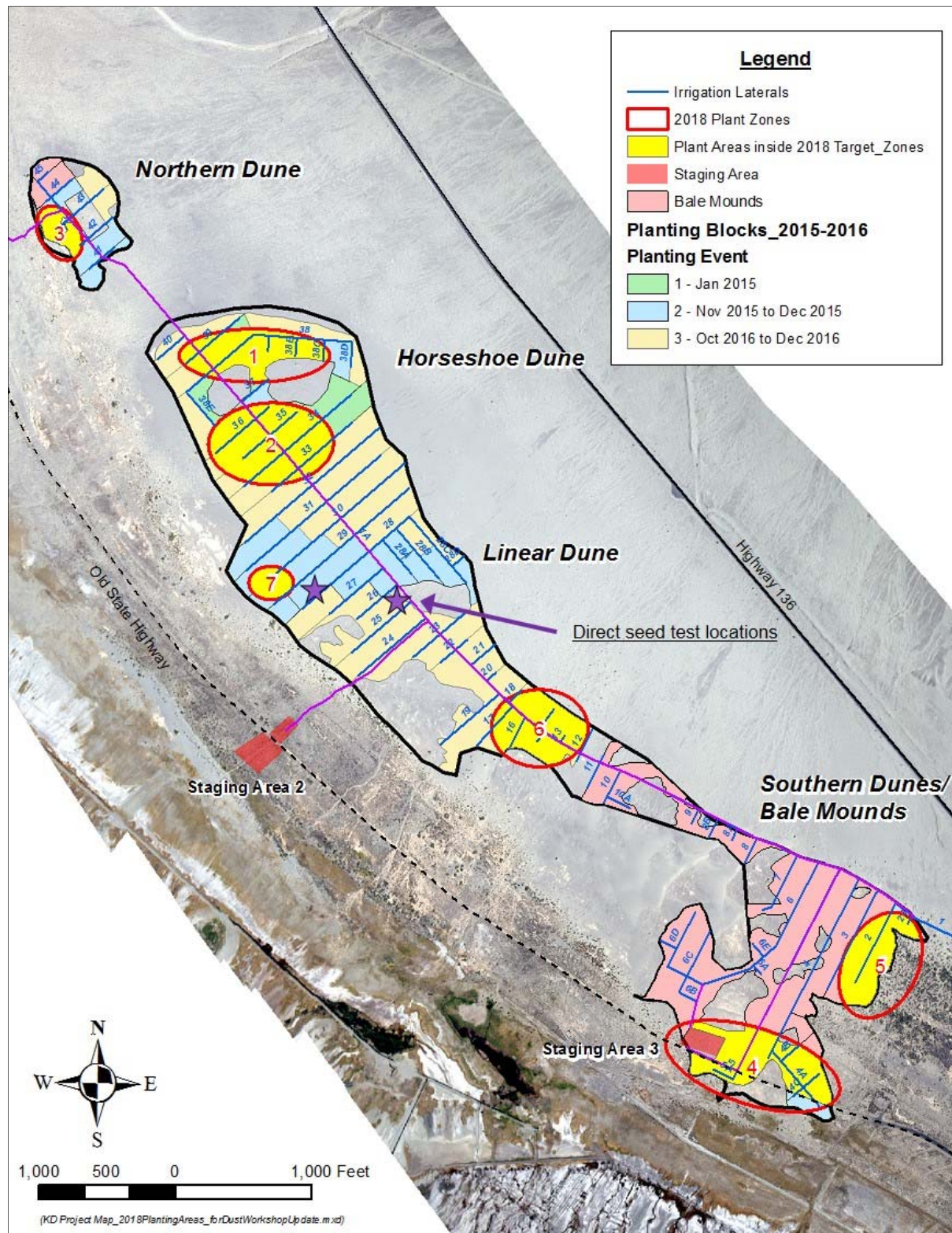


Figure 1. Map of the Keeler Dunes project showing the targeted planting areas (bright yellow) and the direct seeding test locations (purple stars).

Keeler Dunes Dust Control Project Update (No Action)
March 8, 2018 – Agenda Item No. 8 – Page 4



Figure 2. Keeler Dunes Plant Acclimation Center (KDPAC) at the District Keeler Field Office yard.



Figure 3. *Atriplex polycarpa* for the Keeler Dunes Project in the KDPAC.

Keeler Dunes Dust Control Project Update (No Action)
March 8, 2018 – Agenda Item No. 8 – Page 5



Figure 4. Planting crew from Nature's Image working on installing new plants in January 2018.



Figure 5. Planting work by Nature's Image in January 2018. New plant locations are marked with orange pin flags.



Figure 6. Browsing impact to a newly planted plant in January 2018. Notice the plant stem in the center of the photo (at end of red arrow) along with the excavated soil from the plug.



Figure 7. Protective wire mesh cages installed around two newly planted plants, February 2018.



GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT

157 Short Street, Bishop, California 93514-3537

Tel: 760-872-8211 Fax: 760-872-6109

BOARD REPORT

Mtg. Date: March 8, 2018

To: District Governing Board

From: Patricia Gilpin, Fiscal Services Technician

Subject: FY 2017-18 2nd Quarter Financial Reports

Summary:

Financial summaries for the 2nd quarter of the 2017-18 fiscal year are attached. The District operates two main budgets, the “District” and the “SB 270”. The District Budget’s income and expenses are traditional air pollution control activities within the tri-county boundaries, with exception of any air pollution control income and expenses related to the City of Los Angeles’ water-diversion activities. The SB 270 Budget’s income and expenses are related to the City of Los Angeles activities at Owens Lake and Mono Lake. Funds for both budgets are held in the Inyo County Treasury.

The District also has three sub-budgets: The Owens Lake Trust Fund, the Clean Air Projects Program, and the Keeler Dunes Dust Control Project. Reports on these budgets are also included in this summary. Funds for these three sub-budgets are also held in the Inyo County Treasury.

Fiscal Impact:

None

Board Action:

None. Information only.

Attachments:

1. FY 2017-18 2nd Quarter Financial Reports (October 1 – December 31)

Great Basin Unified Air Pollution Control District
District Budget FY 2017-2018
For the 2nd Quarter (Ending December 31, 2017)

EXPENSES		2nd Quarter	Budget	% of Budget
I	Employee Costs			
	A Employee Wages	150,035.43	322,500.00	46.52%
	B Retirement	33,551.36	57,700.00	58.15%
	C Insurance Benefits	37,607.78	57,500.00	65.40%
	D Taxes	27,824.26	55,600.00	50.04%
	E Retiree Medical Insurance Unfunded Liability	-	-	0.00%
	F Worker's Compensation Insurance	2,842.34	3,100.00	91.69%
	G Retirement: GASB68 Trust-Prefunding of Unfunded Liability	-	-	0.00%
	Employee Costs	251,861.17	496,400.00	50.74%
II	Operating & Compliance Costs			
	A Advertising - Legal Notices & Ads	376.36	4,000.00	9.41%
	B Dues, Subscriptions Education, Use Tax, Fees, AB2588	2,885.58	10,000.00	28.86%
	C Equipment: Computer, Furniture, General, Office, Safety, Scientific, Software (<\$5,000 ea.)	6,337.25	18,000.00	35.21%
	D Fuel and Gasoline	1,635.18	4,300.00	38.03%
	E Health & Safety	-	1,000.00	0.00%
	F Insurance - Liability, Fire & Casualty	8,752.15	10,000.00	87.52%
	G Leases & Rents: Equipment, Office, Site, Storage	11,525.52	25,700.00	44.85%
	H Maintenance & Repairs of Equipment - Labor	1,626.85	12,000.00	13.56%
	I Maintenance & Repairs of Equipment - Materials	2,387.90	12,000.00	19.90%
	J Postage and Shipping	159.85	1,000.00	15.99%
	K Professional & Special Services	3,098.23	45,000.00	6.88%
	L Supplies & Tools (In-Field, Office, General Use)	1,054.33	3,000.00	35.14%
	M Transportation & Travel	2,603.36	5,500.00	47.33%
	N Utilities	3,168.95	8,500.00	37.28%
	O Public Assistance/Grant Programs	-	6,000.00	0.00%
	Operating & Compliance Costs	45,611.51	166,000.00	27.48%
III	Materials & Equipment			
	A Equipment: Computer, Furniture, General, Office, Scientific, Software (>\$5,000 ea.)	20,000.00	31,400.00	63.69%
	B Capital Expenditure Fund: Vehicles & Equipment	-	5,000.00	0.00%
	Materials and Equipment Costs	20,000.00	36,400.00	54.95%
	TOTAL EXPENSES (Parts I, II, III)	317,472.68	698,800.00	45.43%
IV	Grant Expenses			
	A EPA PM 2.5 Grant Funds	-	23,245.00	0.00%
	B EPA 105 Grant Funds	14,313.16	71,889.00	19.91%
	C EPA NCORE Funds	-	-	0.00%
	Grants	14,313.16	95,134.00	15.05%
	Total Expenses	\$ 331,785.84	\$ 793,934.00	41.79%

Great Basin Unified Air Pollution Control District
District Budget FY 2017-2018
For the 2nd Quarter (Ending December 31, 2017)

REVENUE		2nd Quarter	Budget	% of Budget
I	Fees, Permits & Penalties			
A	AB 2588 - Toxic Hot Spots	-	1,500.00	0.00%
B	Conservation Mgmt. Plan/Prescribed Burn Plan	(212.00)	5,000.00	-4.24%
C	Geothermal	15,910.00	309,000.00	5.15%
D	Hearing Board	-	-	0.00%
E	Initial Permit Fees (FF, ATC, Mods)	24,722.40	30,000.00	82.41%
D	Penalties & Late Fees	818.50	20,000.00	4.09%
G	Sources (Asbestos, Diesel, Fuel, Electric, PERP)	56,298.31	114,400.00	49.21%
H	Service Station Vapor Recovery	6,846.00	15,000.00	45.64%
	Fees, Permits & Penalties	104,383.21	494,900.00	21.09%
II	Other Revenue			
A	Air Monitoring Audits	-	-	-
B	Interest	2,814.06	2,000.00	140.70%
C	Per Capita Fee	-	-	-
D	Sales, Services, Fees, Rebates & Refunds	230.46	2,000.00	11.52%
E	State Subvention (3 counties)	-	138,500.00	0.00%
F	Town of Mammoth Lakes (Air Monitoring)	25,000.00	25,000.00	100.00%
G	From Capital Asset Reserves: E&M	-	36,400.00	0.00%
	Other Revenue	28,044.52	203,900.00	13.75%
	Total Permits, Fees & Other Revenue	132,427.73	698,800.00	18.95%
III	Grant Funds (Restricted)			
A	EPA PM2.5 Grant	18,245.00	23,245.00	78.49%
B	EPA 105 Grant	-	71,889.00	0.00%
C	EPA Ncore Grant	-	-	-
	Total Grants	18,245.00	95,134.00	19.18%
	TOTAL REVENUE (w/ Grants)	\$ 150,672.73	\$ 793,934.00	18.98%

Reconcile to Inyo County Treasury as of 12/31/2017

District General Fund Reserves	\$ 1,045,489.15
Capital Asset Accrual Reserves	\$ 97,365.64
Spendable/Available Cash	\$ (159,076.65)
CEQA Lead Agency Litigation Funds ⁽¹⁾	\$ 29,591.92
103 Grant Funds (PM2.5)	\$ 46,130.45
105 Grant Funds	\$ 38,386.06
	\$ 1,097,886.57

Balance, IC Auditor Report 12/31/2017 **\$ 1,097,886.57**

Checking account balance as of 12/31/2017=\$16,592.93

¹ ORMAT Litigation Funds

Great Basin Unified Air Pollution Control District
SB 270 Budget FY 2017-2018
For the 2nd Quarter (Ending December 31, 2017)

EXPENSES	2nd Quarter	Budget	Adjusted Budget	% of Budget
I Employee Costs				
A Employee Wages	726,621.24	1,692,800.00	1,692,800.00	42.92%
B Retirement	282,035.57	424,500.00	424,500.00	66.44%
C Insurance Benefits	240,741.22	449,700.00	449,700.00	53.53%
D Taxes	136,716.88	285,500.00	285,500.00	47.89%
E Worker's Compensation Insurance	16,106.60	16,500.00	16,500.00	97.62%
F Retirement: CalPERS Unfunded Accrued Liability Payment	200,000.00	-	200,000.00	100.00%
Employee Costs	1,602,221.51	2,869,000.00	3,069,000.00	52.21%
II Operating & Compliance				
A Advertising - Legal Notices & Ads	1,700.13	6,000.00	6,000.00	28.34%
B Dues, Subscriptions, Education, Use Tax & Fees	17,354.05	40,000.00	40,000.00	43.39%
C Equipment: Computer, Furniture, General, Office, Safety, Scientific, Software (<\$5,000 ea.)	37,277.08	143,100.00	143,100.00	26.05%
D Fuel and Gasoline	11,140.95	30,000.00	30,000.00	37.14%
E Health & Safety	-	2,000.00	2,000.00	0.00%
F Insurance - Liability, Fire & Casualty	49,645.53	45,000.00	45,000.00	110.32%
G Leases & Rents: Equipment, Office, Site, Storage	57,675.78	113,800.00	113,800.00	50.68%
H Maintenance & Repairs of Equipment - Labor	19,370.11	50,000.00	50,000.00	38.74%
I Maintenance & Repairs of Equipment - Materials	89,062.51	151,000.00	151,000.00	58.98%
J Postage and Shipping	728.81	3,000.00	3,000.00	24.29%
K Professional & Special Services	168,390.80	1,188,300.00	1,249,540.00	13.48%
L Supplies and Tools (In-field, Office, General Use)	9,853.51	35,000.00	35,000.00	28.15%
M Transportation & Travel	11,048.19	28,000.00	28,000.00	39.46%
N Utilities	25,231.44	70,300.00	70,300.00	35.89%
O Project Demonstration: Control Measure Testing	41,475.73	-	52,033.00	79.71%
P Public Outreach & Education	-	10,000.00	10,000.00	0.00%
Operating & Compliance Costs	539,954.62	1,915,500.00	2,028,773.00	26.61%
III Materials & Equipment				
A Equipment: Computer, Furniture, General, Office, Scientific, Software (>\$5,000 ea.)	117,850.59	191,000.00	272,983.52	43.17%
B Vehicles & ATVs	36,190.12	50,000.00	50,000.00	72.38%
Materials & Equipment Costs	154,040.71	241,000.00	322,983.52	42.36%
Expenses Total (Parts I, II, III)	\$ 2,296,216.84	\$ 5,025,500.00	\$ 5,420,756.52	42.36%
IV Owens Lake Scientific Advisory Panel				
A 2014 Stipulated Judgment (Paragraph 12.G)	\$ -	\$ -	\$ 750,000.00	0.00%
FY 2017-2018 SB 270 Fee	\$ 2,296,216.84	\$ 5,025,500.00	\$ 6,170,756.52	37.21%

Great Basin Unified Air Pollution Control District
SB 270 Budget FY 2017-2018
For the 2nd Quarter (Ending December 31, 2017)

REVENUE		2nd Quarter	Budget	Adjusted Budget	% of Budget
I	Fees, Permits & Penalties	\$ 4,859,118.00	\$ 4,859,118.00	\$ 4,859,118.00	100.00%
	Reserve Policy Credit	\$ 166,382.00	\$ 166,382.00	\$ 166,382.00	100.00%
Total SB 270 Fee Assessment		\$ 5,025,500.00	\$ 5,025,500.00	\$ 5,025,500.00	100.00%
II	Other Revenue				
	FY16-17 Carry-overs	142,595.03	-	142,595.03	100.00%
	FY16-17 Carry-over: CalPERS Unfunded Accrued Liability	200,000.00	-	200,000.00	100.00%
	Carry-over: Owens Lake Scientific Advisory Panel	750,000.00	-	750,000.00	100.00%
	From Asset Reserve:	52,661.49	-	52,661.49	0.00%
	Interest	17,141.74	-	-	0.00%
	Sales, Services, Rebates, Refunds	2,209.21	-	-	0.00%
		<u>1,164,607.47</u>	<u>-</u>	<u>1,145,256.52</u>	<u>101.69%</u>
TOTAL REVENUE		\$ 6,190,107.47	\$ 5,025,500.00	\$ 6,170,756.52	100.31%

Reconcile to Inyo County Treasury as of 12/31/2017

SB 270 General Fund Reserves	\$ 1,575,999.38
Capital Asset Accrual Reserves	\$ 202,537.82
Spendable/Available Cash	\$ 3,931,646.50
	<u>\$ 5,710,183.70</u>

Balance, IC Auditor Report 12/31/2017 **\$ 5,710,183.70**

Checking account balance as of 12/31/2017=\$(21,121.39)

Great Basin Unified Air Pollution Control District
Owens Lake Trust Fund FY 2017-2018
For the 2nd Quarter (Ending December 31, 2017)

Beginning Cash Balance 7/1/2017	1,057,498.93
June 30, 2017 Interest-earned Inyo County	2,412.31
September 30, 2017 Interest-earned Inyo County	2,533.10
	<u>1,062,444.34</u>

Expenses

Professional Services -

<i>Checking account balance</i>	<u>3.90</u>
	3.90

Reconcile to Inyo County Treasury 12/31/2017	<u>\$ 1,062,444.34</u>
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Balance: IC Auditors Report as of 12/31/2017	<u>\$ 1,062,444.34</u>
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Great Basin Unified Air Pollution Control District
Clean Air Projects Program FY 2017-2018
For the 2nd Quarter (Ending December 31, 2017)

Beginning Cash Balance 7/1/2017	771,215.63
June 30, 2017 Interest-earned Inyo County	1,759.26
September 30, 2017 Interest-earned Inyo County	1,847.35
	<u>774,822.24</u>

Expenses

Projects -

<i>Checking account balance</i>	<u>30.31</u>
	30.31

Reconcile to Inyo County Treasury as of 12/31/2017	<u>\$ 774,822.24</u>
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Balance: Inyo County Auditors as of 12/31/2017	<u>\$ 774,822.24</u>
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Great Basin Unified Air Pollution Control District
Keeler Dunes Dust Control Projects FY 2017-2018
For the 2nd Quarter (Ending December 31, 2017)

Beginning Cash Balance 7/1/2017	2,440,738.78
June 30, 2017 Interest-earned Inyo County	5,600.83
Checking account balance at year-end	(4,053.35)
2nd Installment payment - Jimmy Myers	20,000.00
Antelope Valley RCD settlement payment	35,000.00
September 30, 2017 Interest-earned Inyo County	5,799.90
	<u>2,503,086.16</u>

Expenses

Paid year-end invoices (FY16-17 accruals)	57,033.26
Employee Costs	27,985.18
General Expenses	11,417.74
Projects	359,486.55
Administration	15,210.55
	<u>471,133.28</u>

<i>Checking account balance</i>	<u>12,798.55</u>
	483,931.83

Reconcile to Inyo County Treasury 12/31/2017	<u><u>\$ 2,019,154.33</u></u>
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Balance: Inyo County Auditors as of 12/31/2017	<u><u>\$ 2,019,154.33</u></u>
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GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT

157 Short Street, Bishop, California 93514-3537

Tel: 760-872-8211 Fax: 760-872-6109

BOARD REPORT

Mtg. Date: March 8, 2018

To: Governing Board

From: Tori DeHaven, Clerk of the Board

Subject: Travel Report

Summary:

Phill Kiddoo	February 1 – 2	Owens Lake Interagency Meeting Hosted by California State Lands Commission	Sacramento, CA
Patricia Gilpin	February 5 – 10	Budget Analyst Training	Garden Grove, CA
Ann Logan	February 8 – 9	CEQA Training	Sacramento, CA

Board Action:

None. Information only.



GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT

157 Short Street, Bishop, California 93514-3537

Tel: 760-872-8211 Fax: 760-872-6109

BOARD REPORT

Mtg. Date: March 8, 2018

To: District Governing Board

From: Tori DeHaven, Permit Coordinator/Board Clerk

Subject: Permit Enforcement Activity Report

The permit database is maintained by the Permit Coordinator. Information collected from the Air Quality Specialists, Air Pollution Control Officer, and Deputy Air Pollution Control Officer is entered upon receipt. The data and reports are discussed regularly in permit enforcement meetings. Data collected as of December 31, 2017, is as follows:

2nd Qtr. Permit Activity: October 1, 2016 – December 31, 2016

Permit Applications Received	4
Authority to Construct Issued	4
Temporary/Permits to Operate Issued	9
Permit Inspections	11
Notices of Violation Issued	0

2nd Qtr. Permit Activity: October 1, 2017 – December 31, 2017

Permit Applications Received	7
Authority to Construct Issued	2
Temporary/Permits to Operate Issued	5
Permit Inspections	8
Notices of Violation Issued	0

Open Notices of Violation

Inyo County	Mono County	Alpine County
9	0	0

Board Action:

None. Information only.



GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT
157 Short Street, Bishop, California 93514-3537
Tel: 760-872-8211 Fax: 760-872-6109
www.gbuapcd.org

BOARD REPORT

Mtg. Date: March 8, 2018

To: District Governing Board

From: Susan Cash, Administrative Projects Manager

Subject: Contracts Less than \$10,000 or Otherwise Within the APCO's Authority

Summary:

The District's purchasing, bidding and contracting policy allows the Air Pollution Control Officer (APCO) to execute leases, contracts and purchase orders for consultant and contractor services when the value is less than or equal to \$10,000. The APCO can also execute contract change orders or amendments when the value of the change order is less than 10% of the contract price or \$25,000, whichever is less. The policy requires the APCO to inform the Board of all such contracts or leases at the Board's next meeting.

Since the last report to the Board, the APCO has executed the following leases, consultant and contractor contracts, or contract amendments:

Contract Amendments with Henkels and McCoy

The APCO executed Contract Amendment No.1 with Henkels and McCoy for work at the Lee Vining Monitoring Station. Amendment No. 1 removed the task of pulling the electrical cable and added the tasks of placing a meter pedestal, acquiring a permit, and pouring a concrete pad. This amendment changed the overall contract cost by \$621.84 (total contract cost \$81,650.17).

Board Action:

None. Information only.



GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT

157 Short Street, Bishop, California 93514-3537

Tel: 760-872-8211 Fax: 760-872-6109

BOARD REPORT

Mtg. Date: March 8, 2018

To: District Governing Board

From: Phillip L. Kiddoo, Air Pollution Control Officer

Subject: Air Pollution Control Officer Report

A verbal report will be given at the meeting.

2018

Regular Meetings of the GBUAPCD Governing Board
2nd Thursday of odd Months

JANUARY

s	m	t	w	t	f	s
1	2	3	4	5	6	
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

FEBRUARY

s	m	t	w	t	f	s
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
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Great Basin Unified APCD
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GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT

157 Short Street, Bishop, California 93514-3537

Tel: 760-872-8211

BOARD REPORT

Mtg. Date: March 8, 2018

To: District Governing Board

From: Phillip L. Kiddoo, Air Pollution Control Officer

Subject: Field Trip to Keeler Dunes and Owens Lake

Summary:

After completion of regular business items (Agenda items 1 through 14), there will be a field trip out to the Keeler Dunes and northeast portion of Owens Lake from the City of Los Angeles Department of Water and Power (LADWP) Administrative Building on Sulfate Road. The field trip is estimated to take two to three hours and may be adjusted in duration due to proceeding length of regular business agenda items. Planned stops are listed in order below. Field trip map with planned stops attached.

- 1) Plover Wing Plaza, T30-1 (Lunch Provided)
- 2) Keeler Dunes Dust Control Project
- 3) Phase 7a Transition Area, T-28
(Transitioned from BACM Shallow Flooding to hybrid area of BACM Gravel Blanket, BACM Managed Vegetation, and BACM Shallow Flooding)
- 4) Brine with BACM Shallow Flooding Backup, T-24 Addition
- 5) Tillage with BACM Shallow Flooding Backup, T-24 Addition

Upon completion of the field trip, the Board will reconvene at LADWP's Administrative Building, Training Room 134A, to adjourn the meeting.

Logistics

The District will provide transportation for Board members and District staff. There may be some limited space for members of the public. Members of the public should be prepared to provide their own transportation. Although travel will be on paved and unpaved roads generally accessible to two-wheel drive vehicles, 4-wheel drive vehicles are preferred.

Considerations

Weather conditions this time of year at Owens Lake can be hot/cold, sunny/cloudy, calm/windy and/or dry/wet. Please plan accordingly when preparing necessary personal items.

Board Action:

None. Information only.

Attachment:

1. Map - March 8, 2018 Owens Lake Field Trip

Keeler Dunes and Owens Lake Field Trip
March 8, 2018 - Agenda Item No. 14 - Page 1



March 8, 2018 Owens Lake Field Trip

