

FUNDING AGREEMENT

Heber Public Utility District

THIS AGREEMENT FOR FUNDING (“Agreement”), made and entered into this _____ day of _____, 2021, by and between IMPERIAL COUNTY AIR POLLUTION CONTROL DISTRICT, an air pollution control district formed and existing pursuant to California Health and Safety Code section 40002 (“ICAPCD”), and HEBER PUBLIC UTILITY DISTRICT, a utility district established pursuant to Public Utilities Code §11501 et seq (“GRANTEE”) (individually, “Party” collectively, “Parties”) shall be as follows:

RECITALS

WHEREAS, in 2019, the El Centro-Heber-Calexico Corridor AB 617 Community (“Community”) developed a Community Emissions Reduction Program (“CERP”) to address local air quality concerns as part of the state-wide Community Air Protection Program; and

WHEREAS, as part of CERP development, the Community was granted funding by the California legislature for the implementation of projects for reducing pollutant emissions or community exposure through mobile source, stationary source, and community-identified projects and strategies; and

WHEREAS, various strategies were identified during CERP development, with one of these key strategies being *Paving Projects*; and

WHEREAS, GRANTEE submitted an application to ICAPCD seeking funding in the amount of sixty-one thousand four hundred forty-three dollars and seventy-five cents (\$61,443.75) for the pavement of approximately 14,210 square feet of unpaved area at the Water Treatment Plant in Heber, CA (“Project”) in an attempt to mitigate PM₁₀; and

WHEREAS, ICAPCD presented the Project to the Community on September 8, 2021, and the Community approved the Project funding as presented; and

WHEREAS, ICAPCD is authorized to enter into this Agreement under the provisions of California Health and Safety Code section 40701; and

WHEREAS, ICAPCD desires to provide such funding to GRANTEE as approved by the Community, subject to the terms and conditions provide for herein.

NOW THEREFORE, for and in consideration of the mutual promises set out herein, ICAPCD and GRANTEE have and hereby agree as follows:

1. INCORPORATION OF RECITALS.

1.1. PARTIES hereby certify that to the best of their knowledge, the above recitals are true and correct.

1.2. The above recitals are hereby adopted and incorporated within this Agreement.

2. DEFINITIONS.

2.1. “Scope of Work” shall mean the application submitted by GRANTEE entitled “Imperial County Air Pollution Control District AB 617 Paving Projects Project Proposal Water Treatment Plant Paving Project,” dated May 26, 2021. The Scope of Work is attached hereto as **Exhibit “A”** and incorporated herein by this reference.

2.2. “Request for Proposals” shall mean the document entitled “Imperial County Community Emissions Reduction Program: Project Plan Paving Program El Centro-Heber-Calexico Corridor Rev. February 2021,” dated February 2021. The Request for Proposals is attached hereto as **Exhibit “B”** and incorporated herein by this reference.

3. CONTRACT COORDINATION.

3.1. The Air Pollution Control Officer, or his/her designee, shall be the representative of ICAPCD for all purposes under this Agreement. The Air Pollution Control Officer, or his/her designee, is hereby designated as Contract Manager for ICAPCD. He/she shall supervise the progress and execution of this Agreement.

3.2. GRANTEE shall assign a single Contract Manager to have overall responsibility for the progress and execution of this Agreement. Should circumstances or conditions subsequent to the execution of this Agreement require a substitute Contract Manager for any reason, the Contract Manager designee shall be subject to the prior written acceptance and approval of ICAPCD’s Contract Manager.

4. SCOPE OF WORK.

GRANTEE shall provide all materials and labor to perform this Agreement consistent with the Scope of Work and Request for Proposals, attached hereto as **Exhibit “A”** and **Exhibit “B”** respectively.

In the event of a conflict amongst this Agreement, Scope of Work, and Request for Proposals, this Agreement shall take precedence.

5. WORK TO BE PERFORMED BY GRANTEE

- 5.1. GRANTEE shall comply with all terms, conditions, and requirements of the Scope of Work and this Agreement.
- 5.2. GRANTEE shall perform such other tasks as necessary and proper for the full performance of the obligations assumed by GRANTEE hereunder.
- 5.3. GRANTEE shall:
 - 5.3.1. Procure all permits and licenses, pay all charges and fees, and give all notices that may be necessary and incidental to the due and lawful prosecution of the work to be performed by GRANTEE under this Agreement;
 - 5.3.2. Keep itself fully informed of all existing and proposed federal, State and local laws, ordinances, regulations, orders and decrees which may affect those under this Agreement;
 - 5.3.3. At all times observe and comply with, and cause all of its employees to observe and comply with all of said laws, ordinances, regulations, orders and decrees mentioned above; and
 - 5.3.4. Immediately report to ICAPCD's Contract Manager in writing any discrepancy or inconsistency it discovers in said laws, ordinances, regulations, orders, and decrees mentioned above in relation to any provisions of this Agreement.

6. REPRESENTATIONS BY GRANTEE

- 6.1. GRANTEE represents and warrants that it is a lawful entity possessing all required licenses and authorities to do business in the State of California and perform all aspects of this Agreement.
- 6.2. GRANTEE represents and warrants that the person or people executing this Agreement on behalf of GRANTEE have the authority of GRANTEE to sign this Agreement and bind GRANTEE to the performance of all duties and obligations assumed by GRANTEE herein.
- 6.3. GRANTEE represents and warrants that any employee, contractor, and/or agent who will be performing any of the duties and obligations of GRANTEE herein possess all required

licenses and authorities, as well as the experience and training, to perform such tasks.

6.4. GRANTEE understands that ICAPCD considers the representations made herein to be material and would not enter into this Agreement with GRANTEE if such representations were not made.

6.5. GRANTEE understands and agrees that in the course of performance of this Agreement, GRANTEE may be provided with information or data considered by ICAPCD to be confidential. ICAPCD shall clearly identify such information and/or data as confidential. GRANTEE shall take all necessary steps necessary to maintain such confidentiality, including but not limited to restricting the dissemination of all material received to those required to have such data in order for GRANTEE to perform under this Agreement.

7. **TERM OF AGREEMENT.**

This Agreement shall become effective upon the date first written above and shall remain in effect until the work to be performed under **Exhibit “A”** is completed and/or up to 6 months after effective date, unless otherwise terminated as provided for herein.

8. **FUNDING.**

8.1. The total funding under this Agreement shall not exceed **sixty-one thousand four hundred forty-three dollars and seventy-fifty cents (\$61,443.75).**

8.2. ICAPCD shall not be responsible to pay GRANTEE any additional funding, compensation, out-of-pocket expenses, fees, or other remuneration unless otherwise agreed to in writing by both Parties.

9. **PAYMENT OF FUNDING.**

9.1. GRANTEE shall submit invoices on a monthly basis for work performed during each month. GRANTEE shall receive funding for the Project after invoices have been received by ICAPCD and the work performed has been reviewed, inspected and approved to be in accordance with **Exhibit “A”** and **Exhibit “B”** by ICAPD.

9.2. ICAPCD shall not provide funding for work that is not included in a monthly invoice unless otherwise agreed to in writing by both Parties.

///

///

10. METHOD OF PAYMENT.

Upon the satisfactory completion of the Project, GRANTEE may expect to receive funding within a reasonable time thereafter, and in any event, in the normal course of business, within thirty (30) days after ICAPCD has approved the completion of the Project in accordance with **Exhibit “A” and Exhibit “B”**.

11. PREVAILING WAGE, REGISTRATION, APPRENTICESHIP, AND OTHER REQUIREMENTS.

11.1. GRANTEE is hereby on notice that the work to be performed under this Agreement in connection with the Project may be subject to the prevailing wage, registration, apprenticeship, and other provisions of the California Labor Code.

11.2. In the event a determination is made by the California Department of the Industrial Relations (“DIR”) that said work under the Project is "public works" within the meaning of the California Labor Code, the GRANTEE agrees to the fullest extent permitted by law to indemnify, defend, protect and hold ICAPCD and its representatives, officers, directors, designees, employees, agents, successors and assigns harmless from any and all claims, expenses, liabilities, causes of action, demands, losses, penalties, attorneys' fees and costs, in law or equity, of every kind and nature whatsoever arising out of or in connection with the GRANTEE’s failure to comply with such a determination, and further agrees to abide by the following provisions:

11.2.1. Prevailing Wage. GRANTEE shall require its contractor and subcontractors to pay all workers employed on the Project the higher of either the rates determined by the Director of DIR, or when applicable, the Davis-Bacon Federal wage rates as supplemented by the Department of Labor regulations.

(a) Copies of the State prevailing rate of per diem wages are on file with the Department of Industrial Relations, Division of Apprenticeship Standards, 445 Golden Gate Avenue, San Francisco, California, and at the Imperial

County Department of Public Works, and are available to GRANTEE and any other interested party upon request.

- (b) GRANTEE's contractor shall post the prevailing rate of per diem wages at the Project work site.
- (c) GRANTEE is responsible for compliance with the provisions herein.

11.22. Mandatory Registration with the Department of Industrial Relations - NEW REQUIREMENTS PURSUANT TO SB 854.

- (a) GRANTEE's contractor and their subcontractors shall be registered with the DIR and pay all applicable fees as set forth in Labor Code section 1725.5.
- (b) GRANTEE shall not select a contract unless the contractor is registered with the DIR pursuant to Labor Code section 1725.5. The requirements of this section shall apply unless one of the limited exceptions provided under Labor Code Section 1771.1(a) applies.
- (c) GRANTEE shall not award any contract for public work on a public works project (awarded on or after April 1, 2015) to a contractor unless the contractor is registered with the DIR pursuant to Labor Code section 1725.5.
- (d) The work on the Project described herein may be subject to compliance monitoring and enforcement with the DIR.
- (e) For further information concerning compliance with SB 854, please visit: <http://www.dir.ca.gov/Public-Works/SB854.html>.

11.23. Cognizance of Violations by ICAPCD.

- (a) GRANTEE understands and agrees that ICAPCD shall take cognizance of violations of Chapter 1 of Part 7 of Division 2 of the California Labor Code

committed in the course of the execution of this Agreement, and shall promptly report any suspected violations to the Labor Commissioner.

(b) If applicable, GRANTEE may bring an action in a court of competent jurisdiction to recover from ICAPCD the difference between the wages actually paid to an employee and the wages that were required to be paid to an employee pursuant to Chapter 1 of Part 7 of Division 2 of the California Labor Code, any penalties required to be paid pursuant to Chapter 1 of Part 7 of Division 2 of the California Labor Code, and costs and attorney's fees related to the action, if either of the following is true:

(i) ICAPCD previously affirmatively represented to GRANTEE in writing, in the call for bids, or otherwise, that the work was not a “public work,” as defined in Chapter 1 of Part 7 of Division 2 of the California Labor Code; or

(ii) ICAPCD received actual written notice from the Department of Industrial Relations that the work is a “public work,” as defined in Chapter 1 of Part 7 of Division 2 of the California Labor Code, and failed to disclose that information to GRANTEE before the bid opening or award.

11.24. Prevailing Wage Rates and Payroll Records.

(a) GRANTEE shall require its contractor and their subcontractors to comply with §§ 1775 and 1776 of the California Labor Code relating to the payment of prevailing wage and the maintenance of certified payroll records and to make the certified payroll records available for inspection at all reasonable hours at the contractor’s principal office. The responsibility for compliance with these provisions is fixed with the GRANTEE’s contractor,

who the GRANTEE must inform, and the contractor must understand and agree, that it shall, as a penalty to GRANTEE, forfeit specific monetary fines for each worker paid less than the prevailing wage rates as determined by the Labor Commissioner for the work or craft in which the worker is employed for any work done pursuant to this Agreement.

(b) GRANTEE's contractor shall be liable for penalties when a subcontractor fails to pay its workers the general prevailing rate of per diem wages and any of the following conditions are met:

(i) GRANTEE's contractor had knowledge of the failure of the subcontractor to pay the specified prevailing rate of wages to those workers; or

(ii) GRANTEE fails to comply with the following requirement: The contract executed between GRANTEE and its contractor for the performance of work on the Project shall include a copy of the provisions of California Labor Code §§ 1771, 1775, 1776, 1777.5, 1813 and 1815; and

(iii) GRANTEE fails to comply with the following requirement: GRANTEE shall monitor the payment of the specified general prevailing rate of per diem wages by its contractor to its employees, by periodic review of the certified payroll records of the contractor; and

(iv) Upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages, GRANTEE shall diligently take corrective action to halt or rectify the failure, including, but not limited to, retaining sufficient funds due the

subcontractor for work performed on the Project; and

- (v) Prior to making final payment to its contractor for work performed on the Project, GRANTEE shall obtain an affidavit signed under penalty of perjury from its contractor that the contractor has paid the specified general prevailing rate of per diem wages to his or her employees on the Project work and any amounts due pursuant to California Labor Code § 1813.

11.25. Work Day and Work Week Requirements.

- (a) GRANTEE agrees to require its contractor and their subcontractors to comply with §§ 1810 through 1815 of the California Labor Code and, when applicable, sections 103 and 107 of the Contract Work Hours and Safety Standards Act, 40 U.S.C. §§ 3700 et seq., as supplemented by the Department of Labor regulations, which provide that contractor's workers and their subcontractors' workers may not be required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one (1) calendar week.
- (b) Work performed by employees of GRANTEE's contractor and their subcontractors in excess of eight (8) hours per day, and forty (40) hours during any one (1) week, shall be compensated for all hours worked in excess of eight (8) hours per day at not less than one and one-half (1½) times the basic rate of pay.
- (c) The responsibility for compliance with these provisions is fixed with GRANTEE's contractor and their subcontractor, who the GRANTEE must inform, and the contractor must understand and agree, that as a penalty to GRANTEE, forfeit specific monetary fines to GRANTEE should

GRANTEE's contractor or their subcontractors fail to comply with the provisions contained within this paragraph.

11.2.6. Apprenticeship Requirements.

- (a)** GRANTEE agrees to require its contract to comply with §§ 1777.5, 1777.6 and 1777.7 of the California Labor Code relating to the employment of apprentices and to provide ICAPCD with copies of any contract award information and verified statements of the journeyman and apprentice hours performed pursuant to this Agreement as required by § 1777.5(e).
- (b)** The responsibility for compliance with these provisions is fixed with GRANTEE's contractor and their subcontractors for all apprenticeable occupations, where journeymen in the craft are employed on the public work, in a ratio of not less than one (1) apprentice for each five (5) journeymen (unless an exemption is granted in accordance with § 1777.5) and GRANTEE's contractor and their subcontractors shall not discriminate among otherwise qualified employees as indentured apprentices on any public work solely on the ground of race, religious creed, color, national origin, ancestry, sex, or age, except as provided in California Labor Code § 3077.
- (c)** If the Project work falls within the jurisdiction of California Labor Code § 1777.5, ICAPCD shall, within five (5) days of the award, send a copy of the award to the Division of Apprenticeship Standards. In addition, ICAPCD shall notify the Division of Apprenticeship Standards of a finding of any discrepancy regarding the ratio of apprentices to journeymen within five (5) days of the finding.

11.2.7. Labor Standards Compliance Requirements.

- (a) It is GRANTEE's responsibility to provide all labor compliance documentation from its contractor and their subcontractors completely and accurately in a timely manner. GRANTEE are responsible to review promptly and then forward on all required documentation to ICAPCD per the time schedules in the Labor Compliance Handout. Included with the Labor Compliance Handout, ICAPCD will provide training, documentation requirements, forms, etc., at the preconstruction conference or at a time designated by ICAPCD.
- (b) In the event, during the review process of labor compliance documentation from ICAPCD's labor compliance monitor, inaccurate, missing or incomplete information was provided, the labor compliance monitor will request from GRANTEE the items, revisions and documentation needed. The cost of this additional labor compliance enforcement shall be borne by GRANTEE.

12. TIME FOR COMPLETION OF THE WORK.

12.1. The Parties agree that time is of the essence in the performance of this Agreement.

12.2. Time extensions may be allowed for delays caused by ICAPCD, other governmental agencies, or factors not directly brought about by the negligence or lack of due care on the part of GRANTEE

12.2.1. Such requests for extension shall be in writing and shall be forwarded to the attention of the ICAPCD Contract Manager.

12.2.2. All requests for extension outline the factual bases for the request.

13. MAINTENANCE AND ACCESS OF BOOKS AND RECORDS.

GRANTEE shall maintain books, records, documents, reports and other materials developed under this Agreement as follows:

13.1. GRANTEE shall maintain all reports, documents, and records, which demonstrate

performance under this Agreement for a minimum period of five (5) years, or for any longer period required by law, from the date of termination or completion of this Agreement.

- 13.2.** Any records or documents required to be maintained by GRANTEE pursuant to this Agreement shall be made available to ICAPCD for inspection or audit at any time during GRANTEE's regular business hours; provided that ICAPCD provides GRANTEE with seven (7) days advanced written or e-mail notice. Copies of such documents shall, at no cost to ICAPCD, be provided to ICAPCD for inspection at GRANTEE's address indicated for receipt of notices under this Agreement.

14. SUSPENSION OF AGREEMENT.

ICAPCD's Contract Manager shall have the authority to suspend this Agreement, in whole or in part, for such period as deemed necessary due to unfavorable conditions or to the failure on the part of GRANTEE to perform any provision of this Agreement.

15. TERMINATION.

15.1. Any failure by either Party to perform any term or provision of this Agreement, which failure continues uncured for a period of thirty (30) days following written notice of such failure from the other Party, unless such period is extended by mutual written consent, shall constitute a default under this Agreement. Any notice given pursuant to this section shall specify the nature of the alleged failure and, where possible, the manner in which the failure may be satisfactorily cured.

15.2. Upon failure to cure as herein provided, the Party alleging the failure may institute legal or equitable proceedings to enforce this Agreement.

16. INSPECTION.

GRANTEE shall furnish ICAPCD with every reasonable opportunity for ICAPCD to ascertain that the work being performed by GRANTEE is in accordance with the requirements and intentions of this Agreement. The inspection of such work shall not relieve GRANTEE of any of its obligations to fulfill its Agreement as prescribed.

17. INTEREST OF GRANTEE.

17.1. GRANTEE covenants that it presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree

with the performance of the services hereunder.

17.2. GRANTEE covenants that, in the performance of this Agreement, no subcontractor or person having such an interest shall be employed.

17.3. GRANTEE certifies that no one who has or will have any financial interest under this Agreement is an officer or employee of ICAPCD.

18. INDEMNIFICATION.

To the greatest extent permitted by law, GRANTEE agrees to indemnify, defend, protect and hold harmless ICAPCD and its representatives, officers, directors, designees, employees, successors and assigns from and against any and all claims, actions, demands, liabilities, damages, losses, and expenses of whatever kind, which are in any manner in whole or in part, or which are caused or contributed to in whole or in part, or which are claimed to be caused or contributed to in whole or in part even though such claims may be groundless, false, or fraudulent, by any willful misconduct or negligence or anyone acting under GRANTEE's direction in connection with or incident with the services provided hereunder, unless the same be caused by the sole or concurrent negligence or willful misconduct of ICAPCD.

19. INSURANCE REQUIREMENTS.

19.1. GRANTEE hereby agrees, at its sole cost and expense, to obtain and maintain in full force during the entire term of this Agreement (or extended term thereof) the following types of insurance as detailed below:

19.1.1. Commercial General Liability. Coverage in a minimum amount of one million dollars (\$1,000,000) per occurrence including but not limited to accidents, including personal injury, death, and property damage.

19.1.2. Commercial Automobile Liability. Coverage in a minimum amount of one million dollars (\$1,000,000) combined single limit.

19.1.3. Professional Liability.

Workers' Compensation.

(a) Coverage, if applicable, in full compliance with California statutory requirements, for all employees of GRANTEE

(b) Prior to the commencement of any work, GRANTEE shall sign and file with ICAPCD the following certification: "I am aware of the provisions of California Labor Code §§3700 et seq. which require every employer to

be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

- (c) This certification is included in this Agreement and signature of the Agreement shall constitute signing and filing of the certificate.
- (d) GRANTEE understands and agrees that any and all employees, regardless of hire date, shall be covered by Workers' Compensation pursuant to statutory requirements prior to beginning any work on the Project.
- (e) Worker's Compensation coverage shall not be required if GRANTEE does not, at any time, have any employees during the term of this Agreement, and any extension thereof.
 - (i) If GRANTEE does not have any employees, initial here_____.
 - (ii) Should status change, GRANTEE shall immediately notify ICAPCD in writing and comply with the insurance requirements above.

19.14. Employers Liability.

- (a) Coverage, if applicable, in the minimum amount of one million dollars (\$1,000,000) per accident for bodily injury and disease.
- (b) Employer's Liability coverage shall not be required if GRANTEE does not, at any time, have any employees during the term of this Agreement, and any extension thereof.
 - (i) If GRANTEE does not have any employees, initial here_____.
 - (ii) Should this status change, GRANTEE shall immediately notify ICAPCD in writing and comply with the insurance requirements above.

19.2. Special Insurance Requirements. All insurance required shall:

19.2.1. Be procured from California admitted insurers (licensed to do business in California) with a current rating by Best's Key Rating Guide, acceptable to ICAPCD. A rating of at least A-VII shall be acceptable to ICAPCD; lesser ratings

must be approved in writing by ICAPCD.

- 19.2.2.** Be primary coverage as respects ICAPCD and any insurance or self-insurance maintained by ICAPCD shall be in excess of GRANTEE's insurance coverage and shall not contribute to it.
- 19.2.3.** Name the Imperial County Air Pollution Control District and the County of Imperial and their officers, employees, and volunteers as additional insured on all policies, except Workers' Compensation insurance, and provide that ICAPCD may recover for any loss suffered by ICAPCD due to GRANTEE's negligence.
- 19.2.4.** State that it is primary insurance and regards ICAPCD and County of Imperial as additional insureds and contains a cross-liability or severability of interest clause
- 19.2.5.** Not be canceled, non-renewed or reduced in scope of coverage until after thirty (30) days written notice has been given to ICAPCD. GRANTEE may not terminate such coverage until it provides ICAPCD with proof that equal or better insurance has been secured and is in place. Cancellation or change without prior written consent of ICAPCD shall, at the option of ICAPCD, be grounds for termination of this Agreement.

19.3. Additional Insurance Requirements.

- 19.3.1.** ICAPCD is to be notified immediately of all insurance claims. ICAPCD is also to be notified if any aggregate insurance limit is exceeded.
- 19.3.2.** The comprehensive or commercial general liability shall contain a provision of endorsements stating that such insurance:
 - (a)** Includes contractual liability;
 - (b)** Does not contain any exclusions as to loss or damage to property caused by explosion or resulting from collapse of buildings or structures or damage to property underground, commonly referred to by insurers as the "XCU Hazards;"
 - (c)** Does not contain a "pro rata" provision which looks to limit the insurer's liability to the total proportion that its policy limits bear to the total coverage available to the insured;

- (d) Does not contain an "excess only" clause which require the exhaustion of other insurance prior to providing coverage;
- (e) Does not contain an "escape clause" which extinguishes the insurer's liability if the loss is covered by other insurance;
- (f) Includes ICAPCD and County of Imperial as additional insureds.
- (g) States that it is primary insurance and regards ICAPCD and County of Imperial as additional insureds and contains a cross-liability or severability of interest clause.

19.4. Deposit of Insurance Policy. Promptly on issuance, reissuance, or renewal of any insurance policy required by this Agreement, GRANTEE shall, if requested by ICAPCD, provide ICAPCD satisfactory evidence that insurance policy premiums have been paid together with a duplicate copy of the policy or a certificate evidencing the policy and executed by the insurance company issuing the policy or its authorized agent.

19.5. Certificates of Insurance. GRANTEE agrees to provide ICAPCD with the following insurance documents on or before the effective date of this Agreement:

19.5.1. Complete copies of certificates of insurance for all required coverages, including additional insured endorsements, shall be attached hereto as **Exhibit "C"** and incorporated herein.

///

///

19.5.2. The documents enumerated in this Paragraph shall be sent to the following:

County of Imperial
Risk Management Department
940 Main Street, Suite 101
El Centro, CA 92243

and

Imperial County Air Pollution Control District
150 South 9th Street
El Centro, CA 92243

19.6. Additional Insurance. Nothing in this, or any other provision of this Agreement, shall be construed to preclude GRANTEE from obtaining and maintaining any additional insurance policies in addition to those required pursuant to this Agreement.

20. INDEPENDENT CONTRACTOR.

20.1. Nothing contained herein shall be construed to create, and the Parties hereto expressly disclaim any intent to create, any form of agency relationship, joint venture, or partnership.

20.2. GRANTEE on its own behalf, and on the behalf of its agents and employees, agrees that GRANTEE is acting as an independent contractor, and not as an agent, officer or employee of ICAPCD.

20.3. GRANTEE is not an employee of ICAPCD and is only responsible for the requirements and results specified by this Agreement.

20.4. GRANTEE shall be responsible to ICAPCD only for the requirements and results specified by this Agreement and except as specifically provided in this Agreement, shall not be subject to ICAPCD's control with respect to the physical actions or activities of GRANTEE in fulfillment of the requirements of this Agreement.

20.5. GRANTEE is not, and shall not be, entitled to receive from, or through, ICAPCD, and ICAPCD shall not provide, or be obligated to provide, GRANTEE with Workers' Compensation coverage or any other type of employment or worker insurance or benefit coverage required or provided by any federal, state or local law or regulation for, or normally afforded to, an employee of ICAPCD.

20.6. GRANTEE shall not be entitled to have ICAPCD withhold or pay, and ICAPCD shall not withhold or pay, on behalf of GRANTEE, any tax or money relating to the Social Security Old Age Pension Program, Social Security Disability Program, or any other type of pension, annuity, or disability program required or provided by any federal, state, or local law or regulation.

20.7. GRANTEE shall not be entitled to participate in, or receive any benefit from, or make any claim against any ICAPCD fringe benefit program, including, but not limited to, ICAPCD's pension plan, medical and health care plan, dental and eye care plan, life

insurance plan, or any other type of benefit program, plan, or coverage designated for, provided to, or offered to ICAPCD's employees.

- 20.8. ICAPCD shall not withhold or pay, on behalf of GRANTEE, any federal, state, or local tax, including, but not limited to, any personal income tax, owed by GRANTEE
- 20.9. GRANTEE is, and at all times during the term of this Agreement, shall represent and conduct itself as an independent contractor, not as an employee of ICAPCD.
- 20.10. GRANTEE shall not have the authority, express or implied, to act on behalf of, bind, or obligate ICAPCD in any way without the written consent of ICAPCD.

21. ASSIGNMENT.

Neither this Agreement nor any duties or obligations hereunder shall be assignable by GRANTEE without the prior written consent of ICAPCD.

22. NON-DISCRIMINATION.

- 22.1. During the performance of this Agreement, GRANTEE and its subcontractors GRANTEE shall not unlawfully discriminate, harass or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over forty (40)), marital status and denial of family care leave.
- 22.2. GRANTEE and its subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.
- 22.3. GRANTEE and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, §7285 et seq.).
- 22.4. The applicable regulations of the Fair Employment and Housing Commission implementing Government Code §12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full.
- 22.5. The applicable regulations of §504 of the Rehabilitation Act of 1973 (29 U.S.C. §794

(a)) are incorporated into this Agreement by reference and made a part hereof as if set forth in full.

22.6. GRANTEE and its subcontractors shall give written notice of their obligations under Section 22 to labor organizations with which they have a collective bargaining or other agreement.

22.7. GRANTEE shall include the nondiscrimination and compliance provisions of Section 22 in all subcontracts to perform work under this Agreement.

23. NOTICES.

23.1. Any notice by either party to the other shall be personally delivered to the party or sent by certified mail, return receipt requested, to the addresses set forth below:

ICAPCD:
Imperial County Air Pollution Control District
150 South 9th Street
El Centro, CA 92243

GRANTEE:
Heber Public Utility District
1078 Dogwood Road, Suite 103
Heber, CA 92249

and

Imperial County Air Pollution Control District
Clerk of the District Board of Directors
940 West Main Street, Suite 209
El Centro, CA 92243

23.2. Notice shall be deemed to have been delivered only upon receipt by the Party, seventy-two (72) hours after deposit in the United States mail, or twenty-four (24) hours after deposit with an overnight carrier.

23.3. The addressees and addresses for purposes of this Section may be changed to any other addressee and address by giving written notice of such change. Unless and until written notice of change of addressee and/or address is delivered in the manner provided in this Section, the addressee and address set forth in this Agreement shall continue in effect for all purposes hereunder.

24. ENTIRE AGREEMENT.

This Agreement contains the entire contract between ICAPCD and GRANTEE relating to the transactions contemplated and supersedes all prior or contemporaneous agreements, understandings,

provisions, negotiations, representations, or statements, either written or oral.

25. MODIFICATION.

No modification, waiver, amendment, discharge, or change of this Agreement shall be valid unless the same is in writing and signed by both Parties.

26. CAPTIONS.

Captions in this Agreement are inserted for convenience of reference only and do not define, describe, or limit the scope or the intent of this Agreement or any of the terms thereof.

27. PARTIAL INVALIDITY.

If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

28. GENDER AND INTERPRETATION OF TERMS AND PROVISIONS.

28.1. As used in this Agreement, and whenever required by the context thereof, each number, both singular and plural, shall include all numbers, and each gender shall include all genders.

28.2. GRANTEE as used in this Agreement or in any other document referred to in or made a part of this Agreement shall likewise include the singular and the plural, a corporation, a partnership, individual, firm or person acting in any fiduciary capacity as executor, administrator, trustee or in any other representative capacity or any other entity.

28.3. All covenants herein contained on the part of GRANTEE shall be joint and several if more than one person, firm, or entity executes the Agreement.

29. WAIVER.

No Waiver of any breach or of any of the covenants or conditions of this Agreement shall be construed to be a waiver of any other breach or to be a consent to any further or succeeding breach of the same or any other covenant or condition.

30. CHOICE OF LAW.

This Agreement shall be governed by the laws of the State of California. This Agreement is made and entered into in Imperial County, California. To the extent permitted by law, any action brought by either Party with respect to this Agreement shall be brought in a court of competent jurisdiction within said County.

31. AUTHORITY.

31.1. Each individual executing this Agreement on behalf of GRANTEE represents and warrants that:

31.1.1. He/She is duly authorized to execute and deliver this Agreement on behalf of GRANTEE; and

31.1.2. Such execution and delivery is in accordance with the terms of any Articles of Incorporation or Partnership, by-laws, or Resolutions of GRANTEE and;

31.2. This Agreement is binding upon GRANTEE accordance with its terms.

31.3. GRANTEE shall deliver to ICAPCD evidence acceptable to ICAPCD of the foregoing within thirty (30) days of execution of this Agreement.

32. COUNTERPARTS.

This Agreement (as well as any amendments hereto) may be executed in any number of counterparts, each of which when executed shall be an original, and all of which together shall constitute one and the same Agreement. No counterparts shall be effective until all Parties have executed a counterpart hereof.

33. REVIEW OF AGREEMENT TERMS.

This Agreement has been reviewed and revised by legal counsel for both ICAPCD and GRANTEE, and no presumption or rule that ambiguities shall be construed against the drafting party shall apply to the interpretation or enforcement of the same or any subsequent amendments thereto.

34. NON-APPROPRIATION.

This Agreement is based upon the availability of public funding. In the event that public funds are unavailable and not appropriated for the performance of the work set forth in this Agreement, the Agreement shall be terminated without penalty after written notice to GRANTEE of the unavailability and/or non-appropriation of funds.

[Signatures to Follow on Next Page]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed the day and year first above written.

Imperial County Air Pollution Control District

Heber Public Utility District

By: _____
Michael W. Kelley, Chairman
District Board of Directors

By: _____
Laura Fischer,
General Manager

ATTEST:

Blanca Acosta, Clerk of the District Board,
Imperial County Air Pollution Control District

APPROVED AS TO FORM:

Eric Havens,
County Counsel

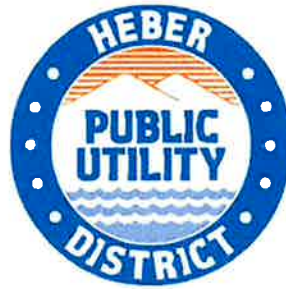
By: _____
Faye Winkler,
Deputy County Counsel

EXHIBIT “A”

RECEIVED

JUN 17 2021

AIR POLLUTION
CONTROL DISTRICT



Imperial County Air Pollution Control District

AB 617 Paving Projects
Project Proposal

Water Treatment Plant Paving Project

Paving Project Proposal Application

Date	<u>5/26/2021</u>
Project	<u>Water Treatment Plant Paving Project</u> Please give your project a brief title
Beneficiary	<u>HPUD Water Treatment Plant Pavement Project</u> Who benefits from this project? (ex. City of El Centro)

Project Oversight Information

Name	<u>Laura Fischer</u>
Agency	<u>Heber Public Utility District</u>
Company	<u></u>
Title	<u>General Manager</u>
Address	<u>1078 Dogwood Road, Suite 103</u>
City	<u>Heber</u>
State	<u>California</u>
Zip Code	<u>92249</u>

Contact Information

Telephone	<u>(760) 482-2440</u>
E-mail	<u>lfischer@heber.ca.gov</u>
Other	<u></u>

Project Summary

Please use this section to briefly describe your project. Indicate in this section how your project will meet environmental goals or have an environmental benefit.

The Heber Public Utility District (HPUD) plans to utilize AB617 funds to pave a 14,210 square foot gravel access road at the HPUD Water Treatment Plant located south of the intersection of Ingram Avenue and Main Street, Heber CA 92249. The gravel access road is located at the north east entrance of the Water Treatment Plant and is accessed by multiple HPUD vehicles on a daily basis. On windy days, the loose sand and gravel is blown into the nearby water treatment ponds and residential properties abutting the treatment plant's northern and eastern sides. The project consists of the removal of the the native soil in order to place class 2 base and asphalt concrete. The proposed paving is expected to significantly reduce the amount of dirt that enters the treatment ponds and prevent vehicles from throwing dust in the air when accessing the water treatment plant.

Scope of Work

Describe the type of paving project:

Unpaved Road(s) Unpaved Parking Lot(s) Other (specify) _____

Identify the location of the project site

i.e., address, Assessor Parcel Number (APN), and/or cross streets

The project site is located directly south of the intersection of East Main Street and Paulin Avenue, APN 054-230-061 (Latitude: 32.72937, Longitude: -115.53246).

Describe the current use of the project site

ex. unpaved staff parking lot, unpaved access road, unpaved fire lane, etc.

The 9-acre parcel is occupied by the HPUD Water Treatment Plant which consists of water ponds, water storage reservoirs, and water treatment units housed in various buildings to provide potable water to the residents of Heber. During the normal course of operation. HPUD crews must access various parts of the treatment plant, but the areas between the buildings are not currently paved.

Describe the existing condition of the project site

i.e., surface conditions, accessibility issues

The project site consists of two unpaved entrances that connect to a small network of unpaved access roads throughout the water treatment plant.

Describe any existing mitigation measures currently implemented.

Please include any measure implemented to reduce visible dust emissions in terms of application, frequency and type. (ex. entire lot is watered twice per day).

The project site currently does not have any mitigation measures in place. This is primarily due to HPUD having very limited funding and can not afford to allocate funds to implement any mitigation measures for the existing parking lot.

Size of paving project (miles, acres, or square footage) 14,210 square feet

Current vehicle use of the project (# vehicles per day or event, frequency of use) Minimum of 24 vehicles per day

Identify the type of documentation available to help substantiate vehicle miles

Visitor Records _____

Traffic Counter _____

Other (specify) HPUD Vehicle Logs

Identify the expected vehicle use of the project once paved (# vehicles per day or event, frequency of use) Minimum of 24 vehicles per day

Provide a list of sensitive receptors (i.e., schools, daycares, residences) within 1,000 feet of the project

Name of Location	Distance from Project
Heber Elementary School District	1,000 feet from project site
Heber Childrens Park	Approximately 700 feet from project site
Sacred Hearts Catholic Church	Approximately 725 feet from project site
Heber County Public Services Center	Approximately 500 feet from project site
133 Residential properties	All within 1,000 feet of the project site

Scope of Work – Continued

Describe the project goals and objectives

The project will create a small network of paved access roads throughout the HPUD water treatment plant. By paving the access roads, the windblown and activity-related fugitive dust emission will be greatly reduced. The project will also significantly reduce the total amount of dust and dirt particles from entering HPUD's water treatment system, which will reduce energy used for treating water

Describe any co-benefits the project may have (ex. improved accessibility, improved surface conditions, sustainable features).

The fugitive receptors will face reduced dust emissions created by the number of HPUD vehicles accessing the water treatment plant. The project will also save HPUD money by significantly reducing the time and cost of mitigating the effects of the unpaved access roads.

Provide an estimated timeline for project implementation, assuming the project is notified of grant approval within 60 days of submittal of this application.

Date	Action
7/21 - 8/21	Finalize project design and cost estimate
8/21 - 9/21	Complete the competitive bidding process and award construction contract
9/21 - 10/21	Acquire all necessary permits
10/21 - 11/21	Project construction
11/21 - 11/31	Project maintenance

Describe the measures that will be utilized to ensure completion of the project within the indicated time

HPUD will ensure that the project is completed within the given time frame. HPUD will work diligently with the Imperial County Air Pollution Control District (ICAPCD) during the project phases. HPUD will ensure that project reports are submitted to ICAPCD for project milestones and overview. HPUD has a long history of implementing grant-funded projects within the required timeframe and within budget. Examples of completed projects include the multi-million dollar expansion and rehabilitation of the existing water and wastewater treatment plants, and the recently completed Heber Community Center.

Identify the key individuals responsible for project implementation and their roles.

Name	Title/Position	Project Role
Laura Fischer	General Manager	Authorized Signatory
Adriana Amezcua	Finance Manager	Grant Administrator
Francisco Rodriguez	Lead Operator	Operations & Maintenance

Project Funding

Describe the estimated costs of the project:

Supplies, Equipment, and Materials	_____
Labor and Construction	<u>\$81,925</u>
Non-Construction Costs	<u>\$5,000</u>
Contingency Costs	<u>\$8,693</u>

What is the requested funding amount to be used toward eligible project costs? \$81,925

How much additional funding has been secured for this project?

Amount: \$0.00 Source: _____

Project Commitment

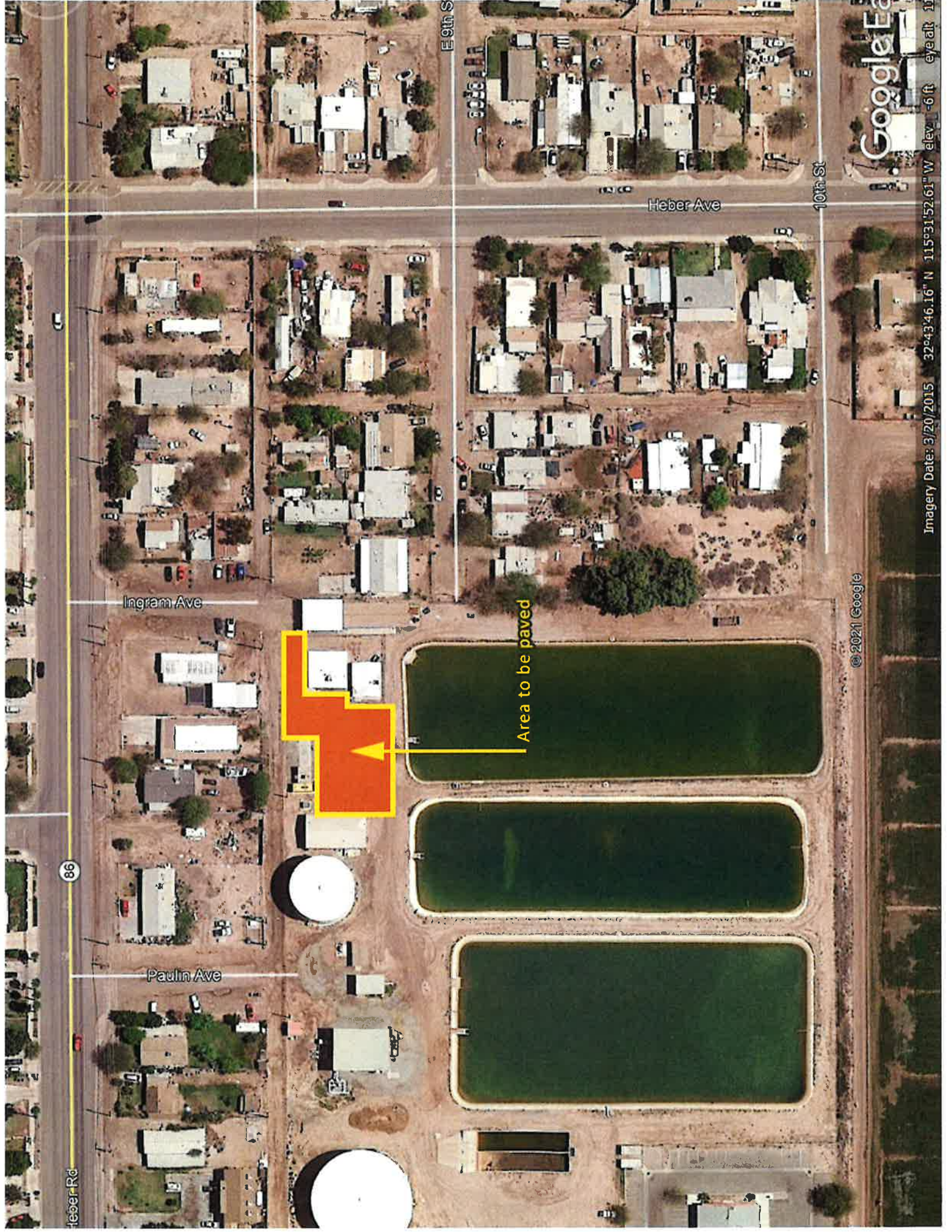
The applicant commits to the following requirements:

- Applicant is the owner of the area to be paved or has authority to pave the area
- Applicant will maintain the project during the entire contract period
- Applicant will make the project available for inspection if requested ICAPCD and/or CARB staff during the entire contract period
- Project will be sufficiently utilized as demonstrated in the application
- All property taxes are current as of the time of this application
- Applicant will obtain any permits required to do the project
- Applicant or their sponsor has financial capacity to complete, operate, and maintain the project
- Any funds required from other sources will be available on the timeframe needed to carry out the project
- Photo documentation will be provided upon project completion
- Photo documentation will be provided annually to demonstrate ongoing project maintenance
- Project will comply with ICAPCD Rule 801
- Project will comply with ICAPCD Rule 805
- Project will comply with the applicable municipal codes and ordinances

Date 6-14-2021

Signature 

ATTACHMENT 1 – SITE PLAN (AREA TO BE PAVED)



86

Heber Rd

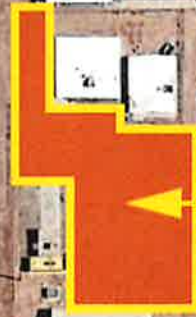
Ingram Ave

Paulin Ave

Heber Ave

10th St

E 9th S



Area to be paved

© 2021 Google

Google Earth

Imagery Date: 3/20/2015 32°43'46.16" N 115°31'52.61" W elev: -6 ft eye alt: 19

EXHIBIT “B”



AIR POLLUTION CONTROL DISTRICT

IMPERIAL COUNTY COMMUNITY EMISSIONS REDUCTION PROGRAM: PROJECT PLAN PAVING PROGRAM

EL CENTRO-HEBER-CALEXICO CORRIDOR

Rev. February 2021

Prepared By

Ramboll US Consulting, Inc.

Co-Authors

El Centro-Heber-Calexico AB 617 Community Steering Committee

Imperial County Air Pollution Control District

Comite Civico del Valle

**IMPERIAL COUNTY
COMMUNITY EMISSIONS REDUCTION PROGRAM:
PROJECT PLAN
PAVING PROGRAM
EL CENTRO-HEBER-CALEXICO CORRIDOR**

Prepared for

El Centro-Heber-Calexico AB 617 Community Steering Committee

Prepared by

Ramboll US Consulting, Inc.
350 S Grand Avenue, Suite 2800
Los Angeles, CA 90071

FEBRUARY 2021

Contents

1	Project Identification.....	1
1.1	Background.....	1
1.2	Project Description.....	1
1.3	Benefits.....	2
2	Community Support.....	3
2.1	Background – Community Steering Committee.....	3
2.2	Community Support for Paving Projects.....	3
3	Participant Requirements and Application Process.....	4
3.1	Participant Eligibility.....	4
3.2	Application Process.....	4
3.2.1	Application Requirements.....	4
3.2.2	Application Submittal.....	5
4	Emissions Reductions and Quantification Methodology.....	6
4.1	Regulatory Compliance.....	6
4.2	Emission Reductions.....	6
5	Relative Exposure Reduction.....	8
5.1	Mechanism of Exposure Reduction.....	8
5.2	Estimates of Exposure Reduction.....	8
6	Qualitative Benefits.....	9
7	Key Project Parameters.....	10
7.1	Funding Amount and Eligible Costs.....	10
7.2	Project Life.....	10
8	Project Selection.....	11
8.1	Selection Criteria.....	11
9	Reporting Requirements.....	12

Appendices

Appendix A: Project Application Form

Abbreviations and Acronyms

AB	assembly bill
CAP	Community Air Protection
CAPP	Community Air Protection Program
CARB	California Air Resources Board
CARL	Carl Moyer Program Clean Air Reporting Log
CCV	Comite Civico del Valle, Inc.
CERP	Community Emissions Reduction Program
CSC	Community Steering Committee
ICAPCD	Imperial County Air Pollution Control District
PM	particulate matter
PM _{2.5}	particulate matter less than 2.5 microns in diameter
PM ₁₀	particulate matter less than 10 microns in diameter
RFP	request for proposals
USEPA	United States Environmental Protection Agency
VMT	vehicle miles traveled
WRAP	Western Regional Air Partnership

1 Project Identification

1.1 Background

In 2019, the El Centro-Heber-Calexico Corridor AB 617 Community (“Corridor” or “Community”) developed a Community Emissions Reduction Program (CERP)¹ to address local air quality concerns as part of the state-wide Community Air Protection Program (CAPP). The CERP was a collaborative effort by the Imperial County Air Pollution Control District (ICAPCD), Comite Civico del Valle (CCV) and the Community Steering Committee (CSC). As part of CERP development, the Community was granted funding by the California legislature for the implementation of projects for reducing pollutant emissions or community exposure through mobile source, stationary source, and community-identified projects and strategies. Various strategies were identified during development of the CERP through Community engagement. These strategies were included in the final CERP that was approved by the California Air Resources Board (CARB) Board in January 2020. One of these key strategies was Strategy M-3, *Parking Lot Paving Projects*. In late 2020, it was decided that the eligibility criteria for Strategy M-3 should be expanded to include other paving projects besides parking lots consistent with Strategy L-1, *Paving Project Identification*, and ICAPCD’s Rule 310 funding program. This revision will be included in an update to the CERP.

This document serves as the “Project Plan” for the Paving Project strategy. It was drafted according to the guidelines laid out in the Community Air Protection Incentives 2019 Guidelines.² It describes the nature of the strategy, its history of support by the Community, requirements for entities desiring to participate and receive project funding, how these projects will benefit the community through improved air quality or exposure reduction, as well as other key aspects like project selection criteria and reporting requirements.

1.2 Project Description

As discussed in the CERP, fugitive windblown dust and unpaved road dust are top contributors to particulate matter (PM) emissions in the Corridor. Under this strategy, the District is proposing to provide funding for paving projects in the Corridor, as funding permits. Potentially eligible projects would include well-traveled unpaved roads, parking lots, and other unpaved areas located near sensitive receptors including, but not limited to, homes, schools, and senior centers. Projects implemented by non-public school entities are required to undergo a case-by-case review in order to receive funding due to requirements under the California Constitution. The District is proposing to work with local public works departments, the CSC, and other representatives from the communities of El Centro, Heber, and Calexico to identify locations that could benefit from these types of paving projects.

¹ ICAPCD. 2019. *Imperial County Year 1 Community Emissions Reduction Program Plan for the El Centro-Heber-Calexico Corridor*. October. Available at: https://docs.wixstatic.com/ugd/99eb03_080a305618f5453cb0c69272eb622946.pdf. Accessed: January 2021.

² CARB. 2020. *Community Air Protection Incentives 2019 Guidelines*. October 14. Available at: https://ww2.arb.ca.gov/sites/default/files/2020-10/cap_incentives_2019_guidelines_final_rev_10_14_2020_0.pdf. Accessed: January 2021.

1.3 Benefits

Paving of an unpaved surface reduces PM emissions from fugitive windblown and activity-related dust in the Corridor. Receptors within the vicinity of paving projects will experience a reduction in exposure related to PM emissions.

2 Community Support

2.1 Background – Community Steering Committee

In late 2018, ICAPCD in conjunction with CCV assembled a steering committee for the El Centro-Heber-Calexico Corridor. Referred to as the AB 617 Community Steering Committee (“CSC”), this body is involved with all aspects of the CERP and is tasked with maintaining communication with other community members throughout the planning process to gather input from concerned citizens and facilitate ongoing discussion. The CSC consists of 15 members made up of two ex-officio co-chairs (representing ICAPCD and CCV) and 13 Community representatives. Each member has an alternate who participates in meetings if a member is unable to.

In February 2019, the CSC’s charter was approved which described the manner in which the CSC would conduct their regular meetings, and the voting process for making decisions related to the CERP and its programs/projects. It describes this process as: “Each member of the Committee, including the two ex officio members, shall be entitled to one (1) vote. A vote of the majority of the members present with at least a quorum in attendance shall be required to take action, and/or make a recommendation, except for adjournment of a meeting which shall require only a majority of those present...”.³ During CERP development, the CSC met on a monthly basis to discuss key issues and progress. Following approval of the CERP by the CARB Board, the CSC has continued meeting every one-to-two months throughout 2020. The meeting schedule will continue as the CERP Project Plans are developed, and the CSC meetings will serve as the chief mechanism for informing the Community on development of the projects and key funding decisions. The CSC will determine the need for additional public outreach mechanisms, as necessary.

2.2 Community Support for Paving Projects

Community engagement was a critical part of the CERP development. This involved regular meetings of the CSC, as described in **Section 2.1**, which sometimes included polls to gauge the opinions of CSC members and the public in attendance on a variety of topics. At one CSC meeting in 2019,⁴ a survey was conducted to gain feedback on various emission/exposure reduction strategies for inclusion in the CERP. The results of that survey indicated that approximately 70% of Steering Committee members were in favor of implementing parking lot paving projects in the Corridor. Additionally, approximately 50% of public attendees at the meeting were also supportive of the strategy. Given this relatively strong support, Strategy M-3, *Parking Lot Paving Projects* was included in the CERP and selected for development of this Project Plan. On September 25, 2020, an additional survey was circulated to CSC members and their alternates to gain feedback on various details of this plan. The results from that survey have informed the development of this draft of the document.

³ ICAPCD. 2019. *Imperial County Year 1 Community Emissions Reduction Program Plan for the El Centro-Heber-Calexico Corridor, Appendix B: AB 617 Community Steering Committee Charter*. October. Available at: https://docs.wixstatic.com/ugd/99eb03_080a305618f5453cb0c69272eb622946.pdf. Accessed: January 2021

⁴ July 24, 2019 meeting of the El Centro-Heber-Calexico AB617 Community Steering Committee.

3 Participant Requirements and Application Process

3.1 Participant Eligibility

Public and private entities are eligible to apply for and receive funding for paving projects within the Corridor. Applicants must meet the following criteria in order for projects to be considered for funding grants:

- Applicant must be the owner of the area to be paved or have authority to pave the area.
- Applicant must maintain the paved area during the entire contract period, 10 years.
- Applicant must make the project available for inspection if requested by ICAPCD and/or CARB staff during the entire contract period, 10 years.
- Paved area must be sufficiently utilized as demonstrated in the application.
- All property taxes must be current at the time of application.
- Recipient is responsible for obtaining any permits required to do the project.
- If Applicant holds an operating permit or other type of permit for the project site, copies of permits shall be provided to ICAPCD as part of application.
- The applicant or their sponsor must have the financial capacity to complete, operate, and maintain the project.
- With the exception of schools, cost sharing is required for municipal entities and non-profit organizations at 25% of the total eligible project costs (i.e., AB 617 incentive funds will cover a maximum of up to 75% of eligible project costs) and private and any other entities at 50%. Any funds required from other sources must reasonably be expected to be available on the time frame needed to carry out the project.

Routine maintenance and rehabilitation projects are not eligible for funding. Applicants may not claim emission reduction credits from the project during the contract period.

3.2 Application Process

Applicants will submit applications that include the required information as described in this Project Plan. Once ICAPCD has collected applications from interested entities, the review process will begin. This may involve ICAPCD requesting additional information from applicants or visiting potential project sites. When the application review process is complete, ICAPCD will inform applicants whether the project has been selected and provide details on the project award amount and next steps.

3.2.1 Application Requirements

The following is a sample of the information that must be included on applications submitted:

- Qualitative description of use, location, and existing condition of the proposed paving project;

- Current and expected vehicle use of the project and supporting documentation;
- Area of paving project in acres or square footage;
- Frequency at which the existing unpaved area is watered, if applicable;
- A commitment to provide photo documentation on an annual basis to demonstrate that project maintenance is occurring throughout the contract period.
- A commitment to provide photo documentation of the completed project (if grant is awarded)
- Commitment to compliance with ICAPCD Rule 801 and Rule 805 during project construction.

Additional information required can be found in **Appendix A: Project Application Form**.

3.2.2 Application Submittal

Applications must be submitted to the ICAPCD during the Request for Proposals (RFP) period. To initiate the RFP period, ICACPD will issue a public notification to advertise the availability of grant funds for this project type, provide instructions to access and submit the application, and include a due date by which applications must be submitted. Once the RFP period has ended, ICAPCD will review the applications received and contact applicants as necessary to gather additional information. ICAPCD will aim to respond to prospective applicants within 60 days following the end of the RFP period to alert them if their projects have been selected to receive funding. However, this timeline may be extended at the discretion of ICAPCD (e.g., to reach consensus from the CSC).

4 Emissions Reductions and Quantification Methodology

4.1 Regulatory Compliance

Paving projects shall be constructed, installed, placed, and all work performed in conformance with the California Uniform Building Code and all other applicable statutes, rules, and regulations.

Unpaved roads and unpaved traffic areas are subject to Imperial County Rule 805 – Paved and Unpaved Roads (adopted 11/08/2005; Revised 10/16/2012). The purpose of this regulation is to reduce the amount of particulate matter generated from new or existing paved or unpaved roads, road construction projects, or road modification projects. Sources subject to Rule 805 may implement one or more of the listed dust control measures to achieve compliance with the rule.

Construction activities associated with the paving of the project are subject to Imperial County Rule 801 – Construction and Earthmoving Activities (adopted 11/08/2005). The purpose of this rule is to reduce fugitive dust emissions associated with construction and earthmoving activities.

Design, construction, and paving of parking lots, roads, and other unpaved areas are subject to the requirements of the applicable municipal codes and ordinances as listed below:

- Locations within El Centro city limits are subject to the City of El Centro Municipal Ordinance.⁵
- Locations within Calexico city limits are subject to the City of Calexico Municipal Ordinance.⁶
- Locations within unincorporated areas, including Heber, are subject to the County of Imperial California Codified Ordinances.⁷

In addition, new or modified paved roads are subject to the Imperial County Public Works Department guidelines for width of shoulders and median shoulders.

4.2 Emission Reductions

Paving of a dirt surface significantly reduces windblown and activity-related fugitive dust emissions. This methodology utilizes CARB's *Miscellaneous Process Methodology 7.10 - Unpaved Road Dust, Non-Farm Roads* to estimate the baseline emissions from an unpaved

⁵ City of El Centro Municipal Ordinance. Available at: https://library.municode.com/ca/el_centro/codes/code_of_ordinances?nodeId=COELCE. Accessed: January 2021.

⁶ City of Calexico Municipal Ordinance. Available at: https://library.municode.com/ca/calexico/codes/code_of_ordinances?nodeId=CITY_CALEXICOMUCO1995. Accessed: January 2021.

⁷ County of Imperial, California Codified Ordinances. Available at: https://library.municode.com/ca/imperial_county/codes/code_of_ordinances?nodeId=COUNTY_IMPERIAL_CALIF_ORNIACOR. Accessed: January 2021.

surface.⁸ Emissions reductions from fugitive windblown dust are conservatively not included. The emissions reductions associated with paving are then estimated using a control efficiency from the Western Regional Air Partnership (WRAP) Fugitive Dust Handbook.⁹

Baseline emissions are calculated using CARB’s methodology for unpaved road dust, shown in Equation 1. If the unpaved surface is routinely controlled for dust (e.g., through daily watering), a control efficiency (CE) should be applied (see Table 1). Fraction of total PM that is particulate matter less than 10 microns in diameter (PM₁₀) and particulate matter less than 2.5 microns in diameter (PM_{2.5}) are 0.5943 and 0.0594, respectively.

$$1) \text{ Baseline Emissions} = 2 \frac{\text{lb PM}_{10}}{\text{VMT}} \times \frac{\text{VMT}}{\text{year}} \times (1 - \text{CE}) \times \text{PM fraction}$$

Control Measure^[a]	Control Efficiency (CE)
Implement watering twice daily	55%
Implement watering three times daily or greater	61%
Apply dust suppressants or gravel	84%
Notes: ^[a] Contact the District if a dust control measure not listed in this table is being implemented at the project site.	

Paved emissions are calculated by applying the WRAP control efficiency to the baseline emissions, as shown in Equation 2.

$$2) \text{ Paved Emissions} = \text{Baseline Emissions} \times (1 - 0.99)$$

Emissions reductions due to paving are calculated as the difference between the paved and baseline emission estimates as shown in Equation 3.

$$3) \text{ Emission Reductions} = \text{Baseline Emissions} - \text{Paved Emissions}$$

⁸ Calculation methodology and emission factor based on CARB Miscellaneous Process Methodology 7.10 - Unpaved Road Dust, Non-Farm Roads. Available at: https://ww3.arb.ca.gov/ei/areasrc/fullpdf/full7-10_2012.pdf. Accessed: January 2021.

⁹ Control efficiency based on Western Regional Air Partnership Fugitive Dust Handbook, Table 6-6. Control Efficiencies for Control Measures for Unpaved Roads. Available at: https://www.wrapair.org/forums/dejf/fdh/content/FDHandbook_Rev_06.pdf. Accessed: January 2021.

5 Relative Exposure Reduction

5.1 Mechanism of Exposure Reduction

Paving of unpaved roads, parking lots, and other unpaved areas will result in a reduction in PM emissions from vehicle travel and fugitive windblown dust as described in **Section 4**. Exposure to PM can result in various health problems related to lungs and heart condition, including¹⁰:

- Premature death in people with heart or lung disease;
- Nonfatal heart attacks;
- Irregular heartbeat;
- Aggravated asthma;
- Decreased lung function; and
- Increased respiratory symptoms, such as irritation of the airways, coughing, or difficulty breathing.

Sensitive receptors, such as people with heart or lung diseases, children, and older adults are most susceptible to PM pollution exposure.

5.2 Estimates of Exposure Reduction

Estimates of exposure reduction will be comprised of the following metrics:

- Number of visitors to the location that is served by the project; and
- Number of sensitive receptors within 1,000 feet of the project boundary.

Exposure reduction will be estimated on the estimated number of individuals in these two categories.

¹⁰ USEPA. Health and Environmental Effects of Particulate Matter (PM). Available at: <https://www.epa.gov/pm-pollution/health-and-environmental-effects-particulate-matter-pm>. Accessed: January 2021.

6 Qualitative Benefits

Paving will have qualitative benefits in addition to reducing particulate matter emissions. The reduction in emissions can improve the health and well-being of the Corridor while reducing strain on the local healthcare system. Additionally, if health impacts are avoided or mitigated, this can reduce the number of days of school and work lost to sick time, providing an economic benefit.

Paving will also keep the unpaved areas in good condition. Unpaved parking lots often cannot be used by people with special needs due to the poor condition of the surface. Less maintenance will be required for parking lots and roads as there will be fewer potholes and no need for gravel to be reapplied.

7 Key Project Parameters

7.1 Funding Amount and Eligible Costs

For projects sponsored by schools, grants for qualified projects will be provided for up to 100% of eligible project costs. For projects sponsored by municipal entities or non-profits, cost sharing is required at 25% of the total eligible project costs (i.e., AB 617 incentive funds will cover a maximum of up to 75% of eligible project costs). For projects sponsored by other entities, cost sharing is required at 50% of the total eligible project costs. Applicants who are awarded funding are required to solicit and select project materials and suppliers through a competitive bidding process. A minimum of two competitive bids must be obtained before a supplier is selected, and the selection must be approved by ICAPCD. If a contiguous parking lot, road, other unpaved area, or combination of unpaved areas is shared by more than one owner, only one grant shall be awarded.

The following costs are eligible for funding as part of this CERP strategy:

- Supplies, equipment, and materials
- Labor and construction (including contracted services)
- Signs and interpretive aids communicating information about the project

Additionally, up to 15% of the grant request may be budgeted for non-construction costs, including mobilization, traffic control, and administration. Another 5% may be budgeted for contingency costs.

The following costs are ineligible to receive funding as part of this CERP strategy:

- Cost of permitting and design; and
- Maintenance activities.

7.2 Project Life

Entities that receive grants to fund eligible projects are expected to maintain their project for a minimum of 10 years. During this time, entities must conduct as-needed maintenance such as repairing any potholes and re-painting of lines and comply with other requirements described in **Section 3.1** of this Project Plan. Additionally, entities must make the project available for inspection if requested by ICAPCD and/or CARB staff during this same contract period.

8 Project Selection

8.1 Selection Criteria

Applications received by the ICAPCD will be reviewed by and distributed to ICAPCD staff, CCV, and the CSC. Projects will be scored by ICAPCD staff according to the criteria described below. These scores are meant to inform the decision making process, but will not be the determining factor for project selection. These criteria were informed by CSC input through a polling process in which CSC members completed surveys to indicate which characteristics of paving projects are most important for consideration.

Table 2. Project Scoring Criteria	
Scoring Criteria	Points Available
<ul style="list-style-type: none"> ❖ Cost-Effectiveness <ul style="list-style-type: none"> ➤ \$/ton reduced ➤ Other funding available to reduce cost 	0-40
<ul style="list-style-type: none"> ❖ Exposure Benefits <ul style="list-style-type: none"> ➤ Proximity to sensitive populations ➤ How many residents would benefit from the project ➤ Project utilization rate 	0-30
<ul style="list-style-type: none"> ❖ Co-Benefits <ul style="list-style-type: none"> ➤ Handicap accessibility ➤ Vehicle accessibility ➤ Visibility improvements (reduced visible dust emissions) ➤ Improved surface conditions ➤ Sustainable construction (e.g., recycled material, high albedo material) 	0-25
<ul style="list-style-type: none"> ❖ Project Readiness <ul style="list-style-type: none"> ➤ Timeliness of project implementation ➤ Robust project work plan 	0-5
TOTAL	0-100

9 Reporting Requirements

All projects that receive funding under this program must comply with the requirements described in Section H of the CAP Incentives 2019 Guidelines.¹¹ This will involve the preparation of Mid-Cycle and Yearly reports, which ICAPCD will prepare based on information collected from project participants. Some of the information to be included in these reports is described below:

- CAP Incentives reporting requirements for Mid-Cycle Reports:
 - Report the required project information in the CARL (Carl Moyer Program Clean Air Reporting Log) Database
 - Report program-level information in the CAP Incentives Supplemental Document for CERP projects funded with CAP incentives
- CAP Incentives reporting requirements for Yearly Reports:
 - Report the required project information in the CARL Database
 - Report program-level information in the CAP Incentives Supplemental Document for CERP projects funded with CAP incentives
 - Output generated by the Required Reports utility of CARL Database
 - Contract execution and liquidation status for each grant year of CAP incentives
 - A list of any projects identified as nonperforming and a brief narrative of any related enforcement actions

Participants must ensure that project-related information is complete, correct, supported by documentation, and supplied to the ICAPCD upon request for the preparation of reports. Meanwhile, the ICAPCD must acknowledge that the most up-to-date reporting requirements have been received and incorporated, and commit to maintaining documents in support of the reports at the ICAPCD office. Finally, this documentation must be made available to CARB staff upon request.

The above is not an exhaustive list of reporting requirements for participants in this program. Participants should refer to the CAP Incentives 2019 Guidelines for a complete list.

¹¹ CARB. 2020. *Community Air Protection Incentives 2019 Guidelines*. October 14. Available at: https://ww2.arb.ca.gov/sites/default/files/2020-10/cap_incentives_2019_guidelines_final_rev_10_14_2020_0.pdf. Accessed: January 2021.

**APPENDIX A
PROJECT APPLICATION FORM**

Application for Proposals: Paving Projects

**Imperial County Community Emissions Reduction Program (CERP) for the
El Centro-Heber-Calexico Corridor**



The Imperial Community Emissions Reduction Program (CERP) for the El Centro-Heber-Calexico Corridor and associated emission and exposure reduction projects are part of California Climate Investments, a statewide initiative that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment — particularly in disadvantaged communities.

Paving Project Proposal Application

Date	_____
Project	_____ Please give your project a brief title
Beneficiary	_____ Who benefits from this project? (ex. City of El Centro)

Project Oversight Information

Name	_____
Agency	_____
Company	_____
Title	_____
Address	_____
City	_____
State	_____
Zip Code	_____

Contact Information

Telephone	_____
E-mail	_____
Other	_____

Project Summary

Please use this section to briefly describe your project. Indicate in this section how your project will meet environmental goals or have an environmental benefit.

Scope of Work

Describe the type of paving project:

Unpaved Road(s) Unpaved Parking Lot(s) Other (specify) _____

Identify the location of the project site

i.e., address, Assessor Parcel Number (APN), and/or cross streets

Describe the current use of the project site

ex. unpaved staff parking lot, unpaved access road, unpaved fire lane, etc.

Describe the existing condition of the project site

i.e., surface conditions, accessibility issues

Describe any existing mitigation measures currently implemented.

Please include any measure implemented to reduce visible dust emissions in terms of application, frequency and type. (ex. entire lot is watered twice per day).

Size of paving project (miles, acres, or square footage) _____

Current vehicle use of the project (# vehicles per day or event, frequency of use) _____

Identify the type of documentation available to help substantiate vehicle miles

Visitor Records _____

Traffic Counter _____

Other (specify) _____

Identify the expected vehicle use of the project once paved (# vehicles per day or event, frequency of use) _____

Provide a list of sensitive receptors (i.e., schools, daycares, residences) within 1,000 feet of the project

Name of Location	Distance from Project

Scope of Work – Continued

Describe the project goals and objectives

Describe any co-benefits the project may have
(ex. improved accessibility, improved surface conditions, sustainable features).

Provide an estimated timeline for project implementation, assuming the project is notified of grant approval within 60 days of submittal of this application.

Date	Action

Describe the measures that will be utilized to ensure completion of the project within the indicated time

Identify the key individuals responsible for project implementation and their roles.

Name	Title/Position	Project Role

Project Funding

Describe the estimated costs of the project:

Supplies, Equipment, and Materials _____
Labor and Construction _____
Non-Construction Costs _____
Contingency Costs _____

What is the requested funding amount to be used toward eligible project costs? _____

How much additional funding has been secured for this project?

Amount: _____ Source: _____

Project Commitment

The applicant commits to the following requirements:

- Applicant is the owner of the area to be paved or has authority to pave the area
- Applicant will maintain the project during the entire contract period
- Applicant will make the project available for inspection if requested ICAPCD and/or CARB staff during the entire contract period
- Project will be sufficiently utilized as demonstrated in the application
- All property taxes are current as of the time of this application
- Applicant will obtain any permits required to do the project
- Applicant or their sponsor has financial capacity to complete, operate, and maintain the project
- Any funds required from other sources will be available on the timeframe needed to carry out the project
- Photo documentation will be provided upon project completion
- Photo documentation will be provided annually to demonstrate ongoing project maintenance
- Project will comply with ICAPCD Rule 801
- Project will comply with ICAPCD Rule 805
- Project will comply with the applicable municipal codes and ordinances

Date _____

Signature _____

EXHIBIT “C”