



**Monterey Bay Air Resources District
BOARD OF DIRECTORS MEETING AGENDA**

KOLLIN KOSMICKI, CHAIR

WEDNESDAY, August 20, 2025 - 1:30 P.M.

24580 Silver Cloud Court, 3rd Floor, Monterey, CA 93940

REMOTE LOCATION VIA TELECONFERENCE

Any interested parties or community members may attend and participate in the meeting at the following address where Directors Lopez and LeBarre will attend the meeting from:

Office of Supervisor Chris Lopez, County of Monterey, District 3,
1011 Broadway Street, Suite C, King City, CA 93930

BOARD MEMBERS ATTENDING REMOTELY

Directors Lopez and LeBarre will attend the meeting remotely from:

Office of Supervisor Chris Lopez, County of Monterey, District 3,
1011 Broadway Street, Suite C, King City, CA 93930

ZOOM MEETING OPTION FOR PUBLIC

Link to meeting: <https://us02web.zoom.us/j/84630619126>

Webinar ID: 846 3061 9126, By Phone (audio only; Webinar ID required): 1-669-900-6833

Members of the public that wish to participate in the meeting may do so by joining the Zoom Webinar ID, attending in-person at 24580 Silver Cloud Ct. Monterey, or attending in-person at remote teleconference locations when listed above. Should you have any questions, please contact Sirie Thongchua, Executive Assistant, at (831) 718-8028 or by email at sirie@mbard.org.

To Provide Public Comment via Zoom teleconference/video conference: During the live meeting verbal public comments may be made by members of the public joining the meeting via Zoom. Use the “raise hand” feature (for those joining by phone, press *9 to “raise hand”) during the public comment period for the agenda item you wish to address. Members of the public participating via Zoom will be muted during the meeting and may be unmuted to speak during public comment after requesting and receiving recognition by the Chair. Please clearly state your full name for the record at the start of your public comment.

To Submit Public Comment Before the Meeting: Persons who wish to address the Board for public comment of an item not on the agenda are encouraged to submit comments in writing to Sirie Thongchua, Executive Assistant, at sirie@mbard.org by 5:00 p.m. on Tuesday, August 19 2025. Comments received will be distributed to the Board prior to the meeting.

SUMMARY OF ACTIONS

1. CALL TO ORDER – **The meeting was called to order by Chair Kosmicki at 1:35 p.m.**
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL – Roll Call was interrupted for a few minutes to resolve a Zoom audio connection between the boardroom and the remote location for Directors Lopez and LeBarre.
 - a. Brown Act Remote Participation
 - Chair Kosmicki asked Directors Lopez and LeBarre to address questions regarding teleconferencing participation.
 - b. **Present:** Luis Alejo, Wendy Askew, Kimberly De Serpa, Kollin Kosmicki, Mike LeBarre, Chris Lopez, Andrew Sandoval. **Absent:** Mary Ann Carbone, Gerry Jensen, Eduardo Montesino. **Arrived late:** Felipe Hernandez at 1:40 p.m. following Roll Call.
4. PUBLIC COMMENT – **None.**
5. REPORTS BY COMMITTEE CHAIRS ON COMMITTEE MEETINGS
 - a. Budget, Personnel, and Nominating Committee – The committee did not meet.
 - b. Advisory Committee – The committee did not meet.
6. COMMENTS AND REFERRALS FROM CHAIR AND BOARD MEMBERS – **None.**

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| CONSENT AGENDA |
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Motion: Approve items on the Consent Agenda. **Action:** Approve. **Moved by** Luis Alejo, **Seconded by** Felipe Herndandez. **Vote:** Motion carried unanimously by roll call vote. **(summary: Yes = 8). Yes:** Luis Alejo, Wendy Askew, Kimberly De Serpa, Felipe Hernandez, Kollin Kosmicki, Mike LeBarre, Chris Lopez, Andrew Sandoval. **Absent:** Mary Ann Carbone, Gerry Jensen, Eduardo Montesino.

7. **Accepted** and **Filed** Summary of Actions for June 18, 2025, Board of Directors Meeting
8. **Received** and **Filed** Budget to Actual Report for the Eleven Months Ended May 31, 2025
9. **Accepted** and **Filed** Report of Summary of Mutual Settlement Program Actions for June 2025 and July 2025

10. **Accepted** and **Filed** AB 617 Implementation Grant Agreement G24-CAPP-18
11. **Approved** Director Lopez's Recommended Appointment of Sanford (Sandy) Coplin to the Advisory Committee
12. **Resolution 25-009: Adopted** a Resolution Authorizing the Air Pollution Control Officer to Enter into an Agreement, Apply for Funding, Accept Funding, and Administer the AB 617 Community Air Protection Program Year 8 (Fiscal Year 2024-25) Incentives Grant

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| REGULAR AGENDA |
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13. **Received** Annual Report by the Public Agency Retirement Services (PARS) of MBARD's Other Post Employment Benefits (OPEB) and Pension Rate Stabilization Trust Accounts
Received the presentation only; no action required.
14. **Received** Presentation from David Edwards, Ph.D., on the Office of Environmental Health Hazard's (OEHHA) CalHeatScore, California Communities Extreme Heat Scoring System
Received the presentation only; no action required.
15. **Received** Presentation and **Adopted** the Proposed Updates to the Monterey Bay Air Resources District's (MBARD) California Air Resources Board (CARB) Grant Programs Policies and Procedures Manual.
Motion: Received the presentation and adopt proposed updates to MBARD's CARB Grant Programs Policies and Procedures Manual. **Action:** Approve. **Moved by** Felipe Hernandez, **Seconded by** Kimberly De Serpa. **Vote:** Motion carried unanimously by roll call vote. **(summary: Yes = 8). Yes:** Luis Alejo, Wendy Askew, Kimberly De Serpa, Felipe Hernandez, Kollin Kosmicki, Mike LeBarre, Chris Lopez, Andrew Sandoval. **Absent:** Mary Ann Carbone, Gerry Jensen, Eduardo Montesino.
16. **Formed** an Ad-Hoc Committee to Provide Direction on Community Outreach Events.
Motion: Establish a Community Outreach Events Ad-Hoc Committee of Board Members Wendy Askew, Kimberly DeSerpa, Kollin Kosmicki, and Andrew Sandoval. **Action:** Approve. **Moved by** Felipe Hernandez, **Seconded by** Luis Alejo. **Vote:** Motion carried unanimously by roll call vote. **(summary: Yes = 8). Yes:** Luis Alejo, Wendy Askew, Kimberly De Serpa, Felipe Hernandez, Kollin Kosmicki, Mike LeBarre, Chris Lopez, Andrew Sandoval. **Absent:** Mary Ann Carbone, Gerry Jensen, Eduardo Montesino.
17. REPORT FROM AIR POLLUTION CONTROL OFFICER
Richard Stedman, APCO, reported on the following:

Advisory Committee

The Advisory Committee did not meet this month since we could not muster a quorum.

Engineering and Compliance**• Recognition of Armando Jimenez**

I would like to begin my report by acknowledging the diligent work of MBARD Engineer III Armando Jimenez. Armando worked with the Sitos Group over the past two years on permitting a pilot project pyrolysis unit, located at the ReGen Monterey property. The pyrolysis unit was utilized to convert green waste into biochar, which can serve as a soil amendment. This project exemplified collaboration among various agencies, including MBARD and ReGen Monterey, as well as biomass supplier Keith Day and the Sitos Group, aimed at enhancing the understanding of pyrolysis as a biomass management tool.

Armando carefully reviewed the applicable federal regulations and was able to communicate the regulatory requirements clearly. From this effort, Armando issued an Authority to Construct for the unit, which required testing. The air pollutant testing demonstrated the need for a control device, such as a wet scrubber, for future iterations of the pyrolysis unit.

Ultimately, Armando developed permit conditions that met the US EPA's applicability criteria for the unit not to be subject to the US EPA's incinerator regulation. Sitos Group acknowledged the positive outcome of this project, including MBARD's assistance in issuing a permit. The pilot project ended in July, and the unit has been removed from the ReGen Monterey property. This type of project allows our staff to learn the nuances of regulations while supporting the development of information for new technologies. Thank you, Armando!

- I am happy to announce our new Administrative Assistant for Engineering, Eden Gonzalez, who started on July 28. Eden comes to MBARD with a background in administrative support, data management, and professional communication. Eden is a graduate of CSUMB with a Bachelor of Arts degree in Psychology. Eden has been a great addition to our team.
- The application period for our new engineer position ended on August 8. We received over 20 applications and will be starting interviews soon.
- Engineering completed the public notice period for Monterey One Water to modify the existing anaerobic digestion system to include co-digestion with food waste. No comments were received. This will be the first co-digestion project with a food waste permit issued by MBARD, representing another method for diverting food waste from landfills. Monterey One Water will benefit from the additional digester gas, which will offset natural gas use and fuel their cogeneration system.

- During the last week of July, the California Air Resources Board's enforcement team conducted unannounced joint inspections with MBARD inspectors at three landfills: Johnson Canyon landfill, Monterey Peninsula landfill, and Buena Vista landfill. This provided an opportunity for MBARD inspectors to get training from CARB related to their expectations for monitoring instantaneous methane leaks. CARB and MBARD staff detected methane leaks at all three sites, originating from sources such as wellheads and the landfill surface.
- No odor complaints from Marina residents have been received since the June Board meeting.

Planning and Air Monitoring

Air Monitoring

- The air monitoring program will receive a Technical Systems Audit from ARB staff in September. This audit is required by the EPA every 5 years. It covers compliance with established regulations and guidance governing the collection, analysis, validation, and reporting of ambient air quality data. The audit will identify program innovation and improvement, areas where programs can be strengthened and provide feedback.

Planning

- Planning staff have been working with DTSC and the Army on the planned 287-acre prescribed burn at the former Ft. Ord. The burn window is now open, but it is not expected to take place until late Fall. MBARD has received a grant of \$198,012 from DTSC to cover administrative costs for smoke management activities and public response.
- CARB Staff will be visiting the Planning Division this week to review the Carl Moyer Memorial Grant Program. They will also tour a past engine-replacement project at the Monterey Bay Aquarium Research Institute.
- The Monterey Bay Electric Vehicle Incentive Program, which provides residents with an incentive to purchase new and used all-electric or plug-in electric vehicles, launched on July 1. \$500,000 has been budgeted for the program using funds from local DMV fees. So far, 93 applications have been received, with about one quarter of the \$500,000 allocated for the program already committed.
- MBARD received twenty industrial-sized air purifiers through a grant from CAPCOA last year to establish Clean Air Centers in preparation for potential smoke impacts from wildfires. MBARD is working with Breathe California to distribute the air purifiers. The County of San Benito Office of Emergency Services and County of Santa Cruz Office of Resource, Recovery, and Resilience recently received a total of 12 units. Breathe CA staff are working to distribute the eight remaining in Monterey County.

- The 2025-26 Woodstove Change Out Program, which offers incentives to replace non-EPA certified wood stoves, fireplace inserts, and open-hearth fireplaces with cleaner home heating devices, is expected to launch in September.

Outreach

- Planning Staff set up an outreach table at a community resource open house at Mt. Toro High School in Salinas on August 13. The event was an opportunity to showcase the Landscape Equipment Exchange Program and the Community Air Protection Program. MBARD received an enthusiastic response from the community.
- Planning Staff will attend an electric vehicle ride and drive event organized by Ecology Action at Watsonville High School on October 4 to promote the Electric Vehicle Incentive Program; and the Good Fire Faire at Henry Cowell Redwoods on October 11 to educate the community on effective smoke management strategies for open burning.

Last couple of items:**Heat Pump Water Heater**

I would like to thank AMBAG, specifically Amaury Berteaud, PGE&E, and Wildan Energy Solutions, for our new Heat Pump water heater. Additionally, David Frisey assisted in coordinating the installation.

Heat pump water heaters offer significant energy savings and environmental benefits but also come with higher upfront costs and potential limitations. They are more energy-efficient than traditional electric heaters, potentially saving hundreds of dollars per year. One of the major cons of heat pump water heaters is the high upfront costs. That wasn't an issue for us since the water heater was installed free of charge. Thanks again to all who made this installation happen!

Special Award for the District

Congratulations to the governing board of MBARD from SDRMA. SDRMA is recognizing MBARD for no paid claims to Worker's Compensation Program for years 2020-2025.

"This accomplishment is a testament to your agency's commitment to risk management excellence and a culture of safety and proactive governance."

In addition to the recognition, MBARD will see a reduction in our annual contribution amount, including credit incentive points and a lower experience modification factor.

CLOSED SESSION

18. The Board will meet in Closed Session as permitted by Government Code section 54950 relating to the following:

- a. Pursuant to Government Code section 54957(b)(1), the Board will provide a performance evaluation for the Air Pollution Control Officer. **No public comments. No reportable action.**

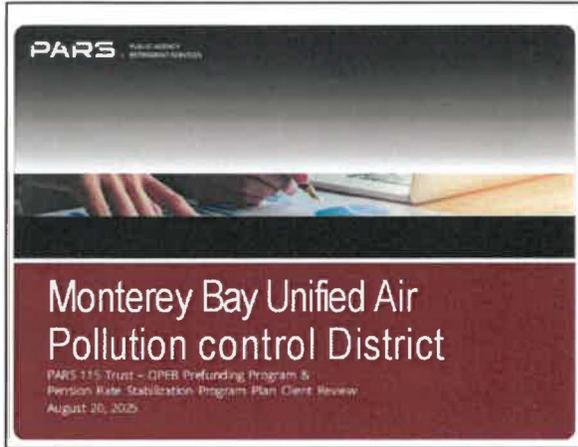
Legal Counsel removed (b) from the agenda.

18. Adjournment - **Close of Open Meeting at 3:04 p.m. - The Board adjourned out of Closed Session.**

Sirie Thongchua
Executive Assistant

NEXT REGULAR MEETING IS OCTOBER 15, 2025

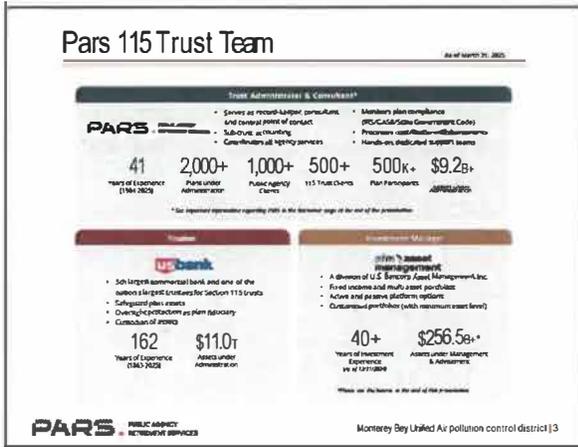
Agenda Item No. 7



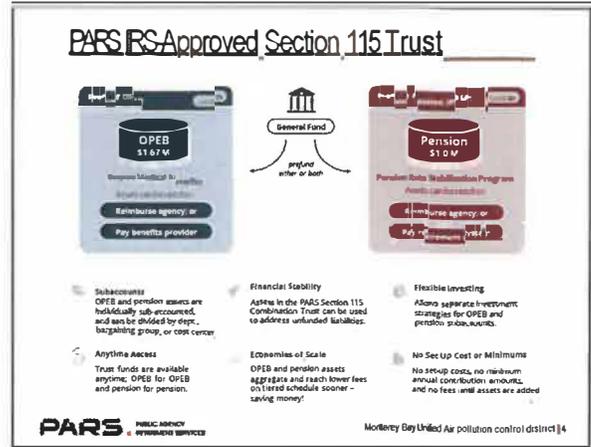
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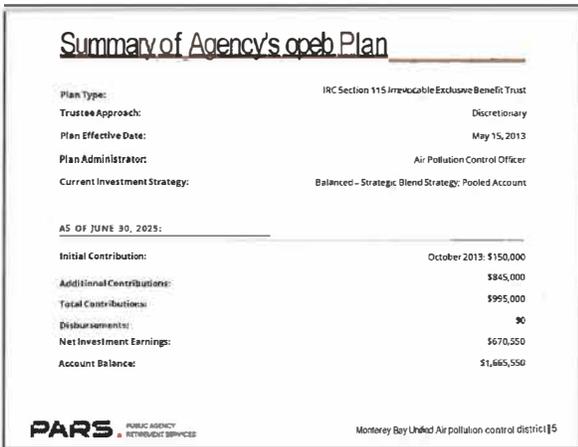
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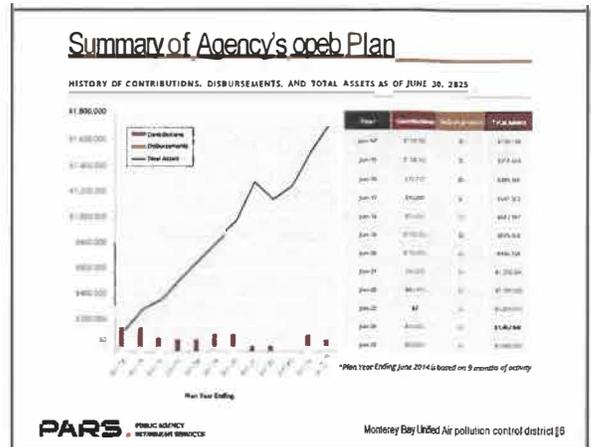
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CPFB Actuarial Results

We have received the actuarial report by MacLeod Watts dated June 30, 2025, with a measurement date as of June 30, 2024. In the table below, we have summarized the results.

| Demographic Study | Measurement Date June 30, 2024 |
|--|--------------------------------|
| Number of active plan members | 30 |
| Number of inactive plan members currently receiving benefits | 15 |
| Number of inactive plan members entitled to but not receiving benefits | 22 |
| Total | 67 |

PARS PUBLIC AGENCY RETIREMENT SERVICES Monterey Bay Unified Air pollution control district | 7

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CPFB Actuarial Results

| | Measurement Date June 30, 2024 Discount Rate 6.80% |
|---|--|
| Total OPEB Liability (TOL) | \$1,868,488 |
| Pflichtory Net Position | \$1,462,846 |
| Net OPEB Liability (NOL) | \$205,642 |
| Funded Ratio (%) | 87.9% |
| Service Cost Plus Interest for FY 2024-25 | \$140,198 |
| Annual Benefit Payments (Pay-as-you-go) | \$68,117 for FY 2024-25 |

*As of June 30, 2025, assets at \$1,645,550 (409%) -29.9% funded assuming no change in TOL. Rate of change: for every one percent increase in the discount rate, the unfunded liability is lowered by 10-12%.

PARS PUBLIC AGENCY RETIREMENT SERVICES Monterey Bay Unified Air pollution control district | 8

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CPFB Plan total Returns

AS OF JUNE 30, 2025

| Year | Return |
|--------|--------|
| Jun-14 | 4.7% |
| Jun-15 | 2.1% |
| Jun-16 | 10.2% |
| Jun-17 | 6.2% |
| Jun-18 | 6.8% |
| Jun-19 | 0.0% |
| Jun-20 | -11.8% |
| Jun-21 | 26.5% |
| Jun-22 | -11.8% |
| Jun-23 | 8.8% |
| Jun-24 | 11.2% |
| Jun-25 | 9.8% |

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The PARS Pension Rate Stabilization Program

for prefunding pension obligations

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Summary of Agency's Pension Plan

Plan Type: IRC Section 115 Irrevocable Exclusive Benefit Trust
 Trustee Approach: Discretionary
 Plan Effective Date: March 21, 2018
 Plan Administrator: Air Pollution Control Officer
 Current Investment Strategy: Moderately Conservative - Strategic Blend Strategy, Pooled Account

AS OF JUNE 30, 2025:

| | |
|---------------------------|----------------------|
| Initial Contributions: | June 2020: \$500,000 |
| Additional Contributions: | \$375,000 |
| Total Contributions: | \$875,000 |
| Disbursements: | \$0 |
| Net Investment Earnings: | \$138,409 |
| Account Balance: | \$1,013,409 |

PARS PUBLIC AGENCY RETIREMENT SERVICES Monterey Bay Unified Air pollution control district | 11

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Summary of Agency's pension Plan

HISTORY OF CONTRIBUTIONS, DISBURSEMENTS, AND TOTAL ASSETS AS OF JUNE 30, 2025 :

| Year | Contributions | Disbursements | Total Assets |
|--------|---------------|---------------|--------------|
| Jun-20 | \$500,000 | \$0 | \$500,000 |
| Jun-21 | \$0 | \$0 | \$500,000 |
| Jun-22 | \$375,000 | \$0 | \$875,000 |
| Jun-23 | \$0 | \$0 | \$875,000 |
| Jun-24 | \$0 | \$0 | \$1,013,409 |
| Jun-25 | \$0 | \$0 | \$1,013,409 |

PARS PUBLIC AGENCY RETIREMENT SERVICES Monterey Bay Unified Air pollution control district | 12

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Pension Funding Status

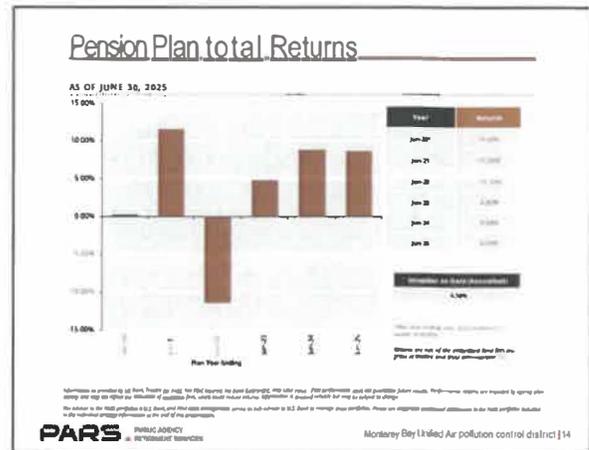
As of June 30, 2023, Monterey Bay Air Resources District's CalPERS pension plan is funded as follows*:

| Combined Miscellaneous & Safety Reserve * | Valuation as of June 30, 2022 | Valuation as of June 30, 2023 | Change |
|--|-------------------------------|-------------------------------|---------|
| Actuarial Liability | \$37.9 M | \$38.3 M | 1.1% ↑ |
| Assets | \$26.6 M | \$26.2 M | 1.4% ↓ |
| Unfunded Liability | \$11.3 M | \$12.1 M | 7.0% ↑ |
| Funded Ratio | 70.2% | 68.5% | 2.5% ↓ |
| Employer Contribution Amount | \$1.1 M (\$7.25.26) | \$1.2 M (\$7.24.29) | 11.4% ↑ |
| Employer Contribution Amount - Projected * | | \$1.7 M (\$7.30.31) | 44.1% ↑ |

* Data through 2026-31 from Agency's latest CalPERS actuarial valuation

PARS PUBLIC AGENCY RETIREMENT SERVICES Monterey Bay Unified Air pollution control district | 13

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pfm asset management

PARS OPEB and Pension Trust Balanced Strategic Blend

Investment Performance Review
For the Quarter Ended June 30, 2025

Client Management Team
PFM Asset Management

A division of U.S. Bancorp Asset Management, Inc.
1 California Street, Suite 1500, San Francisco, CA 94111
1795 Market Street, 40th Floor, Philadelphia, PA 19102

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About PFM Asset Management*

Our Investment Solutions

- Fixed Income:** High-quality, short- and intermediate-term portfolios for operating funds, reserves, working capital, self-insurance funds and bond proceeds
- Local Government Investment Pools (LGIPs):** services for programs with options ranging from fully liquid cash management to a fixed-rate, fixed-term investment
- Outsourced Chief Investment Officer (OCIO):** Multi-asset class portfolios for institutional investors
- Specialized Solutions:** Arbitrage rebate, escrow restructuring, bond proceeds investments, structured investments

40+ years of experience in the public sector

\$172.9b in public sector assets under management**

Assets by Investment Solution*

*A division of U.S. Bancorp Asset Management, Inc.
**As of 3/31/2023. Public sector includes government pool and TRIM. Total assets under management for U.S. Bancorp Asset Management, Inc. were \$399.7 billion.

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Financial Markets & Investment Strategy Review

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Agenda Item No. 7

Q1 2024 QUARTERLY MARKET SUMMARY

ALTERNATIVES

Real estate investment trusts (REITs), as measured by the FTSE NAREIT Equity REITs Index, returned 1.9% in the second quarter, down from the 52% return in the prior quarter. Three of the nine major sectors saw positive returns. Private real estate, as measured by the HCNPE Property Index, posted 0.9% in the fourth quarter of 2024, resulting in a 6.9% return for the year. Q4 marked the second quarter of positive total returns in five years as private real estate posted a level of above zero returns. Senior Housing was the top performer, returning 2.1%, while Office Properties continued to be painful, returning -0.4%.

Listed infrastructure, as measured by the HSDC World Infrastructure Index, performed strongly in the second quarter, growing 5.4% (as compared to a 7.8% return in the prior quarter). In Q1 2023, 13 private infrastructure funds posted 34.7 billion, a strong quarter following a year of issues. Following a year of capital return to funds larger than \$3 billion which seek to capitalize on secular trends around the adoption of artificial intelligence (AI) and decarbonization, infrastructure dry powder has fallen from the previous year and stands at \$394 billion as of Q3 2024. According to PitchBook, infrastructure funds posted a return of 1.7% in Q1 2024. The same class has generated an annualized return of 10.7% for the five years ended Q1 2024.

In Q1 2025, 42 private debt funds raised \$68.7 billion. Private debt dry powder remains above the long-term average of \$58.7 billion as of Q1 2025, although over 20% has been committed for more than two years. According to PitchBook, private debt funds posted a return of -0.7% in Q1 2024. The asset class has generated an annualized return of 8.7% for the five years ended Q1 2024.

In Q1 2025, 131 private equity funds raised \$115.5 billion, a slower pace compared to the prior year as continued distributions hindered fundraising efforts. The bulk of the capital raised went to investment managers raising capital for funds larger than \$1 billion. Global private equity dry powder, which accounted for the bulk of private capital dry powder, remains high at \$1.6 trillion as of Q1 2024, raising private equity performance has been muted due to higher fundraising costs and a shift in deal activity. According to PitchBook, private equity funds posted a return of 0.7% in Q1 2024. The asset class has generated an annualized return of 15.6% for the five years ended Q1 2024.

| Asset Class | Private Real Estate | Infrastructure | Private Debt | Private Equity |
|-------------|---------------------|----------------|--------------|----------------|
| Q1 2024 | 0.9% | 1.7% | -0.7% | 0.6% |
| Q1 2023 | 0.9% | 0.7% | 1.0% | 0.6% |
| 12-Month | 6.9% | 1.7% | 0.0% | 0.6% |

Source: PitchBook
 ** Data represents 2024 as of March 31, 2025. Most recent period for which data is available is 6M or 12M.
 *** Committed dry powder as of September 30, 2024.
 **** Excluding general purpose fund raising.

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Q1 2024 QUARTERLY MARKET SUMMARY

Factors to Consider Over the Next 3-12 Months

Macroeconomic Factors (Global)

Business Growth (Global)

Valuation (U.S.)

Personal Conditions (U.S.)

Consumer Spending (U.S.)

Labour Markets (U.S.)

Continuing Fundamentals

Globalization

Political Policy Risk

Source: PitchBook
 ** Data represents 2024 as of March 31, 2025. Most recent period for which data is available is 6M or 12M.
 *** Committed dry powder as of September 30, 2024.
 **** Excluding general purpose fund raising.

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Q1 2024 QUARTERLY MARKET SUMMARY

Investment Strategy Overview

| Asset Class | Our Q1 2024 Investment Outlook | Comments |
|-----------------|--------------------------------|--|
| U.S. Equities | Neutral | U.S. equities continue to be a strong performer, driven by strong earnings growth and a resilient economy. We expect continued growth, but with some volatility. |
| Global Equities | Neutral | Global equities continue to be a strong performer, driven by strong earnings growth and a resilient economy. We expect continued growth, but with some volatility. |
| Fixed Income | Neutral | Fixed income continues to be a strong performer, driven by strong earnings growth and a resilient economy. We expect continued growth, but with some volatility. |
| Alternatives | Neutral | Alternatives continue to be a strong performer, driven by strong earnings growth and a resilient economy. We expect continued growth, but with some volatility. |

Source: PitchBook
 ** Data represents 2024 as of March 31, 2025. Most recent period for which data is available is 6M or 12M.
 *** Committed dry powder as of September 30, 2024.
 **** Excluding general purpose fund raising.

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Q1 2024 QUARTERLY MARKET SUMMARY

DISCLOSURES

The views expressed in this material constitute the investment strategy of the Investment Management Group, Inc. (IMG) and its affiliates. The views expressed in this material are subject to change without notice. The views expressed in this material are not intended to constitute an offer of any investment product. The views expressed in this material are not intended to constitute an offer of any investment product. The views expressed in this material are not intended to constitute an offer of any investment product.

Source: PitchBook
 ** Data represents 2024 as of March 31, 2025. Most recent period for which data is available is 6M or 12M.
 *** Committed dry powder as of September 30, 2024.
 **** Excluding general purpose fund raising.

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Plan Performance Summary

| Asset Class | Allocation | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 | Year 11 | Year 12 |
|-----------------|------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|---------|
| U.S. Equities | 30.0% | 12.5% | 15.2% | 18.1% | 21.3% | 24.5% | 27.8% | 31.1% | 34.4% | 37.7% | 41.0% | 44.3% | 47.6% |
| Global Equities | 20.0% | 8.1% | 9.5% | 11.0% | 12.5% | 14.0% | 15.5% | 17.0% | 18.5% | 20.0% | 21.5% | 23.0% | 24.5% |
| Fixed Income | 40.0% | 3.2% | 4.5% | 5.8% | 7.1% | 8.4% | 9.7% | 11.0% | 12.3% | 13.6% | 14.9% | 16.2% | 17.5% |
| Alternatives | 10.0% | 1.2% | 1.5% | 1.8% | 2.1% | 2.4% | 2.7% | 3.0% | 3.3% | 3.6% | 3.9% | 4.2% | 4.5% |

Source: PitchBook
 ** Data represents 2024 as of March 31, 2025. Most recent period for which data is available is 6M or 12M.
 *** Committed dry powder as of September 30, 2024.
 **** Excluding general purpose fund raising.

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PARS OPEB and Pension Trust Balanced Strategic Blend

Asset Allocation & Performance

| Asset Class | Allocation | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 | Year 11 | Year 12 |
|-----------------|------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|---------|
| U.S. Equities | 30.0% | 12.5% | 15.2% | 18.1% | 21.3% | 24.5% | 27.8% | 31.1% | 34.4% | 37.7% | 41.0% | 44.3% | 47.6% |
| Global Equities | 20.0% | 8.1% | 9.5% | 11.0% | 12.5% | 14.0% | 15.5% | 17.0% | 18.5% | 20.0% | 21.5% | 23.0% | 24.5% |
| Fixed Income | 40.0% | 3.2% | 4.5% | 5.8% | 7.1% | 8.4% | 9.7% | 11.0% | 12.3% | 13.6% | 14.9% | 16.2% | 17.5% |
| Alternatives | 10.0% | 1.2% | 1.5% | 1.8% | 2.1% | 2.4% | 2.7% | 3.0% | 3.3% | 3.6% | 3.9% | 4.2% | 4.5% |

Source: PitchBook
 ** Data represents 2024 as of March 31, 2025. Most recent period for which data is available is 6M or 12M.
 *** Committed dry powder as of September 30, 2024.
 **** Excluding general purpose fund raising.

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Agenda Item No. 7



PARS OPEB and Pension Trust Moderately Conservative Strategic Blend

Investment Performance Review
For the Quarter Ended June 30, 2025

A Division of U.S. Bancorp Asset Management, Inc.
1 California Street, Suite 1000, San Francisco, CA 94111

1726 Market Street, Suite 1000, Philadelphia, PA 19102

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PARS OPEB and Pension Trust Moderately Conservative Strategic Blend
Asset Allocation & Performance

As of June 30, 2025

| Asset Allocation | Performance (%) | | | | | | | | | |
|-----------------------------|-----------------|-------|--------------|--------|---------|---------|----------|-----------------|----------------|------------|
| | % | 1 Qtr | Year To Date | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | Inception Date | |
| Domestic Equity | 3.00 | 4.74 | 8.08 | 7.12 | 4.21 | 4.91 | 4.68 | 4.49 | | |
| International Equity | 1.24 | 19.89 | 8.28 | 19.99 | 19.99 | 19.99 | 19.99 | 19.99 | 03/27/2017 | 03/27/2017 |
| Fixed Income | 95.76 | 0.26 | 16.19 | 16.31 | 16.45 | 16.26 | 12.86 | 12.90 | | |
| Alternatives | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | |
| Other | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | |

Returns are gross of investment advisory fees and net of mutual fund fees. Returns are expressed as percentages and are taxable over the year as indicated. Asset class level returns may vary from published performance metrics due to asset class. Total Portfolio returns prior to 10/20/20 were provided by previous Advisor and subjected to the accuracy and reliability. Returns for January 2021 were calculated by the legacy performance vendor of previous Advisor and subjected to the accuracy and reliability.

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PARS OPEB and Pension Trust Moderately Conservative Strategic Blend
Asset Allocation & Performance

As of June 30, 2025

| Asset Allocation | Performance (%) | | | | | | | | | |
|-----------------------------|-----------------|-------|--------------|--------|---------|---------|----------|-----------------|----------------|------------|
| | % | 1 Qtr | Year To Date | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception | Inception Date | |
| Domestic Equity | 3.00 | 4.74 | 8.08 | 7.12 | 4.21 | 4.91 | 4.68 | 4.49 | | |
| International Equity | 1.24 | 19.89 | 8.28 | 19.99 | 19.99 | 19.99 | 19.99 | 19.99 | 03/27/2017 | 03/27/2017 |
| Fixed Income | 95.76 | 0.26 | 16.19 | 16.31 | 16.45 | 16.26 | 12.86 | 12.90 | | |
| Alternatives | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | |
| Other | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | |

Returns are gross of investment advisory fees and net of mutual fund fees. Returns are expressed as percentages and are taxable over the year as indicated. Asset class level returns may vary from published performance metrics due to asset class. Total Portfolio returns prior to 10/20/20 were provided by previous Advisor and subjected to the accuracy and reliability. Returns for January 2021 were calculated by the legacy performance vendor of previous Advisor and subjected to the accuracy and reliability.

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PARS OPEB and Pension Trust Moderately Conservative Strategic Blend
Calendar Year Comparative Performance

As of June 30, 2025

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
|-----------------------------|-------|-------|-------|-------|-------|-------|-------|-------|
| Domestic Equity | 3.00 | 12.72 | 42.23 | 42.45 | -8.57 | 19.01 | -8.59 | 7.45 |
| International Equity | 1.24 | 19.89 | 8.28 | 19.99 | 19.99 | 19.99 | 19.99 | 19.99 |
| Fixed Income | 95.76 | 0.26 | 16.19 | 16.31 | 16.45 | 16.26 | 12.86 | 12.90 |
| Alternatives | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Other | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

Returns are gross of investment advisory fees and net of mutual fund fees. Returns are expressed as percentages and are taxable over the year as indicated. Asset class level returns may vary from published performance metrics due to asset class. Total Portfolio returns prior to 10/20/20 were provided by previous Advisor and subjected to the accuracy and reliability. Returns for January 2021 were calculated by the legacy performance vendor of previous Advisor and subjected to the accuracy and reliability.

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PARS OPEB and Pension Trust Moderately Conservative Strategic Blend
Calendar Year Comparative Performance

As of June 30, 2025

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
|-----------------------------|-------|-------|-------|-------|-------|-------|-------|-------|
| Domestic Equity | 3.00 | 12.72 | 42.23 | 42.45 | -8.57 | 19.01 | -8.59 | 7.45 |
| International Equity | 1.24 | 19.89 | 8.28 | 19.99 | 19.99 | 19.99 | 19.99 | 19.99 |
| Fixed Income | 95.76 | 0.26 | 16.19 | 16.31 | 16.45 | 16.26 | 12.86 | 12.90 |
| Alternatives | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Other | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

Returns are gross of investment advisory fees and net of mutual fund fees. Returns are expressed as percentages and are taxable over the year as indicated. Asset class level returns may vary from published performance metrics due to asset class. Total Portfolio returns prior to 10/20/20 were provided by previous Advisor and subjected to the accuracy and reliability. Returns for January 2021 were calculated by the legacy performance vendor of previous Advisor and subjected to the accuracy and reliability.

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PARS OPEB and Pension Trust Moderately Conservative Strategic Blend
Historical Hybrid Composition - PARS Moderately Conservative

As of June 30, 2025

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
|-----------------------------|-------|-------|-------|-------|-------|-------|-------|-------|
| Domestic Equity | 3.00 | 12.72 | 42.23 | 42.45 | -8.57 | 19.01 | -8.59 | 7.45 |
| International Equity | 1.24 | 19.89 | 8.28 | 19.99 | 19.99 | 19.99 | 19.99 | 19.99 |
| Fixed Income | 95.76 | 0.26 | 16.19 | 16.31 | 16.45 | 16.26 | 12.86 | 12.90 |
| Alternatives | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Other | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

Returns are gross of investment advisory fees and net of mutual fund fees. Returns are expressed as percentages and are taxable over the year as indicated. Asset class level returns may vary from published performance metrics due to asset class. Total Portfolio returns prior to 10/20/20 were provided by previous Advisor and subjected to the accuracy and reliability. Returns for January 2021 were calculated by the legacy performance vendor of previous Advisor and subjected to the accuracy and reliability.

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PFMAM professionals have exercised reasonable professional care in the preparation of this performance report. Information in this report is obtained from sources believed to be reliable and available to the public, however, we cannot guarantee its accuracy, completeness or timeliness. We rely on the client's custodian for security holdings and market values. Transaction dates reported by the custodian may differ from money manager statements. While efforts are made to ensure the data contained herein is accurate and complete, we disclaim all responsibility for any errors that may occur. References to particular markets are for illustrative purposes only and are not intended to be recommendations of advice regarding such markets. Fund returns, market and index characteristics are gathered from external sources. When average credit quality is not available, it is estimated by taking the market value weights of individual credit tiers on the portion of the strategy rated by a NRSRO.

It is not possible to invest directly in an index. The index returns shown throughout this material do not represent the results of actual trading of financial assets. Third-party providers maintain the indices shown and calculate the index levels and performance shown or discussed. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

The views expressed within this material constitute the perspective and judgment of PFMAM at the time of distribution and are subject to change. Any forecast, projection, or prediction of the market, the economy, economic trends, and equity or fixed-income markets are based upon current information as of the date of issue and are also subject to change. Opinions and data presented are not necessarily indicative of future events or expected performance. Information gathered herein is based on data obtained from recognized statistical services, market reports or other sources believed to be reliable. No representation is made as to its accuracy or completeness.

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U.S. Bank N.A. pays the sub-advisor up to 0.7% of the annual management fee for assets sub-advised under its sub-advisory agreement with U.S. Bank N.A. Refer to your U.S. Bank N.A. fee schedule for investment management fees applied to your specific portfolio. U.S. Bank N.A. compensates the sub-advisor for these services from its own fees.

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Disclosures

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Additional Disclosures

Assets under management as of 6/30/2024 represent the assets managed by PFM Asset Management LLC (PFMAM). As of 10/1/2024 PFMAM and U.S. Bancorp Asset Management, Inc. (USBAM) formerly operated investment advisors not included into one legal entity and one registered investment advisor with the SEC, with USBAM as the controlling legal entity and registered investment advisor.

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Agenda Item No. 7

CalHeatScore

The California Communities Extreme Heat Scoring System

California Environmental Protection Agency
Office of Environmental Health Hazard Assessment

Monterey Air Quality Management District
August 20, 2025



1

CalHeatScore: An Early Warning System for Heat



Extreme Heat
causes more deaths each year than hurricanes, lightning, tornadoes, earthquakes and floods combined

Extreme heat warning puts even fit and healthy at risk

2

How CalHeatScore Works

- Localized Alerts:** Tailors heat warnings to each community's specific climate and vulnerability.
- Daily & Forecast Updates:** Provides daily heat scores and multi-day forecasts to support early action.
- Protective Rankings:** Reflects health risks using local ER data and regional climate conditions
- Targeted Outreach:** Provides general information on recognizing heat illness, who is generally at risk, and ways to keep yourself safe.
- Resource Connections:** Links users to cooling centers



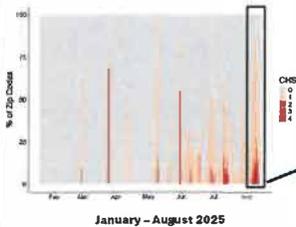
3

Tool Demo



4

Monterey Bay Region



January - August 2025



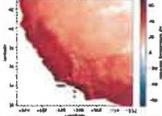
August 01, 2025

CHS
0 1 2 3 4

5

Climate and Weather Data

- Historical climate observations**
 - Zip code level heat conditions
 - Connect temperature measurements to health responses
- Daily weather forecasts**
 - Temperature forecasts for the upcoming week
 - Basis for heat rankings



6

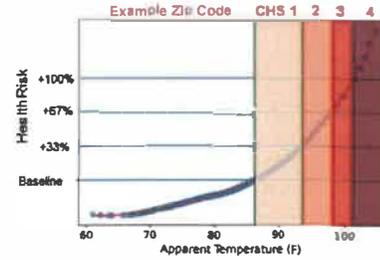
Heat-Health Response Data

- Daily *heat-related* Emergency Department (ED) visits per zip code from 2016-2018
- Includes heat illness, heat stroke, dehydration, acute and chronic kidney failure
- Source: Department of Healthcare Access and Information (HCAI)



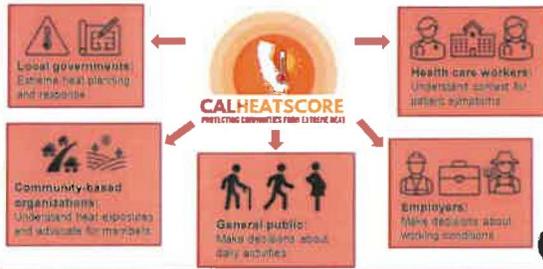
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Calculating Heat Rankings



8

CalHeatScore Users and Applications



9

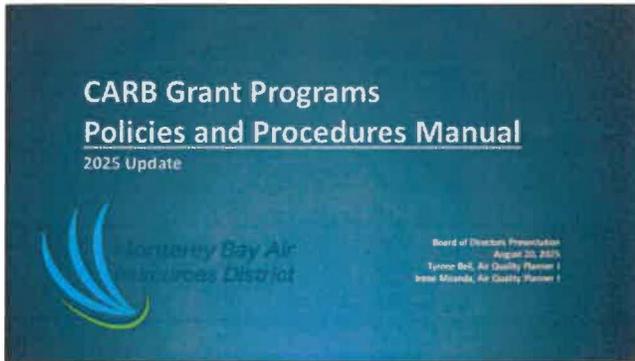
How to Get Involved

- Join our listserv: CalHeatScore.calepa.ca.gov
- Email us with comments: CalHeatScore@oehha.ca.gov
- Try out CalHeatScore for yourself!



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Agenda Item No. 7



1

Update to CARB Grant Program Guidelines

- Carl Moyer Memorial Air Quality Standards Attainment Program (CMP or Moyer)
- Funding Agricultural Replacement Measures for Emissions Reductions (FARMER)
- Community Air Protection Program (CAPP)

Marine Ag Pumps Off-Road Zero-Emission School buses EV Charging Stations Zero-Emission On-Road Zero-Emission Landscape Equipment Zero-Emission Utility Terrain Vehicles

2

Carl Moyer Program (CMP)

- Replacing old engines with new cleaner engines = emission reductions
 - Smog forming Nitrogen Oxides, Reactive Organic Gases, Particulate Matter
 - Carbon Dioxide
 - Toxic air contaminants
- Authorized by AB 1571, enacted 1999
- Allocations to MBARD total to date **\$20.5 Million**
 - Year 26 (FY 2024-25) = \$1.26 Million
 - Year 27 (FY 2025-26) = \$1.22 Million
- Total emissions reduced to date: **806 tons**

3

CMP Project Type: Landscape Equipment Exchange Program (LEEP)

- Replaces gasoline-powered small off-road engines
 - Examples: chainsaws, walk-behind mowers, leaf blowers
- Funding Sources & Allocations to MBARD
 - Carl Moyer Program – \$80,000 for residential applicants
 - Year 2024 CMP State Reserve – \$315,000 for commercial applicants
 - Year 2026 CMP State Reserve – \$224,828 for residential and/or commercial applicants

4

10 gasoline-powered Ryobi 25AXB leaf blowers
10 zero-emission Stihl BGA 86 leaf blowers
40 Stihl AP 500 S heavy duty batteries
Emission savings: 258 pounds per year

5

Funding Agricultural Replacement Measures for Emissions Reductions (FARMER)

- Replacing old engines with new cleaner engines = emission reductions
 - Smog forming Nitrogen Oxides, Reactive Organic Gases, Particulate Matter
 - Carbon Dioxide
 - Toxic air contaminants
- Authorized by AB 134, AB 109 and SB 856 in 2017 - 2018
- Allocations to MBARD total to date: **\$5.2 Million**
 - FARMER Year 5 (FY 2022-23) – \$1,322,000
 - FARMER Year 6 (FY 2023-24) – \$660,975
- Total emissions reduced to date: **162 tons**

6

Destroyed Equipment and Engine



NEW Fendt FT938, 374 hp, Tier 4 Final tractor
Emission savings: 18.4 tons per year

1982 Versatile 835, 400 hp, Tier 0 tractor



7

Community Air Protection Program (CAPP)

- Reduce Criteria Pollutants and Toxic Air Contaminants in Priority Populations
 - Incentivizes use of cleaner technologies
 - 70% of funds go to Disadvantaged Communities (DAC)
 - 80% to Low-Income (LI) areas
- Authorized by AB 617 in 2017
- Allocations to MBARD total to date: **\$3.5 Million**
 - CAPP Year 5 (FY 2022-23) – \$1.4 Million
 - CAPP Year 6 (FY 2023-24) – \$1.3 Million
 - CAPP Year 7 (FY 2024-25) – \$1.26 Million
- Total emissions reduced to date: **50 tons**



8

Priority Populations




9



1993 Thomas Saf-T-Liner diesel-powered school bus

2023 IC Dax CE 2608 zero-emission school bus
Emission savings: 212 pounds per year



10

Updates to MBARD Policies and Procedures

- All Programs
 - Use of generative AI
- Carl Moyer Program
 - EV charging infrastructure program
 - Marine repower projects
 - LEEP – removed limits for public schools
 - Non-agricultural UTV program
- FARMER
 - Agricultural UTV program
 - Zero-emission drone projects



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Updates to MBARD Policies and Procedures

- CAPP Additional Eligible Project Categories
 - Dial-A-Ride Vehicle Replacement Projects
 - Community Greening and Vegetative Barriers
 - Sensitive Receptors
 - Stationary Source Projects
 - Local Agency Partnership Projects
 - Emergency Stationary Generator Replacement Projects
 - Paving, Sidewalk, and Bike Path Projects
 - Woodstove Smoke Reduction Projects
 - use LIHEAP for determining LI eligibility
 - Electric Vehicle Charging Infrastructure



12

Agenda Item No. 7

