

BOARD MEETING DATE: March 6, 2026

AGENDA NO. 5

**PROPOSAL:** Appropriate Funds From General Fund Undesignated (Unassigned) Fund Balance Into Planning, Rule Development, and Implementation Services & Supplies Budget to Reimburse Work on Upgrades to California Emissions Estimator Model

**SYNOPSIS:** On July 9, 2024, California Department of Transportation awarded \$450,000 from the Sustainable Transportation Planning Grant to support upgrades to California Air Pollution Control Officers Association's (CAPCOA) California Emissions Estimator Model (CalEEMod). On September 6, 2024, the Board approved recognizing the funds and authorizing the Executive Officer to enter into an agreement with CAPCOA. This action seeks to appropriate funding from the General Fund Undesignated (Unassigned) Fund Balance into the Planning budget to reimburse CAPCOA for the upgrades to CalEEMod and GHG Mitigation Measures Handbook.

**COMMITTEE:** Administrative; February 13, 2026; Recommended for Approval

**RECOMMENDED ACTIONS:**

1. Appropriate up to a cumulative total of \$450,000 from the General Fund Undesignated (Unassigned) Fund Balance into Planning, Rule Development, and Implementation (PRDI) FYs 2025-26, 2026-27, and/or 2027-28 Budgets, Services and Supplies Major Object, to implement the terms of the Sustainable Transportation Planning Grant; and
2. Authorize the Executive Officer to enter into an agreement with CAPCOA, in an amount not to exceed \$450,000, from the PRDI FYs 2025-26, 2026-27, and/or 2027-28 Budgets to implement the terms of the Sustainable Transportation Planning Grant.

Wayne Natri  
Executive Officer

## **Background**

South Coast AQMD partnered with CAPCOA to submit an application to Caltrans' Sustainable Transportation Planning Grant Program which proposes to incorporate five new transportation measures, new datasets, and additional reporting features, and increase the functionality of CAPCOA's California Emissions Estimator Model (CalEEMod) and Quantifying GHG Mitigation Measures Handbook (Handbook). These two tools are used by local governments and state agencies throughout California to prepare air quality analyses which model future transportation behavior and vehicle miles traveled (VMT) in environmental documents for projects subject to the requirements of CEQA.

CAPCOA, South Coast AQMD and other California air districts recognize the need for periodically updating vehicle emissions and traffic data generate new datasets in the CAPCOA Handbook and CalEEMod program, and are continuing to invest in these tools so that trips and emissions associated construction of transportation facilities, development, and other land use projects analyzed in CEQA documents would be accurate and complete. However, CAPCOA, the owner of these tools, does not have funding to incorporate the new measures and defaults into CalEEMod.

On July 9, 2024, in an acknowledgement of this need to update the CAPCOA Handbook and CalEEMod, Caltrans conditionally awarded a Sustainable Transportation Planning Grant of \$450,000 to South Coast AQMD for this proposed project with CAPCOA designated as a sub-recipient of the awarded funds. On September 6, 2024, the Board approved a Resolution recognizing the funds from Caltrans and authorizing the Executive Officer to enter into an agreement with CAPCOA who will be paying the consultant for work on the upgrades to CalEEMod and CAPCOA Handbook. In turn, the South Coast AQMD will "front" the money to pay CAPCOA before we invoice Caltrans for reimbursement from the Sustainable Transportation Planning Grant funds.

## **Proposal**

Staff is recommending that the Board approve the appropriation of \$450,000 from the General Fund Undesignated (Unassigned) Fund Balance to Planning, Rule Development, and Implementation (PRDI) FYs 2025-26, 2026-27, and 2027-28 Services & Supplies Budget and authorize funding to CAPCOA, not to exceed \$450,000, from the PRDI Budget to support upgrades to CalEEMod and Quantifying GHG Mitigation Measures Handbook.

## **Benefits to South Coast AQMD**

Local government relies on CalEEMod as a critical tool for quantifying air quality impacts for CEQA projects from construction and operation. CalEEMod and the CAPCOA Handbook have already demonstrated to South Coast AQMD, other California air districts, CAPCOA, agencies throughout California and the public, the value of analyzing future transportation demand together with future climate risks and

environmental burdens, as well as creating a common language and standardized tools for projects and fairly comparable options. Incorporating the new transportation measures and post-pandemic datasets into CalEEMod and the CAPCOA Handbook ensures that these tools relied upon for CEQA compliance for projects throughout California reflect California's regulatory requirements, current conditions, and ensures the most stringent mitigation measures are applied to environmental impacts.

**Sole Source Justification**

Section VIII.B.2 of South Coast AQMD’s Procurement Policy and Procedure identifies four major provisions under which a sole source award may be justified. Specifically, this request for a sole source award to CAPCOA is made under provision B.2.c(2): The project involves the use of proprietary technology and B.2.c(3): contractor has ownership of key assets required for project performance. CAPCOA owns CalEEMod and the Handbook.

**Resource Impacts**

Sufficient funds are available in the General Fund Undesignated (Unassigned) Fund Balance and will be made available in the PRDI Budget to support upgrades to CalEEMod and Quantifying GHG Mitigation Measures Handbook. These funds will be reimbursed into the General Fund (01) by Caltrans through the Sustainable Transportation Planning Grant Program as previously approved by Board on September 6, 2024.