



*Monterey Bay Air
Resources District*

FY 2018-19 BUDGET



MONTEREY BAY AIR RESOURCES DISTRICT

BOARD OF DIRECTORS

NAME AND INFORMATION	AREA OF REPRESENTATION
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 <p>Felipe Hernandez Councilmember, City of Watsonville</p>	Santa Cruz County Cities



Richard A. Stedman, Air Pollution Control Officer



*Monterey Bay Air
Resources District*

FY 2018-19 BUDGET

ADOPTED JUNE 25, 2018

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Monterey Bay Air Resources District Fiscal Year 2018-19 Budget

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FY 2018-19 BUDGET ADOPTION SCHEDULE

- 1. FY 2018-19 Administrative Draft Release..... Week of April 9, 2018**
- 2. Budget Workshop #1 April 11, 2018**
11:00 a.m. – Hollister (San Benito County)
Board Chambers
481 Fourth Street, Hollister, California
- 3. Budget Workshop #2 April 16, 2018**
11:00 a.m. – Monterey Bay Air Resources District (Monterey County)
Board Chambers
24580 Silver Cloud Court, Monterey, California
- 3. Budget Workshop #3 April 24, 2018**
11:00 a.m. – City of Watsonville (Santa Cruz County)
Public Library Meeting Room, 2nd Floor
275 Main Street, Suite 100, Watsonville, California
- 5. First Board Hearing May 16, 2018**
1:30 p.m. -- Monterey Bay Air Resources District
Board Chambers
24580 Silver Cloud Court, Monterey, California
- 6. Second Board Hearing and Adoption of Final Budget June 25, 2018**
1:30 p.m. -- Monterey Bay Air Resources District
Board Chambers
24580 Silver Cloud Court, Monterey, California
- 7. District Fiscal Year Begins..... July 1, 2018**

INTRODUCTION

The Fiscal Year 2018-2019 (FY 18-19) Budget, which runs from July 1, 2018 through June 30, 2019, has been prepared for final adoption by the Monterey Bay Air Resources District's (District) Board of Directors. The budget adoption process is specified in the California Health and Safety Code Section 40131 and includes requirements for two public hearings and notification to all fee payers.

The FY 18-19 Budget complies with the policy framework and direction provided by the District's Budget and Personnel Committee and the Board of Directors. In addition, comments received through the public hearing process have been fully considered and, where possible, incorporated in development of this budget.

The FY 18-19 Budget is designed to continue our mission of assuring healthful air quality in the North Central Coast Air Basin, improve levels of service to the public and the regulated community, and reduce and control District costs.

This Budget funds a comprehensive local air pollution program which includes the following functions:

- ◆ Implement District policy to respond to air pollution complaints in a timely fashion.
- ◆ Conduct special air quality field studies as needed.
- ◆ Operate and maintain six full-time air monitoring stations and record and report some 46 air quality metrics with full quality control assurance.
- ◆ Annually review more than 30 California Environmental Quality Act (CEQA) environmental impact reports and other related federal, state, and local documents.
- ◆ Implement federal air quality programs including permitting, national ambient air quality attainment standards, and enforcement and compliance laws and regulations.
- ◆ Implement District's Education and Outreach Program for schools and the public.
- ◆ Implement the Woodstove Change-out Program to reduce wood smoke pollution from residential home heating devices.
- ◆ Provide smoke management services for areas affected by wood smoke from residential home heating, outdoor backyard burns, and prescribed burns.
- ◆ Provide support services for District Board of Directors, Hearing Board, Advisory Committee and 34 staff with a total budget of approximately \$6.1 million.
- ◆ Offer electric vehicle purchase incentives to residents of Monterey, Santa Cruz, and San Benito counties.
- ◆ Administer and process over 40 emissions reduction projects, including grants funded by AB2766 and AB923 funds, Carl Moyer Program grants, Community Air Protection Program (CAPP) grants, and Funding Agricultural Replacement Measures for Emission Reductions (FARMER) grants.
- ◆ Process approximately 370 Authorities to Construct and Permits to Operate annually and maintain/inspect up to 3,100 Permits to Operate.

Introduction

- ◆ Address nonattainment of North Central Coast Air Basin for California PM₁₀ and ozone Ambient Air Quality Standards.

Revenue Projections

As compared to FY 17-18 estimated actuals, permit fee revenue projections for FY 18-19 are lower by about \$173,000. This decrease is primarily due to a loss of major source permit fees. This loss of major source fees is offset by proposed fee increases of 5% to 15% depending on the type of permit. In addition, new permit fee categories are proposed to standardize fees for certain permit types.

New revenues are projected based on recent State legislation including \$250,000 of Woodstove Smoke Reduction Program funds and \$148,000 from funds authorized under AB197 and AB134. In addition, the District expects to receive monies from the State's Community Air Protection Program (CAPP) fund and the Funding Agricultural Replacement Measure for Emission Reductions (FARMER) program. CAPP funds are estimated at \$655,000 and FARMER funds at close to \$1.3 million. Both programs will provide grant funds for projects that reduce emissions.

City and County contributions are projected to increase by about \$31,000 based on raising the per capita fee from \$.39 to \$.43. The per capita contributions are paid by each city and county in the District's Tri-County area in lieu of each jurisdiction creating, operating, and maintaining its own air quality program.

Expenditure Projections

District operating expenditures for FY 18-19 are projected to be \$6.4 million as compared to estimated expenditures of \$6.1 million for FY 17-18. The increase in expenditures is primarily due to salary and benefit increases. Efforts to streamline operations include elimination of two unfilled positions: the Deputy Air Pollution Control Officer and one Air Quality Compliance Inspector position. Staffing levels will include 32 full time equivalents. Personnel and retirement costs will increase by about \$57,000 as compared to FY 17-18 estimated actuals. Due to changes in CalPERS rate of return projections, the District's employer contribution rate will increase by 24% which adds about \$102,000 to retirement costs.

Fixed assets purchased are estimated at \$280,000 with a detail list included on page 44 of the budget. Other significant expenditures include \$100,000 to fund Other Post Employment Benefits (OPEB).

Grant expenditures for projects that reduce emissions are projected at \$7.2 million including new grants funded by the CAP and FARMER new programs. In addition, \$1.35 million is estimated for expenditures related to the District's electric vehicle infrastructure project that will add charging stations throughout the District's tri-county area.

Other notable budget highlights are included in the "Budget in Brief" section of this budget document.

Projected Results for FY 18-19

The District's projected FY 18-19 Operating Budget shows a surplus of \$72,000 as compared to a \$751,000 surplus projected for FY 17-18. The FY 17-18 surplus is primarily due to large civil penalties and from asbestos cases and the timing of new state revenues to be spent in FY 18-19. Schedules for all of the District's funds are included in the "Fund Balances" section of this budget document.

The District's projected FY 18-19 Non-Operating Budget (for grant programs and other non-operational activities) shows a deficit of \$3.2 million which reflects a spending down of fund balances

Introduction

set aside for grants. The budget assumes that all outstanding grants are paid out during the fiscal year.

In regards to the Stationary Source Program, the District continues to operate in a deficit of about \$584,000 as shown in the "Budget Schedules" section of this budget document. By being careful not to over collect, the District would have to increase permit fees to bridge the deficit gap for this program. In the meantime, the District utilizes other revenue sources, such as state subvention and per capita fees, to cover the deficit.

Fund Balances

The District maintains seven general ledger funds for tracking of specific revenues and associated expenditures as summarized on pages 51 and 52. Within the General Fund, certain monies have been designated for special purposes such as for economic uncertainties, building and facilities, and for OPEB. The designated funds are discretionary dollars available for spending as planned during the annual budget process or when unforeseen circumstances arise.

In summary, estimated financing for the FY 18-19 Budget totals \$15,484,075 of which \$6,419,000 is the District's annual operating budget and \$9,065,075 is in pass-through and prior year carryover grant funds.

ADMINISTRATIVE DIVISION

The Administrative Division consists of the Air Pollution Control Officer (APCO), an Administrative Services Manager, an Executive Assistant, one Administrative and Fiscal Specialist, one Senior Fiscal Assistant, and an Office Assistant.

The Division performs the following functions:

General Operations

The Division is responsible for all premises management including building and grounds, vehicle fleet, District Safety Program, administrative support, telephone systems, reception duties, mail room, copy functions and office supplies.

General Operations also includes human resource management and benefit administration for the District's 32 budgeted positions. No new positions are proposed for FY 18-19 and two unfilled positions will be eliminated. In FY 17-18, three recruitments were completed to fill positions that were vacated due to employee retirements.

Finance and Accounting

The accounting section is responsible for all general accounting functions including accounts receivable, accounts payable, payroll, fixed asset management, grants, risk management, and related financial reporting.

An important function of this section is the preparation and tracking of the annual budget. All managers participate in a collaborative effort with the APCO and the Administrative Services Manager in compiling and presenting the annual proposal. Additional responsibilities include employee benefits, personnel needs, recruiting, and risk management.

In FY 18-19, the Administrative Division will work closely with the Engineering and Compliance Divisions in implementing changes to the TRAKiT permitting database program. The Division will also be part of a District-wide team to implement a new document management system that is planned for the new fiscal year.

The District's financial audit for FY 16-17 was successfully completed in November 2017 with the District receiving a "clean" audit with no significant deficiencies or material weaknesses identified.

District Boards

The Division provides support to the District's Board of Directors, Hearing Board and Advisory Committee. In that function all agendas, notices, minutes and public inquiries are handled.

Monterey County Counsel provides contracted legal advice to the Board of Directors and its committees, the Advisory Committee, APCO and staff as well as representing the District in civil litigation, variance cases, abatement actions and permit revocations before the Hearing Board.

Remodeling of District Office Building

In FY 17-18, the District successfully completed its third floor building remodel project. The \$1.2 million remodel project included a new roof, bringing restrooms to current ADA standards, Board Room acoustical and lighting improvements, new flooring and paint, and a new conference room for Board of Directors' closed session meetings.



AIR MONITORING DIVISION

The Air Monitoring Division consists of a Planning and Air Monitoring Manager (.5 FTE), a Supervising Air Monitoring Specialist, two Air Monitoring Specialist II's, and one Air Monitoring Technical Assistant. In FY 2018-19 the District expects to continue to look for ways to lower expenditures including staff costs through attrition and a possible reorganization. The Air Monitoring Division performs the following functions:

Ambient Air Monitoring

The District operates a monitoring network to determine compliance with California and federal ambient air quality standards. The District also operates special purpose monitoring networks related to smoke management of outdoor burning and fine particle emissions from home heating with wood. These networks provide near real-time measurements that are presented online in order to provide the public with characterizations of air quality based on the EPA's Air Quality Index (AQI). They also support the District's online pollutant forecasting and wood smoke curtailment programs.

Ozone

Ozone is monitored at six air monitoring stations with the District. One of these monitors is operated by the National Parks Service. The District is in attainment of the federal eight hour ozone ambient air quality standard. The District is currently not attaining the California eight hour ozone standard due to pollution levels detected at the Pinnacles National Park.

The Division provides technical assistance and collaborates with the National Park Service at the Pinnacles National Park monitoring station. Ozone measurements from this site can be used to determine the District's attainment status. Its trends are most reflective of emission reduction benefits from the precursor source region, the San Francisco Bay Area.

Particulate Matter

The District is in attainment of the Federal standards for PM₁₀. However, the North Central Coast Air Basin is in nonattainment for the California PM₁₀ Ambient Air Quality Standard. This status results from exceedances of the California Standard at the King City site in Monterey County as a result of dust from plowed fields in the Salinas Valley. The only other PM₁₀ monitor, located in Hollister, is in attainment.

"PM₁₀" or PM Coarse refers to particles that are 10 micrometers or less in aerodynamic diameter (about $\frac{1}{25}$ the diameter of a human hair). The Division conducts PM₁₀ monitoring using continuous measurement devices at the Hollister and King City stations. These sites show periodic exceedances of the California standard caused by fugitive dust emissions on windy days. An exceedance does not necessarily indicate a violation of the standard.

PM_{2.5} or "PM Fine"

The Division monitors PM_{2.5} at stations located in Salinas, Santa Cruz, Hollister, Carmel Valley, King City, and Felton. The North Central Coast Air Basin is currently in attainment for the PM_{2.5} Federal and California ambient air quality standards. "PM_{2.5}" refers to particles that are 2.5 micrometers or less in aerodynamic diameter (about $\frac{1}{70}$ th the diameter of a human hair).

PM_{2.5} is also monitored in support of the District's Smoke Management Program. Temporary networks are established to detect fine particle emissions from burns conducted on Fort Ord, other large

prescribed burns, and in the San Lorenzo Valley for wood smoke.

The District is being asked to conduct a special purpose monitoring effort in Carmel-by-the Sea starting summer of 2018. The purpose is to determine the extent of which smoke from beach fires is impacting the residences in the nearby area. The data collected will be provided to the City's leadership and to establish new policies and local ordinances.

Other Criteria Pollutants

Pollutants such as nitrogen dioxide, nitric oxide, oxides of nitrogen, and carbon monoxide are monitored at the Salinas station. The District is in attainment of all Ambient Air quality Standards for these pollutants.

FY 17-18 Major Accomplishments

- *Met EPA and ARB data collection, reporting and quality assurance requirements at all stations.*
- *Received 105 Grant funds which offset materials costs of monitoring activities in the San Lorenzo Valley.*
- *District continues with the responsibility for operation and maintenance of the PM₁₀ network located within Hollister Hills.*
- *District receives compensation for work with the Recreational Vehicle Park.*
- *Refined operations and modernized air monitoring resources.*
- *Support of wood smoke reduction efforts in the San Lorenzo Valley by monitoring PM_{2.5} levels during the winter home heating season.*

FY 18-19 Objectives

- *Meet all ARB and EPA Monitoring Requirements.*
- *Modernization of activities and apply benefits to expand efficient operations.*
- *Optimize and tailor new data acquisition system capabilities to increase automation and remote control capabilities for air monitoring tasks.*
- *Monitor San Lorenzo Valley and support District endeavors to reduce PM fine levels from wood smoke and backyard burning in winter, including continued use of an Aethelometer at SLV Middle School Station in Felton to quantify the wood smoke component of PM_{2.5}.*

Meteorological Monitoring

The Division monitors and reports hourly meteorological data for sites in Salinas, Hollister, Santa Cruz, King City, Carmel Valley, and Felton. Parameters recorded are wind speed, wind direction, and ambient temperature.

Meteorological measurements are critical to understanding air quality. Measurements are used to support District air quality forecasting and smoke management programs.

Meteorological data is also used to understand pollutant flux in the air basin. This data is also used for dispersion analysis, permit development, and complaint investigations.

Source Specific Monitoring

The Division supports remote smoke monitoring instruments to detect smoke emissions from controlled burns, wildfires, and prolonged large structure fires.

The Division may assist in complaint response through the use of portable air monitoring equipment and/or by reporting meteorological data.

FY 17-18 Major Accomplishments

- *Met all data collection, reporting and quality assurance objectives.*
- *Applied meteorological measurements at special study and temporary monitoring sites.*
- *Continued the use of radiosondes for atmospheric vertical profiling to support smoke management projects, such as at Fort Ord, the San Lorenzo Valley, and large agricultural burns.*
- *Continued to assist in a vertical profiling study utilizing radiosondes and weather balloons conducted by San Lorenzo Valley High School Students.*

FY 18-19 Objectives

- *Continue meteorological monitoring to meet District needs.*
- *Continue to upgrade meteorological monitoring systems as needed.*
- *Establish a sensor network at various locations throughout the District.*

COMPLIANCE DIVISION

The Compliance Division staff consists of an Engineering and Compliance Manager (.5 FTE), a Supervising Inspector, six field Air Quality Compliance Inspectors, one Compliance Program Coordinator, one Senior Administrative Assistant, and one Engineering & Compliance Specialist (0.75 FTE).

The Division performs the following functions:

Inspections of Stationary Sources

Compliance inspectors conduct unannounced inspections of over 3,000 permits to assure compliance with all of the permit requirements, applicable District regulations, and state and federal laws.

Air quality violations trigger investigations and enforcement actions. To ensure compliance with District permit and/or other regulatory requirements, the Division uses a suite of corrective actions including direct remediation, education, supplemental environmental projects and monetary penalties.

Under the District's inspection policy, inspections are assigned based on various factors, including a source's compliance and complaint history, potential for air quality impact, frequency of equipment use, and the presence of toxic air contaminants.

During calendar year 2017, the Division performed 1,316 inspections of permitted equipment, responded to 273 public complaints, and addressed 18 reported facility equipment breakdowns.

FY 17-18 Major Accomplishments

- Developed new and amended existing policies and procedures to enhance consistency and efficiency.
- Completed all major source inspections and majority of minor source inspections.
- Met all EPA requirements for inspection, reporting, and enforcement of sources covered by federal agreements.
- Streamlined inspection process and populated District's paperless workflow system.
- Expanded use of administrative assistances to perform office-based duties to allow field-based inspection staff to remain in the field conducting inspections.
- Transitioned tracking and assuring compliance with the testing requirements on gasoline dispensing facilities (GDFs).
- Searched for businesses operating without required permits under the Unpermitted Source Identification Program.
- Cross-trained in the Mutual Settlement, Asbestos, and Vapor Recovery programs.

FY 18-19 Objectives

- Implement Landfill Gas Control measure.
- Enter into a Memorandum of Understanding with California Air Resources Board (ARB) to implement and enforce the requirements of their Oil and Gas Regulation.
- Develop and update policies and procedures to improve consistency of enforcement actions.
- Look for opportunities to reduce unnecessary redundancies with inspection paperwork and to continue to expend the use of administrative assistances.
- Increase availability of District information for stakeholders and the general public.
- Continue Unpermitted Source Identification Program.
- Develop a computer system to automatically gather emissions data from the various companies' CEMS and to notify inspectors of potential emissions problems.
- Continue cross-training of Division Staff.

Observation of Source Tests

District inspectors oversee approximately 200 source tests conducted at stationary sources. Staff reviews the source test protocol prior to the test, reviews the protocol to ensure the proper test is conducted and that the source test contractor has the proper equipment and certification to conduct the test, witnesses the test to ensure the source test contractor follows the correct test procedures, and reviews the source test results to ensure the data is properly reported and to act promptly on any compliance issues related to the testing.

Complaint Investigations

The Division receives several hundred complaints each year. Timely responses and investigations of alleged sources of non-compliance are top priorities.

FY 17-18 Major Accomplishments

- Refined complaint response process to allow more efficient use of staff time while continuing to provide the same level of service to the public.
- Provided timely responses to complaints and investigations of alleged sources of non-compliance.

FY 18-19 Objectives

- Evaluate complaint response procedures and apply findings towards improving District efforts.

Retail Gasoline Dispensing Facilities

Retail gasoline dispensing facilities are one of the largest potential sources of volatile organic compounds (VOC) emissions in the District. A comprehensive inspection and testing program is important to ensure vapor recovery systems operate as certified so the District realizes actual emission reductions. Vapor recovery at gasoline dispensing facilities also protects public health by reducing exposure to benzene.

The implementation of In Station Diagnostics (ISD) enhanced the inspection process by monitoring the performance of the vapor recovery system and detecting equipment problems when failures occur. ISD is an important tool for inspectors, owners/operators and third-party contractors.

Compliance Division staff inspects gasoline dispensing facility vapor recovery systems annually, ensuring that required records are maintained and that torn hoses, damaged nozzles, loose tank caps or other equipment defects are remedied as soon as possible.

Annual vapor recovery system performance test results, conducted and documented by third-party contractors, are reviewed as part of the final compliance determination. Compliance Division staff also conduct unannounced observations of these tests to ensure contractor adherence with California Air Resources Board (CARB) test procedures.

FY 17-18 Major Accomplishments:

- Transitioned retail gasoline dispensing facility compliance inspections to the Area Inspectors.
- Received CARB advanced training on Phase I and II EVR systems, EVR Testing, and ISD.
- Continued a comprehensive inspection program.
- Utilized ISD data obtained during inspections to determine compliance between inspections.
- Provided staff with training opportunities to improve technical skills and customer service.
- Completed compliance inspections of all 254 retail gasoline dispensing facilities.
- Tracked and reviewed 299 annual vapor recovery tests.

FY 18-19 Objectives

- Complete compliance inspections of all retail gasoline dispensing facilities.
- Observe 25% of vapor recovery tests conducted at retail gasoline dispensing facilities.
- Sponsor and participate in ISD training provided by the ISD manufacturers.
- Complete Retail Gasoline Dispensing Field Guide for inspectors.
- Provide advisories and compliance assistance to owners/operators during inspections.
- Utilize ISD data downloads to educate owner/operators and determine compliance.

Smoke Management Program

The Division actively contributes to the District's smoke management activities. The Division handles complaints and enforcement actions on fireplace smoke, backyard burns, and prescribed burns and agricultural burns.

FY 17-18 Major Accomplishments

- Transitioned permitting responsibility for Backyard Burn Permits to Planning Division.
- Updated Rule 438 protocol to ensure thorough inspections and that state and District Rules and Regulations are enforced uniformly among staff.
- Provided outreach on revisions to Rule 438 (Open Outdoor Fires) throughout District.

FY 18-19 Objectives

- Provide input to revisions to Rule 438 – Open Outdoor Fires.
- Enforce District rules governing excessive smoke and related nuisances.
- Develop ways to effectively handle fireplace smoke complaints.

Compliance Assistance

The Division devotes considerable resources to assist the public and regulated sources with their understanding of regulatory requirements. The primary focus of these activities is to notify, educate and offer solutions to avoid potential compliance problems and achieve the best possible air quality.

FY 18-19 Objectives

- Evaluate compliance assistance methods and apply findings towards improvement of District customer support efforts.

Hearing Board

The Hearing Board is comprised of five citizens appointed by the District's Board of Directors. The District's Compliance Division staff represents the District at variance hearings. Staff prepares draft orders, staff reports, and provides testimony for all variance applications received. Staff also tracks variances to ensure sources comply with variances and other Hearing Board orders. During calendar year 2017, five variances to District operating permits were issued by the Hearing Board.

FY 17-18 Major Accomplishments

- Worked with Hearing Board and a large oil exploration company to improve their vapor recovery system used during oil field operations.
- Worked with the Hearing Board and a cogeneration facility to upgrade the gas turbine system controls to ensure stable and reliable operation to the power grid.
- Worked with the Hearing Board and a local landfill to improve capture and control of landfill gas used for power generation to reduce emissions.

FY 18-19 Objectives

- Utilize new District Permit database to provide technical support to Hearing Board members.
- Improve tracking and recording of elements of progress for duration of granted variances.

Asbestos Program

The Division enforces the federal National Emission Standards for Hazardous Air Pollutants asbestos regulation through its Asbestos Program. Staff in this program inspect selected projects for compliance, initiates enforcement actions, and work with asbestos contractors to assure, in advance, that projects will be carried out correctly.

During the calendar year 2017, 278 asbestos and demolition projects were reviewed and approved. Many of these projects involved the demolition of multiple buildings with asbestos renovations requiring many months of work.

The Program also investigated several complaints. A priority of the Asbestos Program is to protect public health through ensuring compliance. Each year, the District refers a few cases to the local District Attorney's Office for prosecution and referrals to other investigative agencies such as Cal/OSHA and the Contractors State License Board.

FY 17-18 Major Accomplishments

- Partnered with local building departments to improve compliance assistance to building permit applicants.
- Worked on new Asbestos Rule to clarify federal requirements.
- Utilized new District database to track notifications for asbestos and demolition projects, improving in-house coordination.
- Joined efforts with local and regional environmental task forces to improve coordination with other environmental agencies including joint investigations that resulted in comprehensive prosecutions against responsible parties.
- Ensured compliance at several large projects including multiple building demolitions at the former Fort Ord, renovation of the Monterey Convention Center, and removal of asbestos debris from multi-story fire damaged structures in Old Town Salinas and Chinatown.
- Utilized a MicroPhazir handheld asbestos screening device during investigations.
- Conducted seven large-scale asbestos investigations for review and possible prosecution by all tri-county District Attorney's Offices.
- Tri-county District Attorney's Offices resolved over \$600,000 in asbestos related settlements based on the District's Asbestos Program investigations.

FY 18-19 Objectives

- Coordinate with building departments and local environmental agencies to promote compliance.
- Expand the use of the MicroPhazir handheld asbestos screening device to increase speed and efficiency during inspections and investigations of renovation and demolition sites.
- Finalize development of a new Asbestos Rule with the objective of greater compliance by improved language, definitions and enforceability.
- Coordinate with tri-county agencies regarding environmental concerns.
- Participate with local and regional environmental task forces to improve coordination with other environmental agencies.

Mutual Settlement Program

The Mutual Settlement Program resolves violations of air quality regulations without formal legal proceedings. Notices of Violation are usually settled by mutual agreement between the District and the respondent.

The program is administered by a Program Coordinator, who settles Notices of Violation through negotiations with respondents. On occasion, cases may be referred to the local District Attorney's Office for prosecution.

During 2017, the District issued 76 Notices of Violation and negotiated over \$106,000 in penalties. One environmental settlement included installation of an electric vehicle charging station for use by the public. Environmental settlements can also include penalty reductions for affirmative actions taken to improve future compliance and reduce facility emissions.

FY 17-18 Major Accomplishments

- Finalized settlement agreement with a large resort that included a \$10,000 penalty and installation of an electric vehicle charging station for use by the general public.
- Entered into a settlement agreement with the largest gasoline dispensing facility in the Monterey Bay area.
- Modified routing of cases and use of the new database to improve efficiency and tracking during case settlement.
- Provided compliance assistance and outreach through our website.
- Environmental Settlements included a project to provide free drop off of yard waste to reduce open burning emissions.
- Worked with violators to promote better work practices and improve compliance.
- Worked with local building departments to provide District information to permit applicants.

FY 18-19 Objectives

- Coordinate with local building departments to assure permit applicants are aware of District requirements for both operating permits and asbestos program requirements.
- Utilize new District database to identify trends of noncompliance and promote compliance assistance.
- Reduce the time between discovery of noncompliance and settlements that include corrective actions that promote future compliance.

Portable Equipment Inspections

In addition to inspecting portable equipment permitted with the District, the Division also inspects portable equipment registered in the State of California's registration program. There are several portable equipment units that need inspection every year.

Examples of the types of portable equipment inspected include engines that power electrical generators, portable concrete batch plants, oil well service equipment, and engines that power sandblasting/painting operations. This equipment can move many times during the course of the year. Inspections are conducted at large storage yards or in the field when the equipment is in operation.



ENGINEERING DIVISION

The Engineering Division staff consists of an Engineering & Compliance Manager (0.5 FTE), a Supervising Engineer, four Permit Engineers, one Senior Administrative Assistant, and an Engineering & Compliance Specialist (0.25 FTE). The Division performs the following functions:

Permitting

The District's permit system is the primary tool to ensure businesses comply with air quality control requirements. Two types of permits issued are Authorities to Construct and Permits to Operate.

Authorities to Construct are preconstruction permits issued after evaluation of project emissions and necessary control technologies and determination of criteria and toxic pollutant regulatory compliance.

Permits to Operate are issued after construction is completed and the equipment is found to be operating in compliance with all terms and conditions of the Authority to Construct and with all applicable regulatory requirements.

The Division oversees 3,107 active Permits to Operate, including the annual renewal process. During calendar year 2017, the Division issued 205 Authorities to Construct, 293 Permits to Operate, 4 Agricultural Diesel Engine Registrations, and 5 Title V Permit modifications.

In order to meet state requirements, the Division maintains a registration program for diesel engines used in agricultural operations. Currently, 505 agricultural engines are registered.

The Division also oversees implementation of the Title V Federal Operating Permit program. There are 17 active Title V facility permits within our jurisdiction that are renewed on a five-year cycle.

FY 17-18 Major Accomplishments

- Worked with Cannabis Operations Advisory Committee to clarify and provide notification of permit requirements.
- Finalized Winery Emission Factor Guidance and developed standardized permit conditions for wine fermentation, oak barrel aging and storage operations.
- Evaluated and issued five Title V facility permit modifications.
- Developed and improved workflows in TRAKiT database program.
- Participated in the structural development of the District's new website.
- Refined projection of budget revenues from permit renewals and applications.

FY 18-19 Objectives

- Process projects subject to EPA's New Source Performance Standards (NSPS) for Crude Oil and Natural Gas Facilities.
- Research emissions and develop permitting policy for issuance of Authorities to Construct for composting facilities per SB1383, Short Lived Climate Pollutant Strategy.
- Participate on California Air Resources Board AB 617, Community Air Protection Program subcommittees to develop a Technology Clearinghouse for Best Available Retrofit Control Technology and a State-Wide Emissions Inventory Tool.
- Issue Federal Title V facility permit renewals and modifications.
- Develop and implement a permitting methodology to regulate and enforce CARB's Methane Emissions from Municipal Solid Waste Landfills.
- Process projects involving on-going installation and/or modification of Enhanced Vapor Recovery and In-Station Diagnostic systems at gasoline stations.

Rule Development Program

The process of developing and amending District regulations is achieved through the Rule Development Program. The Engineering and Planning Divisions share this responsibility. Through this program, Divisions detail development of proposed regulations, prepare notification formalities, provide presentations at public workshops and the District Advisory Committee, and participate in public hearings and District Board of Directors meetings.

FY 17-18 Major Accomplishments

- Worked with CARB to address issues regarding February 2017 Revisions to Rule 201 (Sources Not Requiring Permits), and Rule 207 (Review of New or Modified Sources).

FY 18-19 Objectives

- Finalize resolution of CARB issues regarding Rule 201 (Sources Not Requiring Permits), and Rule 207 (Review of New or Modified Sources).
- Analyze existing regulations for consistency and conformity with applicable requirements, and initiate rule revisions as necessary.
- Adopt rule to reduce landfill gas emissions from municipal solid waste landfills by implementing provisions of EPA's Title 40 Code of Federal Regulations Part 60, Subpart Cf.
- Search for improvement opportunities by analyzing and adjusting District responsibilities and simplifying Rule language.

Toxics Programs

The Engineering Division is responsible for the implementation of the State of California Air Toxics Hot Spots Information and Assessment Act of 1987 (AB 2588). Up until 2017, the program transitioned into a maintenance effort for sources previously inventoried, with Division reviews occurring at a minimum of every four years for sources of intermediate risk and significant changes.

However, in 2015 the Office of Environmental Health Hazard Assessment (OEHHA) updated the methodology used to assess health risks to incorporate childhood exposure to air toxics. Evaluations based upon the updated OEHHA methodology for the same level of emissions and conditions are anticipated to show an increase in potential cancer risk. In addition, the California Air Pollution Control Officers Association (CAPCOA) updated the Facility Prioritization Guidelines in 2016. Based upon these changes, the District revised Rule 1003 and in 2017 to reflect the updated OEHHA Health Risk Assessment Guidelines and the updated CAPCOA Facility Prioritization Guidelines.

The District strives to be current on toxic air contaminant actions by the State of California Air Resources Board, the Department of Toxics Substance Control, and OEHHA. The District developed a plan to re-evaluate all sources under the AB 2588 "Hot Spots" program over the next three years.

FY 17-18 Major Accomplishments

- Participated in the California Air Pollution Control Officers Association Air Toxics and Risk Managers Committee.
- Developed a plan and implemented a program to re-evaluate existing sources per the Air Toxics "Hot Spots" Information and Assessment Act of 1987, AB2588, to include the OEHHA updated Health Risk Assessment Guidelines, and CAPCOA updated Facility Prioritization Guidelines.

FY 18-19 Objectives

- Train staff in new OEHHA risk evaluation methodology and updated prioritization methodology, including Hot Spots Analysis and Reporting (HARP) modeling and exposure calculations.
- Research toxic emission factors, prepare plans and reports, and calculate facility prioritization scores for the implementation of the "Hot Spots" program.

Technical Assistance

The Division provides technical assistance for a broad range of internal District actions, including review of State of California and Federal program developments, rule development and implementation, hearing board actions, emissions inventory, and California Environmental Quality Act evaluations.

The Division responds to inquiries from the public regarding permit and regulatory requirements, source information, and general air pollution questions, as well as participating on CAPCOA committees.

Ongoing Objectives

- Collaborate with the California Air Resources Board on implementation of actions in AB 617 such as uniform emissions inventory reporting and BARCT implementation.
- Review and evaluate technical assistance priorities.
- Propose and initiate changes that reflect District needs.

PLANNING DIVISION

The Planning Division includes one Planning and Air Monitoring Manager (.5 FTE), three Air Quality Planners, and one Senior Administrative Assistant. The Division performs the following functions:

Preparation of State and Federal Plans

- The Division prepares regional air quality plans to show how the region will comply with ambient air quality standards in the future. Plans include technical analysis, growth projections, and attainment strategies based on feasible control measures.

FY 2018-19 Objectives

- Develop the 2016-2018 Air Quality Management Plan to evaluate progress on meeting the state ambient air quality standards for ozone.
- Prepare documentation to identify exceptional events which caused exceedances of federal PM2.5 and state ozone standards during wildfires.

Air Emissions Inventories

The Division summarizes estimates of air pollutant emissions from stationary, area and mobile sources in the North Central Coast Air Basin. Inventories are used to identify sources subject to further control, and as input data for computer models to simulate dispersion of pollutants into the atmosphere.

The Division reviews pollutant concentrations and weather conditions to predict future pollutant levels at local and regional scales. Planning staff update the air quality forecast on the District's website several times each week.

FY 2018-19 Objectives

- Maintain mobile source emissions inventory based on AMBAG's regional transportation demand model and California Air Resources Board's (CARB) EMFAC2017 model.
- Develop an inventory of PM2.5 emissions from residential heating with wood.

Land-Use Planning

The Division provides guidance and assistance to lead agencies, consultants and others concerning air quality and greenhouse gas analyses prepared in accordance with the California Environmental Quality Act (CEQA).

The Division reviews and provides comments on land-use project environmental documents and periodically updates the District's *CEQA Air Quality Guidelines* to reflect current requirements of CEQA statute and CEQA Guidelines.

FY 2017-18 Major Accomplishments

- Reviewed and commented on over 25 environmental documents.

FY 2018-19 Objectives

- Continue reviews and comments on environmental documents.
- Prepare update to the Air District's CEQA Guidelines.
- Develop guidance for addressing greenhouse gas emissions in environmental documents.
- Coordinate with the CARB to meet the requirements of the Community Air Protection Program (CAPP)
- Prepare CEQA documentation for Funding Agricultural Replacement Measures for Emission Reductions Program (FARMER) and CAPP.

Implementation of Grant Programs

The Division manages grant programs funded by the State of California such as the Carl Moyer Memorial (Moyer) Program and DMV fees (AB 2766 and AB 923).

The Division also manages the East Garrison mitigation fee grant program. Under this program, fees collected for each home built is used to purchase new, cleaner ag pump engines or school buses to replace older engines.

FY 2017-18 Major Accomplishments

- Managed over 80 active grant projects under AB2766, AB923 and Moyer Program.
- Received and reviewed eligible emission reduction grant applications and electric vehicle replacement applications for AB2766 FY 17/18 funds.
- Continued the electric vehicle incentive program for public agencies and an EV incentive program open to the public in all three counties through the AB2766 grant program.
- Awarded approximately \$1 million in AB 2766 funds to four emission reduction projects, issued 17 public agency electric vehicle vouchers, and \$400K for 263 EV incentives.
- Identified projects for funding through the Carl Moyer program. The projects are evaluated based on emission reductions and availability of grant funds.

FY 2018-19 Objectives

- Manage AB2766, AB923 and Moyer Program grant projects.
- Manage the Plug-In Monterey Bay EV Infrastructure Program.
- Manage the \$300K CEC Grant, EV Fleet Accelerator Project.
- Rank and select projects to award AB2766 funds.
- Obligate Moyer Program funds to selected projects.
- Provide grants for school bus and Moyer Program projects using AB923 funds.
- Manage the East Garrison mitigation fee projects and award funds to additional projects.
- Develop programs to implement grant funding for FARMER and CAPP.

Transportation Planning

The Division participates with the Association of Monterey Bay Area Governments (AMBAG) and regional transportation planning agencies in regional transportation planning efforts. Staff participates in committees as well as being a member of the Monterey Bay Electric Vehicle Alliance (MBEVA) steering committee.

FY 2017-18 Major Accomplishments

- Participated in regular transportation agency meetings.
- Participated in meetings on AMBAG's regional transportation demand model and sustainable communities strategy (SCS).
- Participated in regular MBEVA meetings.
- Commented on the AMBAG Metropolitan Transportation Plan/SCS.

FY 2018-19 Objectives

- Continue to participate in local and regional transportation planning agency committees.
- Continue to support AMBAG's efforts in regional transportation planning.

Participation in California Air Pollution Control Officers Association's Committees

The Division participates in two of the California Air Pollution Control Officers Association's (CAPCOA) committees: planning managers, and grants and incentives.

FY 2017-18 Major Accomplishments

- Planning and Air Monitoring Manager serves as Chair of the planning managers committee.

FY 2018-19 Objectives

- Planning and Air Monitoring Manager continues role as Chair of the planning managers committee.
- Participate in the planning managers, grants and incentives committees and, outreach committee.

Rule Development

The Division conducts rule development activities for rules that address programs the Division manages.

FY 2018-19 Objectives

- Develop rule requiring change-out of non-EPA certified wood stoves when residential properties are sold.
- Develop revisions to Rule 438, Open Burning.

Education and Outreach Program

The Division manages the District's outreach program including participation in regional events, public education, press releases, advertisements, Clean Air Month, and an annual calendar art contest.

The Division also implements the Air Expressions grant program, which provides funding to high school and college students for implementation of clean air projects.

FY 2017-18 Major Accomplishments

- Participated in community events such as student fairs, community festivals, and local college events.
- Improved District's presence in social media through posting of information to the District's Facebook page.
- Participated in the San Lorenzo Valley (SLV) Student Art Contest by judging student art and providing awards.

FY 2018-19 Objectives

- Continue participation in community events.
- Redesign and implement a new version of the District's website.
- Expand public outreach to support FARMER, CAPP, Moyer Program, and AB2766.
- Modify and expand the Air Expressions program at local schools to teach about air monitoring and sensor technology.
- Establish an air sensor network at schools, hospitals, daycare/eldercare facilities and other locations.

Smoke Management Program

The Division is in the process of improving the District's Smoke Management Program (SMP) in order to make the program more protective of public health and more user friendly to the public.

Planning Division

The Division coordinates the District's Agricultural and Prescribed Burning SMP which includes analysis and technical assistance for burn projects. Also, the Division is responsible for the backyard burning smoke management program which was transferred from the Compliance Division.

Agricultural and backyard burn permits are issued through the District's online permit systems. Broadcast burn projects are tracked and reviewed through the Prescribed Fire Information Reporting System (PFIRS).

The Division provides technical assistance and comments to other agencies whose land-use projects have the potential to cause smoke impacts.

The Division also administers a contract with the State Department of Toxic Substances Control for District work on the former Fort Ord Burn Program.

FY 2017-18 Major Accomplishments

- Worked with land managers to evaluate burn areas prior to planned burns.
- Assisted with planning, implementation, and monitoring of a prescribed burn at the former Fort Ord.
- Ran the backyard burning smoke management program when it was transferred from the Compliance Division.

FY 2018-19 Objectives

- Assist with planning, implementation, and monitoring prescribed burns scheduled for former the Fort Ord.
- Improve District website to effectively report smoke impacts from prescribed burns and wildfires.

Special Projects

San Lorenzo Valley PM2.5 Reduction Project

The San Lorenzo Valley (SLV) is a narrow river valley located in Santa Cruz County. In past winter seasons the District has measured PM2.5 concentrations above the federal 24-hour standard. The Division assists with implementing programs to reduce PM2.5 emissions during the wintertime. The primary source of PM2.5 emissions is smoke from wood burning for home heating.

FY 2017-18 Major Accomplishments

- Continued the Woodstove Change-Out Program in the SLV. Over 65 old wood burning devices were replaced.
- Incentivized yard waste recycling in SLV by providing a free yard waste drop-off event.
- Participated in community events, such as the Redwood Mountain Faire, to educate the public on wood burning and smoke impacts.
- Continued the "Spare the Air" program for SLV.

FY 2018-19 Objectives

- Continue PM2.5 reduction efforts in SLV.
- Continue with the Woodstove Change-Out Program as approved by the Board.
- Apply for funding from the CARB woodstove change-out program. \$250,000 is expected which can be extended to residences throughout the District.
- Seek continuous improvements for implementation of the "Spare the Air" program to reduce localized impacts from wood burning stoves and fireplaces.

BUDGET

IN

BRIEF





► **Fiscal Year 2018-19 Budget in Brief** ◀

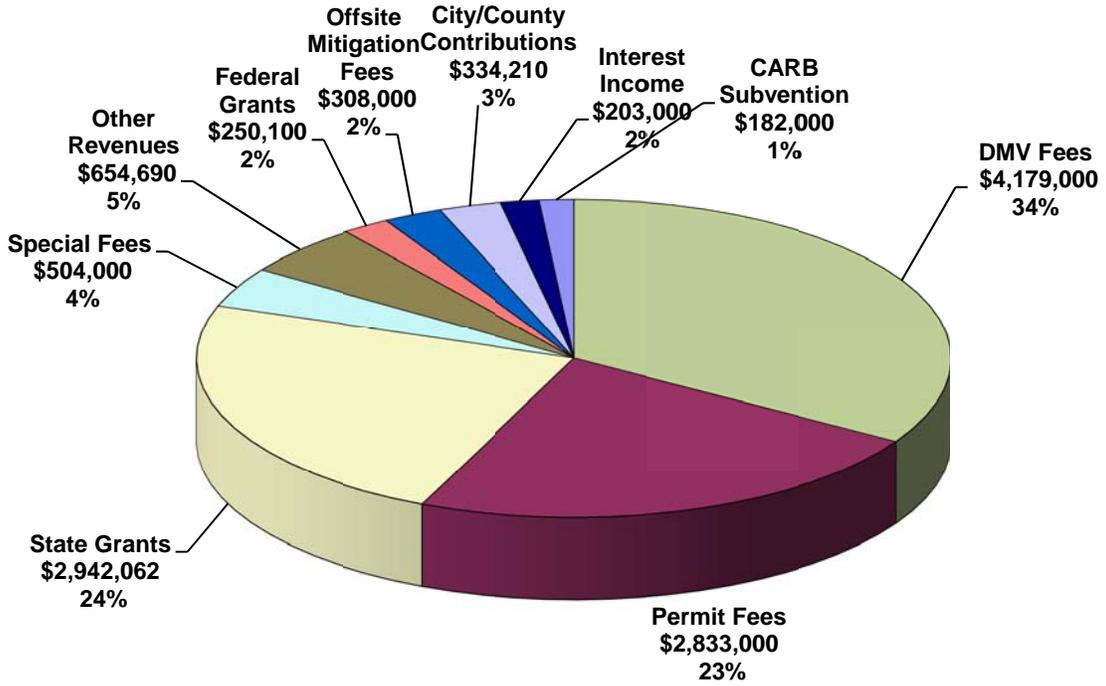
The following are budgetary highlights:

- ❖ Total budget of \$15.5 million consisting of:

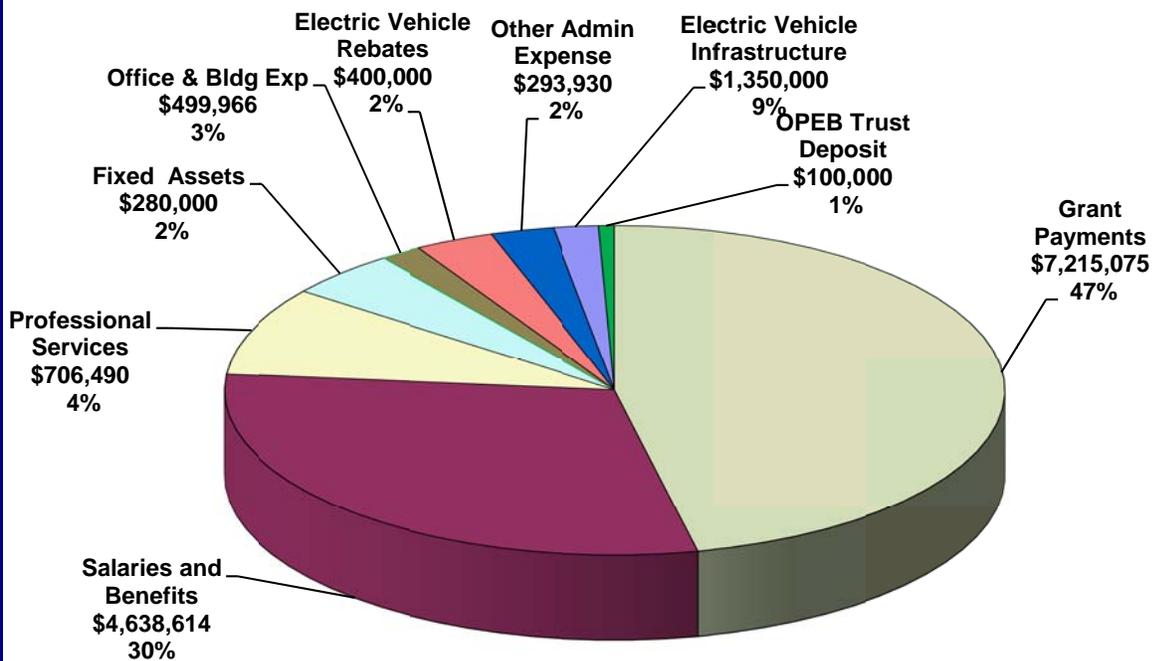
Operational Budget	\$6.4 million
Non-Operational Budget (Grant Programs)	\$9.1 million

- ❖ Decrease in permit and Title V fees of about \$281,000. The District’s budget proposes to increase permit fees by 5 to 15% for most fee categories while at the same time, will lose over \$400,000 in major source permit fees. In addition, new fee categories are proposed for certain permit types as described in the proposed fee rules changes.
- ❖ New State of California revenues based on recent legislation, including \$1.9 million that will be used for grants to reduce emissions.
- ❖ Increase in City and County per capita fees from \$.39 to \$.43, resulting in an additional \$31,000 in revenues.
- ❖ Elimination of two unfilled positions: the Deputy Air Pollution Control Officer and one Air Quality Compliance Inspector. Total of 32 full time employees.
- ❖ Fixed Asset purchases of \$280,000 including \$81,000 for a document management system, \$75,000 for exterior painting of the District’s office building, \$70,000 for vehicle replacements, \$30,000 for volatile organic compounds (VOC) monitoring equipment, and \$24,000 lease payment for the District’s building solar project.
- ❖ Estimated \$100,000 deposit to the District’s Other Post Employment Benefit (OPEB) Trust, funded by the General Fund reserve designated for post-employment benefits.
- ❖ \$7.2 million of grant payments to reduce emissions for the District’s ongoing AB2766, AB923, and Carl Moyer programs and grants under the new Community Air Protection (CAPP) and Funding Agricultural Replacement Measures (FARMER) programs.
- ❖ Continue District’s Plug-In Monterey Bay program to install electric vehicle stations throughout Monterey, Santa Cruz, and San Benito counties. In addition, the District will continue its electric vehicle incentive program for District’s residents.
- ❖ Continued assistance towards reducing PM2.5 emissions in the San Lorenzo Valley, including Woodstove Changeout grants and funding for free yard waste recycling for residents.

**FY 2018-19
Revenue - All Funds**



**FY 2018-19
Expenditures - All Funds**



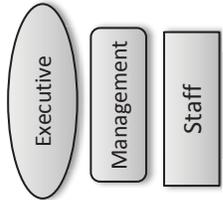
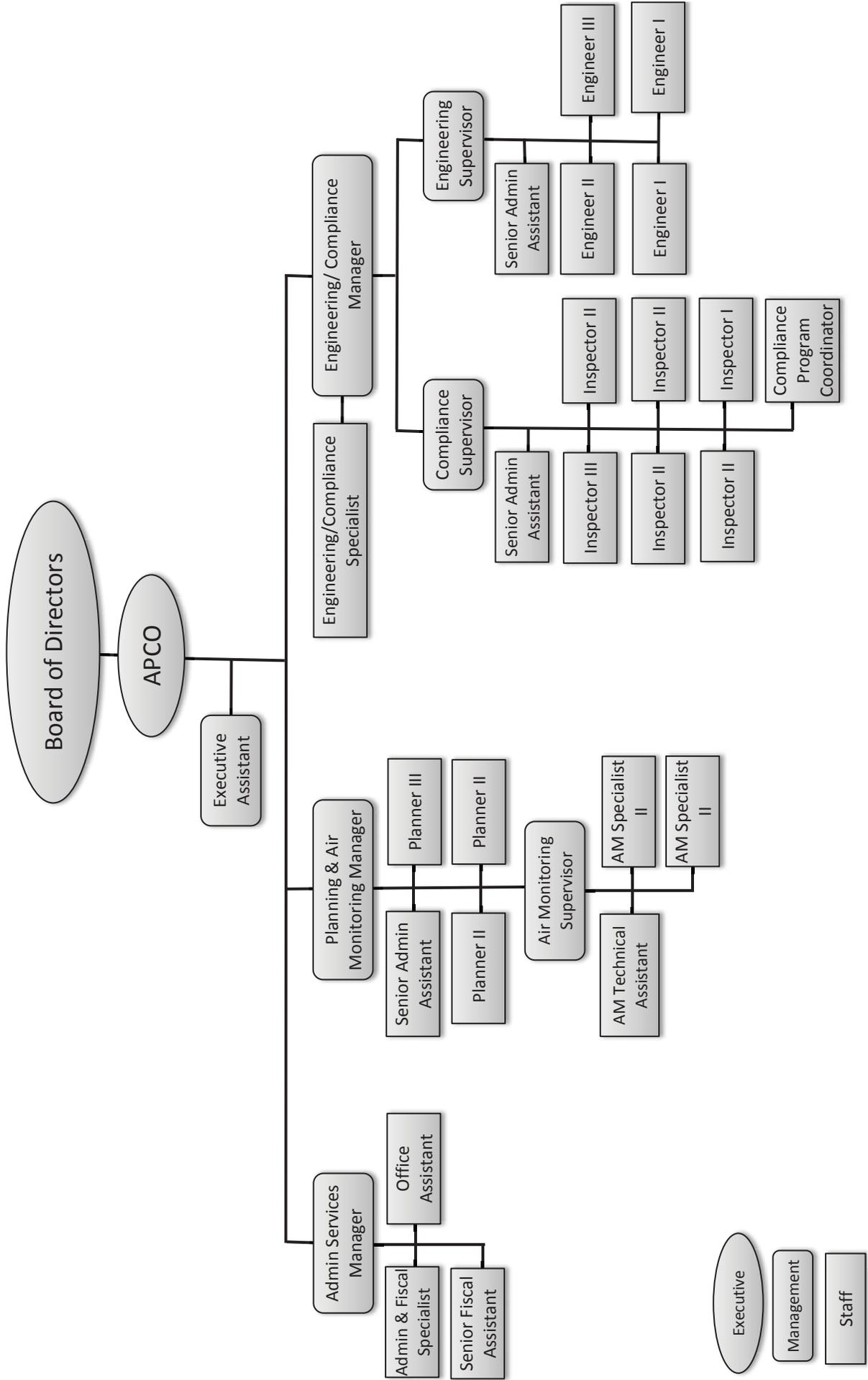
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ORGANIZATIONAL STRUCTURE



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Monterey Bay Air Resources District
 Organization Chart - FY 2018/19





Personnel Schedule

<u>Division/Position</u>	Revised Budget FY 2017-18	Additions/ Deletions	Adopted Budget FY 2018-19
<u>ADMINISTRATIVE</u>			
APCO	1.00		1.00
Executive Assistant	1.00		1.00
Admin Services Manager	1.00		1.00
Office Assistant	1.00		1.00
Admin and Fiscal Specialist	1.00		1.00
Senior Fiscal Assistant	1.00		1.00
Deputy APCO (1)	1.00	(1.00)	0.00
Subtotal	7.00	(1.00)	6.00
<u>COMPLIANCE</u>			
Division Manager (2)	0.50		0.50
Division Supervisor	1.00		1.00
Senior Admin Assistant	1.00		1.00
Compliance Program Coordinator	1.00		1.00
Engineering and Compliance Specialist	1.00		1.00
Inspector I (3)	0.00	1.00	1.00
Inspector II (1, 3)	6.00	(2.00)	4.00
Inspector III	1.00		1.00
Subtotal	11.50	(1.00)	10.50
<u>ENGINEERING</u>			
Division Manager (2)	0.50		0.50
Division Supervisor	1.00		1.00
Senior Admin Assistant	1.00		1.00
Engineer I (4,5)	2.00		2.00
Engineer II (4)	0.00	1.00	1.00
Engineer III (5)	2.00	(1.00)	1.00
Subtotal	6.50	0.00	6.50
<u>PLANNING</u>			
Division Manager (6)	0.50		0.50
Senior Administrative Assistant	1.00		1.00
Planner I	1.00	(1.00)	0.00
Planner II (7)	0.00	2.00	2.00
Planner III (7)	2.00	(1.00)	1.00
Subtotal	4.50	0.00	4.50
<u>AIR MONITORING</u>			
Division Manager (6)	0.50		0.50
Division Supervisor	1.00		1.00
AM Technical Assistant	1.00		1.00
AM Specialist II	2.00		2.00
Subtotal	4.50	0.00	4.50
Total Number of Positions	34.00	(2.00)	32.00

Notes:

- 1) Positions to be eliminated (Deputy APCO and one Inspector position).
- 2) Position oversees both Compliance & Engineering divisions.
- 3) One Inspector II position filled with Inspector I
- 4) One Engineer I position promoted to Engineer II
- 5) One Engineer III position retired. Currently vacant but to be filled with Level I.
- 6) Position oversees both Planning and Air Monitoring divisions.
- 7) One Planner III retired and position filled with Planner II. Planner I was promoted to Planner II.



Monterey Bay Air Resources District
Monthly Salaries for Staff Positions (All Full-Time)
Effective PPE 7/16/17 (based on current SEIU labor contract)

Job Title	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Office Assistant	\$ 3,723.20	\$ 3,908.67	\$ 4,104.53	\$ 4,309.07	\$ 4,525.73	\$ 4,978.13
Administrative Assistant	\$ 3,874.00	\$ 4,068.13	\$ 4,270.93	\$ 4,484.13	\$ 4,709.47	\$ 5,180.93
Fiscal Assistant	\$ 4,030.00	\$ 4,231.07	\$ 4,442.53	\$ 4,664.40	\$ 4,898.40	\$ 5,387.20
Sr. Admin Assistant (hired after 12/31/14)	\$ 4,277.87	\$ 4,491.07	\$ 4,716.40	\$ 4,952.13	\$ 5,200.00	\$ 5,720.00
Air Monitoring Technical Asst (hired after 12/31/14)	\$ 4,364.53	\$ 4,582.93	\$ 4,813.47	\$ 5,052.67	\$ 5,305.73	\$ 5,836.13
Sr. Fiscal Assistant	\$ 4,452.93	\$ 4,674.80	\$ 4,908.80	\$ 5,153.20	\$ 5,411.47	\$ 5,952.27
Air Monitoring Technical Asst (hired prior to 1/1/15)	\$ 4,773.60	\$ 5,012.80	\$ 5,264.13	\$ 5,527.60	\$ 5,803.20	\$ 6,383.87
Sr. Admin Assistant (hired prior to 1/1/15)	\$ 4,870.67	\$ 5,113.33	\$ 5,369.87	\$ 5,638.53	\$ 5,919.33	\$ 6,513.87
Air Monitoring Specialist I	\$ 5,016.27	\$ 5,267.60	\$ 5,529.33	\$ 5,806.67	\$ 6,096.13	\$ 6,706.27
Engineering and Compliance Specialist	\$ 5,116.80	\$ 5,373.33	\$ 5,642.00	\$ 5,922.80	\$ 6,219.20	\$ 6,843.20
Air Quality Compliance Inspector I	\$ 5,324.80	\$ 5,590.00	\$ 5,870.80	\$ 6,163.73	\$ 6,472.27	\$ 7,118.80
Air Quality Planner I	\$ 5,766.80	\$ 6,054.53	\$ 6,357.87	\$ 6,675.07	\$ 7,009.60	\$ 7,709.87
Air Monitoring Specialist II	\$ 5,825.73	\$ 6,116.93	\$ 6,422.00	\$ 6,742.67	\$ 7,080.67	\$ 7,787.87
Air Quality Compliance Inspector II	\$ 6,184.53	\$ 6,494.80	\$ 6,818.93	\$ 7,160.40	\$ 7,519.20	\$ 8,271.47
Air Monitoring Specialist III	\$ 6,309.33	\$ 6,624.80	\$ 6,955.87	\$ 7,304.27	\$ 7,671.73	\$ 8,436.13
Air Quality Planner II (hired after 12/31/14)	\$ 6,373.47	\$ 6,690.67	\$ 7,025.20	\$ 7,377.07	\$ 7,746.27	\$ 8,522.80
Air Quality Engineer I	\$ 6,435.87	\$ 6,758.27	\$ 7,096.27	\$ 7,453.33	\$ 7,826.00	\$ 8,606.00
Air Quality Compliance Inspector III	\$ 6,761.73	\$ 7,099.73	\$ 7,455.07	\$ 7,827.73	\$ 8,219.47	\$ 9,041.07
Air Quality Planner III (hired after 12/31/14)	\$ 7,035.60	\$ 7,387.47	\$ 7,756.67	\$ 8,144.93	\$ 8,552.27	\$ 9,406.80
Compliance Program Coordinator	\$ 7,108.40	\$ 7,463.73	\$ 7,836.40	\$ 8,228.13	\$ 8,638.93	\$ 9,505.60
Air Quality Planner II (hired prior to 1/1/15)	\$ 7,321.60	\$ 7,687.33	\$ 8,072.13	\$ 8,476.00	\$ 8,900.67	\$ 9,793.33
Air Quality Engineer II	\$ 7,470.67	\$ 7,843.33	\$ 8,236.80	\$ 8,647.60	\$ 9,080.93	\$ 9,987.47
Air Quality Planner III (hired prior to 1/1/15)	\$ 8,008.00	\$ 8,408.40	\$ 8,829.60	\$ 9,271.60	\$ 9,734.40	\$ 10,708.53
Air Quality Engineer III	\$ 8,170.93	\$ 8,578.27	\$ 9,008.13	\$ 9,458.80	\$ 9,930.27	\$ 10,925.20

Management & Confidential Employees Monthly Salary Ranges (All Full-Time) - Effective 4/18/18

Job Title	Low	High
Air Pollution Control Officer (APCO)	\$16,276.50	\$ 16,276.50
Deputy APCO	\$11,666.67	\$ 14,166.67
Engineering & Compliance Manager	\$10,916.67	\$ 12,750.00
Administrative Services Manager	\$10,416.67	\$ 12,166.67
Engineering Supervisor	\$10,333.33	\$ 12,166.67
Planning and Air Monitoring Manager	\$10,000.00	\$ 11,750.00
Supervising Air Quality Compliance Inspector	\$ 8,583.33	\$ 10,000.00
Supervising Air Monitoring Specialist	\$ 7,833.33	\$ 9,166.67
Executive Assistant	\$ 6,666.67	\$ 7,833.33
Administrative & Fiscal Specialist	\$ 5,416.67	\$ 6,333.33

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BUDGET

SCHEDULES



Monterey Bay Air Resources District Operating Budget

	ACTUALS FY 16-17	REVISED BUDGET FY 17-18	ESTIMATED ACTUALS FY 17-18	ADOPTED BUDGET FY 18-19
<u>Operating Revenues</u>				
EPA Grants	\$ 322,080	\$ 285,000	\$ 283,430	\$ 250,100
AB2766 DMV Fees	1,250,000	1,200,000	1,200,000	1,100,000
AB923 DMV Fees	60,000	60,000	60,000	60,000
Permit Fees	2,885,100	2,990,000	3,006,403	2,833,000
Special Fees (Title V and Asbestos)	590,011	600,000	603,450	504,000
Penalties and Fines	721,037	187,500	335,000	197,500
CARB Subvention	181,388	182,000	178,340	182,000
City and County Contributions (1)	269,405	302,570	302,570	334,210
Contract Revenues	111,892	96,500	103,000	113,000
Woodstove Smoke Reduction Admin Funds	-	-	-	25,000
Moyer Grant Revenues-Oper Rev	-	98,000	97,750	99,000
California Energy Commission EV Grants (2)	-	145,000	145,000	150,000
Oil and Gas Revenues (CARB) (3)	-	85,000	85,000	-
Emission Inventory Funding (CARB) (3)	-	-	-	23,000
CAPP Grant (AB617 Funding) (3)	-	-	40,000	40,000
Community Air Protection (CAPP) Funds-Oper Rev (3)	-	-	-	41,000
Funding Agric Replacement Measures for Emission Reductions (FARMER) Funds-Oper Rev (3)	-	-	-	118,000
Other Revenues	413,847	258,430	293,807	296,190
Interest Income (Gen Fund and AB2766 Fund)	114,487	112,000	117,000	125,000
Total Operating Revenues	\$ 6,919,246	\$ 6,602,000	\$ 6,850,750	\$ 6,491,000
<u>Expenditures by Division:</u>				
Administrative	\$ 1,645,744	\$ 1,897,952	\$ 1,869,059	\$ 2,023,395
Air Monitoring	626,593	666,977	655,125	671,366
Compliance	1,657,985	1,527,572	1,510,951	1,589,221
Engineering	968,559	1,124,376	1,105,015	1,095,038
Planning	757,782	933,723	959,850	1,039,980
Total Operating Expenditures	\$ 5,656,663	\$ 6,150,600	\$ 6,100,000	\$ 6,419,000
Net Surplus (Deficit)	\$ 1,262,583	\$ 451,400	\$ 750,750	\$ 72,000
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 4,463,852	\$ 4,489,539	\$ 4,581,750	\$ 4,638,614
Maintenance, Equipment, and Supplies	233,897	417,374	384,785	370,219
Legal and Professional Services	504,057	540,859	474,250	556,490
Contractual Svcs - Calif Energy Comm EV Grants (2)	-	145,000	145,000	150,000
Utilities & Office Rent	131,238	144,405	141,750	129,747
Insurance	94,631	103,300	98,000	98,400
Training, Travel, District Board Exp	86,056	153,935	135,275	139,110
Fixed Assets (4)	106,537	106,859	95,700	280,000
Sponsorships	16,027	24,670	24,700	29,000
Other	20,368	24,659	18,790	27,420
Total Operating Expenditures	\$ 5,656,663	\$ 6,150,600	\$ 6,100,000	\$ 6,419,000

Notes:

- (1) FY 18-19 City and County contributions includes per capita assessment increase from \$.39 to \$.43.
- (2) Pass-through monies from the California Energy Commission for projects promoting electric vehicles.
- (3) New revenues from the State of California based on recent legislation.
- (4) FY 18-19 Fixed Assets expenditures include District building improvements, vehicle replacements and monitoring equipment.

Monterey Bay Air Resources District Non-Operating Budget

	ACTUALS FY 16-17	REVISED BUDGET FY 17-18	ESTIMATED ACTUALS FY 17-18	ADOPTED BUDGET FY 18-19
<u>Non-Operating Revenues</u>				
AB2766 DMV Fees	\$ 1,427,457	\$ 1,527,000	\$ 1,527,000	\$ 1,686,000
AB923 DMV Fees and Interest	1,334,063	1,356,000	1,356,000	1,383,000
Moyer Grants and Interest	126,275	691,900	797,406	706,000
Community Air Protection (CAPP) Grant Funds (1)	-	-	-	618,062
Funding Agric Replacement Measures for Emission Reductions (FARMER) Grant Funds (1)	-	-	-	1,188,000
Woodstove Smoke Reduction Grant Funds (1)	-	225,000	225,000	-
Offsite Mitigation Fees/Interest (2)	326,364	331,000	308,000	318,000
Total Non-Operating Revenues	\$ 3,214,159	\$ 4,130,900	\$ 4,213,406	\$ 5,899,062
<u>Expenditures by Division:</u>				
Planning (grant payments only)	\$ 1,124,835	\$ 5,782,848	\$ 3,631,000	\$ 7,215,075
Planning - Electric Vehicle Rebates	\$ 400,100	\$ 425,152	\$ 414,500	\$ 400,000
Planning - Electric Vehicle Infrastructure Proj (2)	\$ 764,383	\$ 1,580,650	\$ 1,580,650	\$ 1,350,000
Administrative - OPEB Liability Funding	\$ 72,000	\$ 95,000	\$ 95,000	\$ 100,000
Building Remodel Project	\$ 109,163	\$ 1,020,400	\$ 1,020,400	\$ -
Total Non-Operating Expenditures	\$ 2,470,481	\$ 8,904,050	\$ 6,741,550	\$ 9,065,075
Net Surplus (Deficit)	\$ 743,678	\$ (4,773,150)	\$ (2,528,144)	\$ (3,166,013)
<u>Expenditures by Type:</u>				
AB2766 DMV Grants - Current Year (3)	118,530	1,202,548	300,000	1,500,000
AB2766 DMV Grants - Prior Year (3)	716,803	1,272,300	850,000	1,300,000
Moyer Grants (3)	66,482	1,145,000	1,000,000	1,102,000
AB923 Grants (3)	59,869	1,076,000	935,000	700,000
AB923 Electric Vehicle Infrastructure Project (4)	764,383	1,580,650	1,580,650	1,350,000
CAPP Grants	-	-	-	618,075
FARMER Grants	-	-	-	1,170,000
General Grants-Offsite Mitigation Grants (2)	84,652	1,000,000	464,000	600,000
Electric Vehicle Rebates	400,100	425,152	414,500	400,000
Woodstove Changeout Grants	73,500	75,000	75,000	220,000
Public Education Grants	4,999	12,000	7,000	5,000
Building Remodel Project (5)	109,163	1,020,400	1,020,400	-
OPEB Trust Account Deposit (6)	72,000	95,000	95,000	100,000
Total Non-Operating Expenditures	\$ 2,470,481	\$ 8,904,050	\$ 6,741,550	\$ 9,065,075

Notes:

- (1) New revenues from the State of California based on recent legislation.
- (2) Funded by mitigation fees from the East Garrison project in Marina. Monies to be granted for retrofits/replacements of agricultural pumps and school buses.
- (3) Assumption for FY 17-18 & 18-19 budget columns is that all outstanding grants are paid out during the fiscal period. Over the last five fiscal periods, actual grant reimbursements have averaged 56% of budget.
- (4) Plug-In Monterey Bay electric vehicle infrastructure project using AB923 funds.
- (5) District's building 3rd floor remodel project.
- (6) Funded from reserve designated for OPEB liability. Reserve current balance is \$275,000.



**Monterey Bay Air Resources District
Funds Relationships to Divisions and Programs
FY 2018-19**

Division/Program	Funded By						
	General	AB2766	AB923	Moyer	General Grants	CAPP Grants	FARMER Grants
Administrative							
District Boards	X						
Finance	X	X					
Operations	X	X					
Information Systems	X	X					
Public Education		X					
Engineering							
Permitting	X						
Title V	X						
Rule Development	X						
Compliance							
Permitting	X						
Title V	X						
Asbestos	X						
Complaints	X						
Air Monitoring							
General Air Monitoring	X	X					
PM 2.5 Monitoring	X						
Planning							
Planning & Grant Programs	X	X	X	X	X	X	X
Electric Vehicle Rebates		X					
Burn Program	X						
Rule Development	X						

The District's finances are reported in separate funds. The table above portrays the District's divisions and programs and how the programs are funded. Below is a brief description of each fund:

General - Funds collected from permit fees, Title V fees, asbestos fees, EPA grants, City/County per capita fees, CARB subvention, penalties, special contracts and other revenue.

AB2766 - DMV Fees collected from the \$4.00 per vehicle registration surcharge program.

AB923 - DMV Fees collected from the \$2.00 per vehicle registration surcharge program.

Moyer - The Carl Moyer Grant program established by the California Air Resources Board as an emission-reduction incentive program administered by air districts.

General Grants - Funds from construction projects offsite mitigation fees used for replacements/retrofits of agricultural pumps and school buses.

Community Air Protection Program (CAPP) Grants - Established by AB617 and funded by AB134, grants are intended to reduce air pollution in disadvantaged or low-income areas.

Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Grants - Funded by AB134 and AB109, grants are to be used to reduce agricultural sector emissions.

Monterey Bay Air Resources District General Fund Budget

	ACTUALS FY 16-17	REVISED BUDGET FY 17-18	ESTIMATED ACTUALS FY 17-18	ADOPTED BUDGET FY 18-19
<i>BEGINNING FUND BALANCE</i>	<u>\$ 5,757,332</u>	<u>6,452,768</u>	<u>6,452,768</u>	<u>6,042,168</u>
<u>Revenues</u>				
EPA Grants	\$ 322,080	\$ 285,000	\$ 283,430	\$ 250,100
Permit Fees	2,884,890	2,989,480	3,005,883	2,833,000
Special Fees	590,011	600,000	603,450	504,000
Penalties and Fines	721,037	187,500	335,000	197,500
CARB Subvention	181,388	182,000	178,340	182,000
City and County Contributions (1)	269,405	302,570	302,570	334,210
Contract Revenues	111,892	96,500	103,000	113,000
Woodstove Smoke Reduction Program Revenues (2)	-	225,000	225,000	25,000
California Energy Commission Grants (3)	-	145,000	145,000	150,000
Oil and Gas Revenues (CARB) (4)	-	85,000	85,000	-
Emission Inventory Funding (CARB) (4)	-	-	-	23,000
CAPP Grant (AB617 Funding) (4)	-	-	40,000	40,000
Other Revenues	336,885	181,585	224,327	224,405
Rental Income	77,172	77,365	70,000	71,785
Interest Income	72,242	70,000	75,000	80,000
Total General Fund Revenues	<u>\$ 5,567,001</u>	<u>\$ 5,427,000</u>	<u>\$ 5,676,000</u>	<u>\$ 5,028,000</u>
<u>Expenditures by Division:</u>				
Administrative (including OPEB Trust Acct deposits)	\$ 1,476,652	\$ 2,554,893	\$ 2,538,109	\$ 1,670,626
Air Monitoring	\$ 199,006	\$ 209,190	\$ 207,525	\$ 218,334
Compliance	\$ 1,657,985	\$ 1,527,572	\$ 1,510,951	\$ 1,589,221
Engineering	\$ 968,559	\$ 1,124,376	\$ 1,105,015	\$ 1,095,038
Planning	\$ 569,363	\$ 644,969	\$ 725,000	\$ 726,781
Total General Fund Expenditures	<u>\$ 4,871,565</u>	<u>\$ 6,061,000</u>	<u>\$ 6,086,600</u>	<u>\$ 5,300,000</u>
Net Surplus (Deficit)	<u>\$ 695,436</u>	<u>\$ (634,000)</u>	<u>\$ (410,600)</u>	<u>\$ (272,000)</u>
<i>ENDING FUND BALANCE</i>	<u>\$ 6,452,768</u>	<u>\$ 5,818,769</u>	<u>\$ 6,042,168</u>	<u>\$ 5,770,168</u>
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 3,688,532	\$ 3,563,205	\$ 3,706,125	\$ 3,603,561
Maintenance, Equipment, and Supplies	176,498	313,040	279,395	274,427
Legal and Professional Services	415,441	438,874	386,300	440,015
Contractual Services - Calif Energy Comm Grant (3)	-	145,000	145,000	150,000
Utilities & Office Rent	96,913	109,642	107,150	98,092
Insurance	75,705	85,700	82,000	82,600
Training, Travel, District Board Exp	71,520	112,545	100,750	100,485
Fixed Assets (5)	183,930	1,098,610	1,091,290	206,490
Grants-Woodstove Changeouts	73,500	75,000	75,000	220,000
OPEB Trust Account Deposit (6)	72,000	95,000	95,000	100,000
Grants-Air Expressions	-	2,000	2,000	-
Other	17,526	22,384	16,590	24,330
Total General Fund Expenditures	<u>\$ 4,871,565</u>	<u>\$ 6,061,000</u>	<u>\$ 6,086,600</u>	<u>\$ 5,300,000</u>
Net Surplus (Deficit) Without Bldg Remodel Project	<u>\$ 804,599</u>	<u>\$ 386,400</u>	<u>\$ 609,800</u>	<u>\$ (272,000)</u>

Notes:

- (1) FY 18-19 City and County contributions includes per capita assessment increase from \$.39 to \$.43.
- (2) California Climate Investments Program funding expected to be received in FY 17-18, spent in FY 18-19.
- (3) Pass-through monies are from the California Energy Commission for projects promoting electric vehicles.
- (4) New sources of State funded revenues based on AB617, AB134, & AB197.
- (5) FY 18-19 Fixed Assets include: \$99,000 building improvements, \$68,040 document mgt system, \$30,000 VOC monitor, \$9,450 vehicles.
- (6) Funded from reserve designated for OPEB liability. Reserve current balance is \$275,000.

Monterey Bay Air Resources District AB2766 Fund Budget

	ACTUALS FY 16-17	REVISED BUDGET FY 17-18	ESTIMATED ACTUALS FY 17-18	ADOPTED BUDGET FY 18-19
<i>BEGINNING FUND BALANCE</i>	<u>\$ 3,675,880</u>	<u>4,243,743</u>	<u>4,243,743</u>	<u>4,388,593</u>
<u>Revenues</u>				
AB2766 DMV Fees-Operating	\$ 1,250,000	\$ 1,200,000	\$ 1,200,000	\$ 1,100,000
AB2766 DMV Fees-Non-Operating	1,427,457	1,527,000	1,527,000	1,686,000
AB2766 Fund Interest Income	42,245	42,000	42,000	45,000
Total AB2766 Fund Revenues	<u>\$ 2,719,702</u>	<u>\$ 2,769,000</u>	<u>\$ 2,769,000</u>	<u>\$ 2,831,000</u>
<u>Expenditures by Division:</u>				
Administrative	\$ 350,255	\$ 458,459	\$ 446,350	\$ 457,769
Air Monitoring	\$ 427,587	\$ 457,787	\$ 447,600	\$ 453,032
Compliance	\$ -	\$ -	\$ -	\$ -
Engineering	\$ -	\$ -	\$ -	\$ -
Planning (2)	\$ 1,373,997	\$ 3,110,320	\$ 1,730,200	\$ 3,404,108
Total AB2766 Fund Expenditures	<u>\$ 2,151,839</u>	<u>\$ 4,026,566</u>	<u>\$ 2,624,150</u>	<u>\$ 4,314,909</u>
Net Surplus (Deficit)	<u>\$ 567,863</u>	<u>\$ (1,257,566)</u>	<u>\$ 144,850</u>	<u>\$ (1,483,909)</u>
<i>ENDING FUND BALANCE</i>	<u>\$ 4,243,743</u>	<u>\$ 2,986,177</u>	<u>\$ 4,388,593</u>	<u>\$ 2,904,684</u>
<u>Expenditures by Type (4):</u>				
Salaries and Benefits	\$ 647,663	\$ 770,262	\$ 729,575	\$ 728,737
Maintenance, Equipment, and Supplies	56,769	100,972	102,290	83,517
Legal and Professional Services	88,606	95,985	85,950	106,475
Utilities & Office Rent	34,325	34,763	34,600	31,655
Insurance	18,926	17,600	16,000	15,800
Training, Travel, District Board Expenses	14,536	41,390	34,525	38,625
Sponsorships (1)	16,027	24,670	24,700	29,000
Fixed Assets	31,770	28,649	24,810	73,510
Grants-Public Educations	4,999	10,000	5,000	5,000
Grants-AB2766 (Current & Prior Years) (2)	835,333	2,474,848	1,150,000	2,800,000
Electric Vehicle Rebates (3)	400,100	425,152	414,500	400,000
Other	2,785	2,275	2,200	2,590
Total AB2766 Fund Expenditures	<u>\$ 2,151,839</u>	<u>\$ 4,026,566</u>	<u>\$ 2,624,150</u>	<u>\$ 4,314,909</u>

Notes:

- (1) Includes sponsoring the annual Clean Air awards and electric vehicle events.
- (2) Assumption for FY 17-18 & 18-19 budget columns is that all outstanding grants are paid out during the fiscal period. Over the last five fiscal periods, actual grant reimbursements have averaged 56% of budget.
- (3) Rebates offered to Tri-County residents for purchasing all-electric, plug-in hybrids, or hydrogen fuel cell vehicles.
- (4) Expense allocations are based on the percentage of mobile source emission inventory as compared to stationary sources.

Monterey Bay Air Resources District AB923 Fund Budget

	ACTUALS FY 16-17	REVISED BUDGET FY 17-18	ESTIMATED ACTUALS FY 17-18	ADOPTED BUDGET FY 18-19
<i>BEGINNING FUND BALANCE</i>	<u>\$ 4,295,664</u>	<u>4,816,582</u>	<u>4,816,582</u>	<u>3,678,932</u>
<u>Revenues</u>				
AB923 Fees/ - Operating	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
AB923 Fees/Interest -Non-Operating	1,278,729	1,304,000	1,304,000	1,333,000
AB923 Fund Interest Income	55,334	52,000	52,000	50,000
Total AB923 Fund Revenues	<u>\$ 1,394,063</u>	<u>\$ 1,416,000</u>	<u>\$ 1,416,000</u>	<u>\$ 1,443,000</u>
<u>Expenditures by Division:</u>				
Planning (1)	\$ 873,145	\$ 2,696,450	\$ 2,553,650	\$ 2,150,251
Total AB923 Fund Expenditures	<u>\$ 873,145</u>	<u>\$ 2,696,450</u>	<u>\$ 2,553,650</u>	<u>\$ 2,150,251</u>
Net Surplus (Deficit)	<u>\$ 520,918</u>	<u>\$ (1,280,450)</u>	<u>\$ (1,137,650)</u>	<u>\$ (707,251)</u>
<i>ENDING FUND BALANCE</i>	<u><u>\$ 4,816,582</u></u>	<u><u>\$ 3,536,132</u></u>	<u><u>\$ 3,678,932</u></u>	<u><u>\$ 2,971,681</u></u>
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 48,656	\$ 38,438	\$ 36,800	\$ 98,771
Supplies, Travel, Training	180	1,362	1,200	980
Electric Vehicle Infrastructure Project (1)	764,383	1,580,650	1,580,650	1,350,000
Grants-AB923 (2)	59,869	1,076,000	935,000	700,000
Other	57	-	-	500
Total AB923 Fund Expenditures	<u><u>\$ 873,145</u></u>	<u><u>\$ 2,696,450</u></u>	<u><u>\$ 2,553,650</u></u>	<u><u>\$ 2,150,251</u></u>

Notes:

- (1) Plug-In Monterey Bay electric vehicle Infrastructure Project to install and operate EV charge stations in the Monterey, Santa Cruz, and San Benito Counties.
- (2) Assumption for FY 17-18 & 18-19 budget columns is that all outstanding grants are paid out during the fiscal period. Over the last five fiscal periods, actual grant reimbursements have averaged 56% of budget.

Monterey Bay Air Resources District Moyer Fund Budget

	ACTUALS FY 16-17	REVISED BUDGET FY 17-18	ESTIMATED ACTUALS FY 17-18	ADOPTED BUDGET FY 18-19
BEGINNING FUND BALANCE	\$ 668,546	648,878	648,878	430,884
Revenues				
Moyer Grant-Non Operating	\$ 118,552	\$ 684,400	\$ 790,806	\$ 700,000
Moyer Grant - Operating	-	98,000	97,750	99,000
Moyer Interest	7,723	7,500	6,600	6,000
Total Moyer Fund Revenues	\$ 126,275	\$ 789,900	\$ 895,156	\$ 805,000
Expenditures by Division:				
Planning (1)	\$ 145,943	\$ 1,270,634	\$ 1,113,150	\$ 1,202,367
Total Moyer Fund Expenditures	\$ 145,943	\$ 1,270,634	\$ 1,113,150	\$ 1,202,367
Net Surplus (Deficit)	\$ (19,668)	\$ (480,734)	\$ (217,994)	\$ (397,367)
ENDING FUND BALANCE	\$ 648,878	\$ 168,144	\$ 430,884	\$ 33,517
Expenditures by Type:				
Salaries and Benefits	\$ 79,001	\$ 117,634	\$ 109,250	\$ 88,313
Professional Services	10	6,000	2,000	10,000
Supplies, Travel, Training	450	2,000	1,900	2,054
Grants (1)	66,482	1,145,000	1,000,000	1,102,000
Total Moyer Fund Expenditures	\$ 145,943	\$ 1,270,634	\$ 1,113,150	\$ 1,202,367

Notes:

(1) Assumption for FY 17-18 & 18-19 budget columns is that all outstanding grants are paid out during the fiscal period. Over the last five fiscal periods, actual grant reimbursements have averaged 56% of budget.

Monterey Bay Air Resources District General Grants Fund Budget

	ACTUALS FY 16-17	REVISED BUDGET FY 17-18	ESTIMATED ACTUALS FY 17-18	ADOPTED BUDGET FY 18-19
<i>BEGINNING FUND BALANCE</i>	<u>\$ 645,487</u>	<u>887,199</u>	<u>887,199</u>	<u>731,199</u>
<u>Revenues</u>				
Offsite Mitigation Fees/Interest (1)	<u>\$ 326,364</u>	<u>\$ 331,000</u>	<u>\$ 308,000</u>	<u>\$ 318,000</u>
Total General Grants Fund Revenues	<u>\$ 326,364</u>	<u>\$ 331,000</u>	<u>\$ 308,000</u>	<u>\$ 318,000</u>
<u>Expenditures by Division:</u>				
Planning	<u>84,652</u>	<u>1,000,000</u>	<u>464,000</u>	<u>600,000</u>
Total General Grants Fund Expenditures	<u>\$ 84,652</u>	<u>\$ 1,000,000</u>	<u>\$ 464,000</u>	<u>\$ 600,000</u>
Net Surplus (Deficit)	<u>\$ 241,712</u>	<u>\$ (669,000)</u>	<u>\$ (156,000)</u>	<u>\$ (282,000)</u>
<i>ENDING FUND BALANCE</i>	<u><u>\$ 887,199</u></u>	<u><u>\$ 218,199</u></u>	<u><u>\$ 731,199</u></u>	<u><u>\$ 449,199</u></u>
<u>Expenditures by Type:</u>				
Grants (1)	<u>\$ 84,652</u>	<u>\$ 1,000,000</u>	<u>\$ 464,000</u>	<u>\$ 600,000</u>
Total General Grants Fund Expenditures	<u><u>\$ 84,652</u></u>	<u><u>\$ 1,000,000</u></u>	<u><u>\$ 464,000</u></u>	<u><u>\$ 600,000</u></u>

Notes:

(1) Funded by developer mitigation fees from the East Garrison project in Marina. Monies to be granted for retrofits/replacements of agricultural pumps and school buses.

**Monterey Bay Air Resources District
Community Air Protection Program (CAPP) Fund Budget**

	ACTUALS FY 16-17	REVISED BUDGET FY 17-18	ESTIMATED ACTUALS FY 17-18	ADOPTED BUDGET FY 18-19
<i>BEGINNING FUND BALANCE</i>	\$ -	0	0	0
<u>Revenues</u>				
CAPP Funding-Non Operating	\$ -	\$ -	\$ -	\$ 614,062
CAPP Funding-Operating	-	-	-	41,000
CAPP Fund Interest	-	-	-	4,000
Total CAPP Fund Revenues	\$ -	\$ -	\$ -	\$ 659,062
<u>Expenditures by Division:</u>				
Planning (1)	\$ -	\$ -	\$ -	\$ 659,062
Total CAPP Fund Expenditures	\$ -	\$ -	\$ -	\$ 659,062
Net Surplus (Deficit)	\$ -	\$ -	\$ -	\$ -
<i>ENDING FUND BALANCE</i>	\$ -	\$ -	\$ -	\$ -
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ -	\$ -	\$ -	\$ 38,496
Professional Services	-	-	-	-
Supplies, Travel, Training	-	-	-	2,491
Grants (1)	-	-	-	618,075
Total CAPP Fund Expenditures	\$ -	\$ -	\$ -	\$ 659,062

Notes:

(1) Grants to reduce air pollution in disadvantaged and low income areas. Grants to be administered based on Carl Moyer Grant Program guidelines.

**Monterey Bay Air Resources District
Funding Agricultural Replacement Measures
for Emission Reductions (FARMER) Fund Budget**

	ACTUALS FY 16-17	REVISED BUDGET FY 17-18	ESTIMATED ACTUALS FY 17-18	ADOPTED BUDGET FY 18-19
<i>BEGINNING FUND BALANCE</i>	\$ -	0	0	0
<u>Revenues</u>				
FARMER Funding-Non Operating	\$ -	\$ -	\$ -	\$ 1,180,000
FARMER Funding-Operating	-	-	-	118,000
FARMER Fund Interest	-	-	-	8,000
Total FARMER Fund Revenues	\$ -	\$ -	\$ -	\$ 1,306,000
<u>Expenditures by Division:</u>				
Planning (1)	\$ -	\$ -	\$ -	\$ 1,257,486
Total FARMER Fund Expenditures	\$ -	\$ -	\$ -	\$ 1,257,486
Net Surplus (Deficit)	\$ -	\$ -	\$ -	\$ 48,514
<i>ENDING FUND BALANCE</i>	\$ -	\$ -	\$ -	\$ 48,514
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ -	\$ -	\$ -	\$ 80,736
Professional Services	-	-	-	-
Supplies, Travel, Training	-	-	-	6,750
Grants (1)	-	-	-	1,170,000
Total FARMER Fund Expenditures	\$ -	\$ -	\$ -	\$ 1,257,486

Notes:

(1) Grants to reduce agricultural sector emissions by replacing farm equipment, irrigation pumps, and heavy duty trucks.

Monterey Bay Air Resources District Direct Expenditures by Program - All Funds

	ACTUALS FY 16-17	ESTIMATED ACTUALS FY 17-18	ADOPTED BUDGET FY 18-19
Support and Operations (1)	\$ 1,598,239	\$ 2,695,509	\$ 1,833,163
Public Education	156,668	193,950	195,232
Permitting (2)	2,343,084	2,337,541	2,422,780
Title V	159,838	188,450	162,984
Asbestos	285,717	264,000	296,464
Air Monitoring AB2766	427,587	447,600	453,032
Air Monitoring PM 2.5	37,719	41,500	37,539
Planning General	495,055	642,000	489,607
Planning AB2766 (3)	1,373,997	1,730,200	3,404,108
AB 923 Grant Program (3)	873,145	2,553,650	2,150,251
Moyer Grant Program (3)	145,943	1,113,150	1,202,367
Offsite Mitigation Grants (4)	84,652	464,000	600,000
Community Air Protection Grant Program (5)	-	-	659,062
Funding Agric Replacement Measures Grant Program (5)	-	-	1,257,486
Woodstove Changeout Program	73,500	75,000	220,000
Debt Funding (6)	72,000	95,000	100,000
Total-All Programs	\$ 8,127,144	\$ 12,841,550	\$ 15,484,075

Notes:

- (1) Support and Operations include all overhead expenses, including building remodel expenses.
- (2) Permitting program includes stationary source program expenditures for Engineering & Compliance divisions, rule development, complaints, burn permits, and air monitoring.
- (3) Assumption for FY 18-19 budget is that all outstanding grants are paid out during the fiscal period. Over the last five fiscal periods, actual grant reimbursements have averaged 56% of budget.
- (4) Offsite mitigation grants to be funded from East Garrison Project air quality mitigation fees collected by Monterey County.
- (5) New grant programs to reduce emissions, funded by recent State legislation.
- (6) Debt reduction is for deposits to Other Post Employment Benefit (OPEB) Trust.

**Monterey Bay Air Resources District
Stationary Source Programs
FY 2018-19 Budget**

	Program		
	Permitting	Title V	Asbestos
Estimated Revenues - Permitting Fees	\$ 2,833,000	\$ 244,000	\$ 260,000
Estimated direct expenditures			
Engineering Division	\$ 1,020,879	\$ 74,159	\$ -
Compliance Division	1,203,932	88,825	296,464
Air Monitoring Division	180,795	-	-
Planning Division	17,174	-	-
Subtotal - Direct Expenditures	\$ 2,422,780	\$ 162,984	\$ 296,464
Estimated overhead allocations			
Engineering Division	\$ 418,630	\$ 27,985	\$ -
Compliance Division	496,712	45,743	121,336
Air Monitoring Division	71,230	-	-
Planning Division	7,144	-	-
Subtotal - Overhead Allocations	\$ 993,716	\$ 73,728	\$ 121,336
Total Expenditures + Overhead	\$ 3,416,496	\$ 236,712	\$ 417,800
Revenues less Expenditures:			
Surplus or (deficit)	\$ (583,496)	\$ 7,288	\$ (157,800)

Note : Deficits in the Stationary Source Program budgets are funded with the use of unrestricted general funds.

**Monterey Bay Air Resources District
Fixed Assets
FY 2018-19**

Description	Estimated Cost
Document management scanning software and server	\$ 81,000
District's Building Exterior Painting Project	\$ 75,000
Vehicle replacements	70,000
Volatile organic compounds (VOC) monitoring equipment	30,000
Solar Project (Capital lease payment)	<u>24,000</u>
Grand Total	<u><u>\$ 280,000</u></u>



ADMINISTRATIVE DIVISION

Under two programs, Support and Operations and Public Education, the Division performs the following functions:

- District Boards
- General Operations, including building and vehicle maintenance
- Finance and Accounting
- Personnel Administration
- Risk Management
- Information System Services
- Public Education

The Administrative Division consists of the Air Pollution Control Officer (APCO), an Administrative Services Manager, an Executive Assistant to the APCO/Clerk of the Boards, an Administrative and Fiscal Specialist, a Senior Fiscal Assistant, and an Office Assistant.

	ACTUALS FY 16-17	REVISED BUDGET FY 17-18	ESTIMATED ACTUALS FY 17-18	ADOPTED BUDGET FY 18-19
<i>Expenditures by Type:</i>				
Salaries and Benefits	\$ 769,254	\$ 845,387	\$ 855,725	\$ 879,703
Maintenance, Equipment, and Supplies	169,399	263,325	252,434	221,435
Legal and Professional Services	426,097	426,490	423,800	420,040
Utilities & Office Rent	83,332	86,360	85,050	78,867
Insurance	94,631	103,300	98,000	98,400
Training, Travel, District Board Expenses	52,373	71,205	63,125	56,730
Fixed Assets	122,293	1,063,000	1,063,100	215,000
Sponsorships	13,027	21,670	21,700	25,000
OPEB Trust Acct Payment	72,000	95,000	95,000	100,000
Grants and Other	24,501	37,615	26,525	33,220
Totals	\$ 1,826,907	\$ 3,013,352	\$ 2,984,459	\$ 2,128,395



AIR MONITORING DIVISION

The Air Monitoring Division performs the following functions:

- Ambient Air Monitoring from stations in Salinas, Hollister, Santa Cruz, King City, Carmel Valley, and Felton.
- Meteorological Monitoring
- Enforcement Monitoring in response to complaints
- Data acquisition, data display, and data quality control

The Air Monitoring Division consists of a Planning and Air Monitoring Manager (.5 FTE), a Supervising Air Monitoring Specialist, two Air Monitoring Specialists, and an Air Monitoring Technical Assistant.

	ACTUALS FY 16-17	REVISED BUDGET FY 17-18	ESTIMATED ACTUALS FY 17-18	ADOPTED BUDGET FY 18-19
<i>Expenditures by Type:</i>				
Salaries and Benefits	\$ 525,679	\$ 536,547	\$ 531,425	\$ 522,832
Maintenance, Equipment, and Supplies	21,486	48,721	48,600	59,749
Professional Services	10,132	15,000	14,950	15,000
Utilities & Office Rent	25,065	28,450	28,550	26,785
Training & Travel	2,749	6,000	4,600	12,000
Fixed Assets	41,482	32,259	27,000	35,000
Totals	\$ 626,593	\$ 666,977	\$ 655,125	\$ 671,366



COMPLIANCE DIVISION

The Compliance Division performs the following major functions:

- Enforcement of all applicable local, state, and federal laws and regulations in the District
- Burn Program for open and prescribed burns
- Compliance Assistance Program to ease and facilitate compliance by regulated sources
- Asbestos Program to enforce federal NESHAP regulations
- Representation at District’s Hearing Board
- Management of Mutual Settlement Program
- Source Testing observations of stack emissions

The Compliance Division consists of an Engineering and Compliance Manager (.5 FTE), a Supervising Inspector, six field Inspectors, a Compliance Program Coordinator, an Engineering and Compliance Specialist (.75 FTE), and a Senior Administrative Assistant.

	ACTUALS FY 16-17	REVISED BUDGET FY 17-18	ESTIMATED ACTUALS FY 17-18	ADOPTED BUDGET FY 18-19
<i>Expenditures by Type:</i>				
Salaries and Benefits	\$ 1,546,179	\$ 1,397,647	\$ 1,400,100	\$ 1,477,636
Maintenance, Equipment, and Supplies	18,535	36,410	28,201	25,410
Utilities & Office Rent	22,272	26,635	26,650	21,895
Legal and Professional Services	4,247	9,800	6,500	12,500
Training & Travel	14,827	25,080	23,500	21,780
Other	-	-	-	-
Totals	\$ 1,657,985	\$ 1,527,572	\$ 1,510,951	\$ 1,589,221



ENGINEERING DIVISION

The Engineering Division performs the following major functions:

- Permitting to ensure that businesses comply with air quality control requirements
- Rule Development including proposed regulations and regulatory changes pertaining to engineering activities
- Toxics Program
- Technical Assistance including review of federal and state programs and emission inventory

The Engineering Division staff consists of an Engineering and Compliance Manager (.5 FTE), a Supervisor, four Permit Engineers, an Engineering and Compliance Specialist (.25 FTE), and a Senior Administrative Assistant.

	ACTUALS FY 16-17	REVISED BUDGET FY 17-18	ESTIMATED ACTUALS FY 17-18	ADOPTED BUDGET FY 18-19
<i>Expenditures by Type:</i>				
Salaries and Benefits	\$ 946,930	\$ 1,057,857	\$ 1,048,500	\$ 1,022,038
Maintenance, Equipment, and Supplies	6,685	13,200	10,850	13,300
Utilities	14	1,000	-	1,000
Legal and Professional Services	7,365	35,519	28,450	37,300
Training & Travel	7,250	16,250	16,900	19,400
Other	315	550	315	\$ 2,000
Totals	\$ 968,559	\$ 1,124,376	\$ 1,105,015	\$ 1,095,038



PLANNING DIVISION

The Planning Division performs the following functions:

- Preparation of Federal and State regional air quality plans
- Development of Emission Inventories from stationary, area, and mobile sources
- Analysis of air quality problems
- CEQA guidance to Lead Agencies, consultants, and others
- Grants and contractual programs
- Educational programs for the general public

The Planning Division consists of a Planning and Air Monitoring Manager (.5 FTE), three Air Quality Planners and a Senior Administrative Assistant.

	ACTUALS FY 16-17	REVISED BUDGET FY 17-18	ESTIMATED ACTUALS FY 17-18	ADOPTED BUDGET FY 18-19
<i>Expenditures by Type:</i>				
Salaries and Benefits	\$ 675,810	\$ 652,101	\$ 746,000	\$ 736,405
Maintenance, Equipment, and Supplies	6,208	22,262	19,900	21,175
Legal and Professional Services	832,295	1,806,950	1,745,250	1,589,200
Utilities & Office Rent	555	1,960	1,500	1,200
Training & Travel	9,046	37,500	29,250	37,500
Sponsorships	3,000	3,000	3,000	4,000
Grants-AB2766	835,333	2,474,848	1,150,000	2,800,000
Grants-Moyer	66,482	1,145,000	1,000,000	1,102,000
Grants-AB923	59,869	1,076,000	935,000	700,000
Grants-CAP	-	-	-	618,075
Grants-FARMER	-	-	-	1,170,000
Electric Vehicle Rebates	400,100	425,152	414,500	400,000
Grants-Woodstove Changeouts	73,500	75,000	75,000	220,000
Grants-Offsite Mitigation	84,652	1,000,000	464,000	600,000
Grants-Air Expressions	-	2,000	2,000	-
Other	250	600	600	500
Totals	\$ 3,047,100	\$ 8,722,373	\$6,586,000	\$ 10,000,055

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FUND BALANCES



Monterey Bay Air Resources District Fund Balances

	General Fund			AB2766 Fund			AB923 Fund			Moyer Fund			General Grant Fund		
	ESTIMATED ACTUALS FY 17-18	ADOPTED BUDGET FY 18-19		ESTIMATED ACTUALS FY 17-18	ADOPTED BUDGET FY 18-19		ESTIMATED ACTUALS FY 17-18	ADOPTED BUDGET FY 18-19		ESTIMATED ACTUALS FY 17-18	ADOPTED BUDGET FY 18-19		ESTIMATED ACTUALS FY 17-18	ADOPTED BUDGET FY 18-19	
Beginning Fund Balance, July 1st	\$ 5,757,332	\$ 6,452,768	\$ 6,042,168	\$ 3,675,880	\$ 4,243,743	\$ 4,388,593	\$ 4,295,664	\$ 4,816,582	\$ 3,678,932	\$ 668,546	\$ 648,878	\$ 430,884	\$ 645,487	\$ 887,199	\$ 731,199
Revenues	5,567,001	5,676,000	5,028,000	2,719,702	2,769,000	2,831,000	1,394,063	1,416,000	1,443,000	126,275	895,156	805,000	326,364	308,000	318,000
Expenditures (1)	(4,871,565)	(6,086,600)	(5,300,000)	(2,151,839)	(2,624,150)	(4,314,909)	(873,145)	(2,553,650)	(2,150,251)	(145,943)	(1,113,150)	(1,202,367)	(84,652)	(464,000)	(600,000)
Net Increase (Decrease) in Fund Balance	\$ 695,436	\$ (410,600)	\$ (272,000)	\$ 567,863	\$ 144,850	\$ (1,483,909)	\$ 520,918	\$ (1,137,650)	\$ (707,251)	\$ (19,668)	\$ (217,994)	\$ (397,367)	\$ 241,712	\$ (156,000)	\$ (282,000)
Projected Ending Fund Balance, June 30th	\$ 6,452,768	\$ 6,042,168	\$ 5,770,168	\$ 4,243,743	\$ 4,388,593	\$ 2,904,684	\$ 4,816,582	\$ 3,678,932	\$ 2,971,681	\$ 648,878	\$ 430,884	\$ 33,517	\$ 887,199	\$ 731,199	\$ 449,199
Reserves & Unreserved Fund Balance:															
Reserved for Grants				\$ 1,965,665	\$ 2,800,000	\$ 1,800,000	\$ 4,816,582	\$ 3,678,932	\$ 2,971,681	\$ 648,878	\$ 430,884	\$ 33,517	\$ 887,199	\$ 731,199	\$ 449,199
Designated for Economic Uncertainties (2)	\$ 1,533,750	\$ 1,525,000	\$ 1,604,750												
Designated for Building & Facilities	600,000	600,000	100,000												
Designated for Other Post Employment Benefits (OPEB)	370,000	275,000	175,000												
Designated for Pension Obligations Prefunding (3)	-	-	500,000												
Unreserved Fund Balance	3,949,018	3,642,168	3,390,418	2,278,078	1,588,593	1,104,684									
Projected Total-Reserved & Unreserved Fund Balance	\$ 6,452,768	\$ 6,042,168	\$ 5,770,168	\$ 4,243,743	\$ 4,388,593	\$ 2,904,684	\$ 4,816,582	\$ 3,678,932	\$ 2,971,681	\$ 648,878	\$ 430,884	\$ 33,517	\$ 887,199	\$ 731,199	\$ 449,199

Notes:
(1) Assumption for 18-19 is that all outstanding grants are paid out during the fiscal period. Over the last five fiscal periods, actual grant expenditures have averaged 56% of budget.
(2) Per the District's Reserve Policy, the minimum level is 25% of the current year's Operating Budget.
(3) New reserve contingent on Board of Directors approval scheduled for review at the June 25, 2018 meeting.

Monterey Bay Air Resources District Fund Balances

	Community Air Protection Program (CAPP)			Funding Agric Replacement Measures (FARMER)		
	ACTUALS FY 16-17	ESTIMATED ACTUALS FY 17-18	ADOPTED BUDGET FY 18-19	ACTUALS FY 16-17	ESTIMATED ACTUALS FY 17-18	ADOPTED BUDGET FY 18-19
Beginning Fund Balance, July 1st	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues	-	-	659,062	-	-	1,306,000
Expenditures (1)	-	-	(659,062)	-	-	(1,257,486)
Net Increase (Decrease) in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,514
Projected Ending Fund Balance, June 30th	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,514
Reserves & Unreserved Fund Balance:						
Reserved for Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,514
Designated for Economic Uncertainties (2)						
Designated for Building & Facilities						
Designated for Other Post Employment Benefits (OPEB)						
Unreserved Fund Balance						
Projected Total-Reserved & Unreserved Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,514

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RESOLUTION



RESOLUTION 18-015

**BEFORE THE AIR POLLUTION CONTROL BOARD OF THE
MONTEREY BAY AIR RESOURCES DISTRICT**

Adopt the Fiscal Year (FY) 18-19 Budget in the Amount of \$15,484,075 and)
Authorize the Purchase of Specified Fixed Assets; and)
Approve the Per Capita Assessment per the District’s Unification Agreement; and)
Approve Permit Fees Effective July 1, 2018 Per the Attached Fee Schedule; and)
Approve Direction to Staff for Development of Future District Budgets.....)

BE IT RESOLVED, a budget figure in the amount of \$15,484,075 for FY 18-19 is hereby adopted for the Monterey Bay Air Resources District and the Air Pollution Control Officer is hereby directed to implement the Budget accordingly.

BE IT FURTHER RESOLVED, the Air Pollution Control Officer is authorized and hereby directed to negotiate and sign the final supplemental applications for potential Federal grant and State subvention funds for FY 18-19.

BE IT FURTHER RESOLVED, the Air Pollution Control Officer is hereby authorized to purchase the fixed assets included in the budget at costs not to exceed funds in the total fixed asset account.

BE IT FURTHER RESOLVED, by majority vote, this Board determined the new per capita assessment imposed and paid by all cities and counties within the District, as stipulated in the District’s Unification Agreement. The per capita assessment for FY 18-19 shall be forty-three cents (\$.43). The per capita assessment of forty-seven cents (\$.47) for FY 19-20, shall be based on future Board approval of the applicable budget.

BE IT FURTHER RESOLVED, by majority vote, this Board approves the attached permit fee schedule and directs staff to develop future budgets recognizing a consistent index of inflation. As needed, the Budget will be prepared for the Board’s consideration using the San Francisco-Oakland-San Jose Consumer Price Index as available to adjust general regulatory fees.

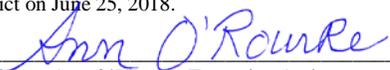
PASSED AND ADOPTED this 25th day of June, 2018, upon motion of Director Salinas, seconded by Director Ledesma, and carried by the following vote, to wit:

AYES: Directors Coonerty, Friend, Hurst, Ledesma, Parker, Phillips, Salinas

NOES: None

ABSENT: Directors Dallas, Hernandez, McShane, Muenzer

I hereby certify that the foregoing is a true and correct Resolution as duly adopted by the Board of Directors of the Monterey Bay Air Resources District on June 25, 2018.

By: 
Ann O'Rourke, Executive Assistant

Approved: 
Richard A. Stedman

Table 1. Fee Schedule**Rule 300 (Part 3, Permit Fees)**

	Permit Fees	Rule 300 (FY 2017-2018)	Rule 300 (FY 2018-2019)
Section 3.1	Filing Fee	\$ 198	\$ 208
Section 3.4.1	Synthetic Minor Permit Filing Fee	\$ 290	\$ 305
Section 3.4.2	Synthetic Minor Permit Evaluation Fee	\$ 1,160	\$ 1,218

Rule 300 (Annual Renewal Fees for Source Specific Categories, Section 4.3)

	Source Category	Rule 300 (FY 2017-2018)	Rule 300 (FY 2018-2019)
	Dry Cleaner	\$310	\$326
	Emergency Diesel Fueled Internal Combustion Engine (current fee code 5202)	\$310	\$357
	Emergency Diesel Fueled Internal Combustion Engine (current-historical fee code 501)	\$210	\$242
	Emergency Non-Diesel Fueled Internal Combustion Engine	\$210	\$242
	Fume Hood	\$210	\$221
	Fossil Fueled Power Plant Gas Turbine Maximum Rated Heat Input	\$50 per MMBtu/hr	\$53 per MMBtu/hr
	Fossil Fueled Power Plant Boiler	\$25 per MMBtu/hr	\$26 per MMBtu/hr
	Lime Processing Facility (3-year average kiln annual production rates):		
	-Kiln production rate < 100,000 short tons per year	\$0.50 per short ton	\$0.53 per short ton
	-Kiln production rate > 100,000 short tons per year	\$0.70 per short ton	\$0.74 per short ton
	Cannabis Cultivation/Manufacturing/Processing Operations	\$450	\$473
	Cannabis Cultivation/Manufacturing/Processing Odors	\$100	\$105
	Synthetic Minor Permit	\$40 per ton	\$42 per ton

Table 1. Fee Schedule**Rule 300 (Annual Renewal Fees , Section 4.4)**

Billable Emission per Permit; Tons per Year	Rule 300 (FY 2017-2018)	Rule 300 (FY 2018-2019)
0 - < 0.1	\$ 197	\$ 207
0.1 - < 1	\$ 295	\$ 310
1 - < 2	\$ 369	\$ 387
2 - < 5	\$ 526	\$ 552
5 - < 8	\$ 723	\$ 759
8 - < 10	\$ 1,384	\$ 1,453
10 - < 20	\$ 2,043	\$ 2,145
20 - < 30	\$ 3,544	\$ 3,721
30 - < 45	\$ 5,043	\$ 5,295
45 - < 60	\$ 6,166	\$ 6,474
60 - < 80	\$ 7,290	\$ 7,655
80 - < 100	\$ 8,028	\$ 8,429
100 - < 150	\$ 8,752	\$ 9,190
150 - < 200	\$ 10,599	\$ 11,129
200 - < 250	\$ 12,446	\$ 13,068
> 250	\$ 15,459 ←300	\$ 16,232

Rule 300 (Annual Renewal Fee Determination, Section 4.5)

Fees	Rule 300 (FY 2017-2018)	Rule 300 (FY 2018-2019)
Section 4.65.1	\$ 959	\$ 1,007
Section 4.65.2	\$ 480	\$ 504
Section 4.65.3	\$ 480	\$ 504

Rule 300 (Gasoline Throughput Fees, Section 4.6)

Gasoline Throughput; Gallons per Year	Rule 300 (FY 2017-2018)	Rule 300 (FY 2018-2019)
Section 4.6 Throughput "b"		
Per Nozzle Fee	\$ 50	\$ 53
0 - < 100,000	\$ 246	\$ 258
100,000 - < 400,000	\$ 393	\$ 413
400,000 - < 800,000	\$ 581	\$ 610
800,000 - < 1,200,000	\$ 773	\$ 812
1,200,000 - < 1,600,000	\$ 963	\$ 1,011
1,600,000 - < 2,000,000	\$ 1,245	\$ 1,307
2,000,000 - < 3,000,000	\$ 1,889	\$ 1,983
3,000,000 and greater	\$1,889 + \$628 for each additional million gallons	\$1,983 + \$659 for each additional million gallons

Table 1. Fee Schedule**Rule 300 (Wastewater Treatment Facilities Fees, Section 4.7)**

Average Flow; Gallons per Day	Rule 300 (FY 2017-2018)	Rule 300 (FY 2018-2019)
0- 500,000 9,999,999	\$ 176	\$ 200
500,000 <1,000,000 10,000,000 - 20,000,000	\$ 294	\$ 2,500
1,000,000 <2,000,000 >20,000,000	\$ 522	\$ 6,500
2,000,000 <3,000,000	\$ 749	\$ 786
3,000,000 <4,000,000	\$ 1,160	\$ 1,218
4,000,000 <5,000,000	\$ 1,489	\$ 1,563
5,000,000 <6,000,000	\$ 1,820	\$ 1,910
6,000,000 <7,000,000	\$ 2,151	\$ 2,259
7,000,000 <8,000,000	\$ 2,483	\$ 2,607
8,000,000 and greater	\$2,483 + \$332 for each additional million gallons-	\$2,483 + \$332 for each additional million gallons-

Rule 300 (Other Annual Renewal Fee Determination)

	Fees	Rule 300 (FY 2017-2018)	Rule 300 (FY 2018-2019)
Section 4.8	Annual Renewal Fee for NESHAP Sources	\$ 15,459	\$ 16,232
Section 4.9	Methyl Bromide Fumigation Chambers	\$ 176	\$ 185
Section 4.10	Authorities to Construct	\$ 176	\$ 185
Section 4.11	Toxic Program Sources	\$ 92	\$ 97
Section 6.1	ERC Registry Fee	\$ 583	\$ 612
Section 6.1.2	Annual Regsitry Fee	\$ 195	\$ 205

Rule 300 (Delinquency Penalties)

	Fees	Rule 300 (FY 2017-2018)	Rule 300 (FY 2018-2019)
Section 5.1.7.2	Revocation Initiation	\$ 497	\$ 522
Section 5.1.7.3	Reinstatement	\$ 750	\$ 788

Table 1. Fee Schedule

Rule 301 (Permit Fee Schedules)

	Fee Schedules	Rule 300 (FY 2017-2018)	Rule 300 (FY 2018-2019)
	Hourly Staff Rate	\$ 145	\$ 149
Schedule 1	General Permit Fee	\$882 plus the hourly staff rate	\$926 plus the hourly staff rate
Schedule 2	Administrative Amendment	\$286 plus the hourly staff rate	\$300 plus the hourly staff rate
Schedule 3	Equipment that Lost Permit Exemption	hourly staff rate	staff rate
Schedule 4	Gasoline Dispensing Facilities		
	Phase I	\$ 910	\$ 956
	Phase II	\$ 910	\$ 956
	Phase II per nozzle fee	\$ 50	\$ 53
	Phase I + Phase II	\$1213 + \$108 for each nozzle	\$1274 + \$113 for each nozzle
	Installation of In Station Diagnosis System	\$ 1,296	\$ 1,361
	Throughput Fees (gallons per year)		
	1 Nozzle (0 - < 100,000)	\$ 246	\$ 258
	2 Nozzles (100,000 - < 400,000)	\$ 393	\$ 413
	3 Nozzles (400,000 - < 800,000)	\$ 581	\$ 610
	4 Nozzles (800,000 - < 1,200,000)	\$ 773	\$ 812
	5 Nozzles (1,200,000-< 1,600,000)	\$ 963	\$ 1,011
	6 Nozzles (1,600,000 -<2,000,000)	\$ 1,245	\$ 1,307
	More than 7 Nozzles (2,000,000 or greater)	\$ 1,889	\$ 1,983
Schedule 5	Emission Fees	\$ 197	\$ 207
Schedule 6	Toxic Air Contaminants	\$ 198	\$ 208
Schedule 7	Public Notification	\$ 599	\$ 629
Schedule 8	Public Record Request		
	Electronic Media	\$ 5	\$ 5
	Photocopies	\$0.10 per page	\$0.10 per page
Schedule 9	Mutual Settlement Program Base Rate	\$ 186	\$ 195

Table 1. Fee Schedule**Rule 302 (Source Testing and Analyses)**

	Type of Test	Rule 300 (FY 2017-2018)	Rule 300 (FY 2018-2019)
Section 4.1.2	Visible emission evaluation test or observation of source testing	-\$145 + \$145 per hour for every staff hour in excess of 20 staff hours-	\$149 + \$149 per hour for every staff hour in excess of 20 staff hours

Rule 305 (AB2588 Implementation Fees for Risk Assessments, Risk Notifications & Risk Reduction Plans and Reports)

	Fee Determination	Rule 300 (FY 2017-2018)	Rule 300 (FY 2018-2019)
Hourly Staff Rate for:			
Section 3.1.2- 3.1.3	Emission Inventory , Public Notification, Audit and Plan, Supplemental Risk Assessment	\$ 145	\$ 149
Section 3.3.5.1	Revocation Initiation	\$ 497	\$ 522
Section 3.3.5.2	Reinstatement	\$ 750	\$ 788

Table 1. Fee Schedule

Rule 306 (Asbestos NESHAP Fees)

	Fee	Rule 300 (FY 2017-2018)	Rule 300 (FY 2018-2019)
Section 4.2	Demolition (cost per structure) (Including Where No Asbestos Present)	\$ 402	\$ 422
Demolition or Renovation Fee Schedule of Fees for Removal of Asbestos-Containing Materials			
Section 4.5.1	Demolition of Structures involving less than 160 sq. ft. RACM, or less than 260 linear ft. RACM, or less than 35 cubic ft. RACM (including no asbestos present)	\$ 402	
Section 4.5.21	Demolition or Renovation involving; between 160 and 999 sq. ft. RACM, or between 260 and 499 linear ft. RACM 35 cubic ft. or greater RACM	\$ 698	\$ 733
Section 4.5.32	Demolition or Renovation involving; between 1,000 and 1,499 sq. ft. RACM, or between 500 and 749 linear ft. RACM	\$ 900	\$ 945
Section 4.5.43	Demolition or Renovation involving; between 1,500 and 1,999 sq. ft. RACM, or between 750 and 999 linear ft. RACM	\$ 1,101	\$ 1,156
Section 4.5.54	Demolition or Renovation involving; between 2,000 and 3,999 sq. ft. RACM, or between 1,000 and 1,999 linear ft. RACM	\$ 1,297	\$ 1,362
Section 4.5.65	Demolition or Renovation involving; greater than between 4,000 and 9,999 sq. ft. RACM, or greater than between 2,000 and 2,999 linear ft. RACM	\$ 1,486	\$ 1,560
Section 4.5.76	Demolition or Renovation involving; greater than 10,000 sq. ft. RACM, or greater than 3,000 linear ft. RACM	\$ 1,627	\$1,708 + \$422 per each additional 10,000 sq. ft. or each additional 2,000 linear ft. RACM not to exceed \$3,000
Section 4.5.87	Cancellation Fee	\$ 145	\$ 149

Table 1. Fee Schedule**Rule 308 (Title V Fees)**

	Title V Fees	Rule 300 (FY 2017-2018)	Rule 300 (FY 2018-2019)
	Filing Fee for an initial Federal Operating Permit, renewal, or modification	\$ 402	\$ 422
	Filing Fee for Change of Ownership	\$ 145	\$ 149
Section 3.3	Evaluation Fee	\$ 145	\$ 149
Section 4.1.1	Minimum Annual Federal Operating Permit Fee (AFOPF)	\$ 959	\$ 1,007
Section 4.1.2.1	AFPOF for landfill gas emissions per ton	\$ 2.92	\$ 3.07

Rule 309 (Hearing Board Fees)

	Hearing Board Fees	Rule 309 (FY 2017-2018)	Rule 309 (FY 2018-2019)
Section 3.1.1-3.1.10	Fee for Each Additional Hearing	\$ 467	\$ 490
Application Fees:			
	Length of variance exceeds 90 days	\$ 930	\$ 977
Section 3.1.1			
	Length of variance does not exceed 90 days	\$ 651	\$ 684
Section 3.1.2			
Section 3.1.3	Modifying a variance		
Section 3.1.4	Modify a Variance's Schedule of Increments of Progress or Final Compliance Date		
Section 3.1.5	Approval of Schedule of Increments of Progress	\$ 467	\$ 490
Section 3.1.6	Emergency Variance		
Section 3.1.7	Permit Denial		
Section 3.1.8	Issuance of Permit		
Section 3.1.9	Suspension of Permit		
Section 3.1.10	Intervention in a Pending Variance		
Section 3.2	Excess Emissions (\$ per pound of excess emissions)	\$ 0.63	\$ 0.66
Section 3.3.1	Excess Visible Emission	\$ 1.79	\$ 1.88
Section 3.4	Minimum Fees	\$ 467	\$ 490

Table 1. Fee Schedule

Rule 310 (Agricultural Diesel Engine Registration Fees)

	Ag Engine Fees	Rule 300 (FY 2017-2018)	Rule 300 (FY 2018-2019)
Application Fees:			
Section 3.1.1.1	In-use diesel engine	-\$397 + \$198 for each additional engine-	\$417 + \$208 for each additional engine
Section 3.1.2.1	New Diesel Engine within 90 days of purchase	-\$198 + \$99 for each additional engine-	\$208 + \$104 for each additional engine
Section 3.1.2.2	New Diesel Engine after 90 days of purchase	-\$397 + \$198 for each additional engine-	\$417 + \$208 for each additional engine
Section 3.2	Operational Annual Registration Fees	\$ 73	\$ 77
	Non-Operational Annual Registration Fees	\$ 37	\$ 39
Section 3.3	Transfer of Owner/Change of Location	\$ 198	\$ 208

GLOSSARY



**MONTEREY BAY AIR RESOURCES DISTRICT
FY 2018-19 BUDGET
GLOSSARY OF TERMS & ACRONYMS**

AB2766 Fees: Department of Motor Vehicle (DMV) surcharge fees collected through California's vehicle registration program, pursuant to the 1990 California Assembly Bill (AB) 2766. The fee collected is \$4.00 per vehicle.

AB923 Fees: Department of Motor Vehicle (DMV) surcharge fees collected through California's vehicle registration program, pursuant to the 2004 California Assembly Bill (AB) 923. The fee collected is \$2.00 per vehicle.

AMBAG: Association of Monterey Bay Area Governments serving as both a federally designated Metropolitan Planning Organization and a Council of Governments for the Monterey, San Benito, and Santa Cruz Counties region.

APCO: Air Pollution Control Officer who serves as executive director for the District.

CAPCOA: California Air Pollution Control Officers Association, a non-profit association of the air pollution control officers from all 35 local air quality agencies throughout California. The District is a member of this association.

CARB: California Air Resources Board, the State agency charged with protecting the public from the harmful effects of air pollution and developing programs and actions to fight climate change.

CARB Subvention: Funds provided to the District pursuant to Section 39800 et seq. of the California Health and Safety Code. Subvention funds are provided to districts of up to \$1 for every dollar budgeted, as long as the subvention does not exceed \$.23 per capita.

CITY AND COUNTY CONTRIBUTIONS: Each city and county in the District's Tri-County jurisdiction contributes \$.43 per capita to the District based on a Unification Agreement. The contributions are paid in lieu of each city and county creating and maintaining its own air quality program.

DMV: Department of Motor Vehicles.

EPA: Environmental Protection Agency, a federal agency whose mission is to protect human health and safeguard the environment. The District receives funding from the EPA.

EVR: Enhanced Vapor Recovery refers to a new generation of clean nozzles and equipment that control emissions at gasoline dispensing facilities in California.

FTE: Full-time equivalent position scheduled to work 40 hours per week.

FUND: Can be thought of as a separate set of books for a specific purpose.

FUND BALANCE: The excess of assets over liabilities; a negative fund balance is sometimes call a deficit.

GENERAL FUND: Consists of all District revenue and matching expenditures except that which is restricted to specific use by statute or Board action.

NESHAP: National Emission Standards for Hazardous Air Pollutants which are stationary source standards for pollutants that are known or suspected to cause cancer or other serious health effects.

NON-OPERATING BUDGET: Consists of revenue collected from the State and passed on to other entities in the form of grants for emission reducing projects.

OEHHA: Office of Environmental Health Hazard Assessment which is a California State department responsible for developing and providing risk managers in state and local government agencies with toxicological and medical information relevant to decisions involving public health.

OPEB: Other Post Employment Benefits which are retiree benefits other than pensions. The District's pays for a portion of health care premiums for retirees who participate in the District's medical plans.

OPERATING BUDGET: Primarily uses the General Fund to pay for all expenditures incurred in the day-to-day operations of the District.

PM: Particulate matter, a criteria pollutant.

PROGRAM: Categories of services or activities the District engages in.

TAMC: Transportation Agency for Monterey County which funds and implements transportation projects in Monterey County.

TCM: Traffic control measures.

TITLE V Program: Title V of the Federal Clean Air Act requires the collection annual federal permit fees for stationary sources based on annual emissions. This program generally applies to the District's major sources.