



*Monterey Bay Unified
Air Pollution Control District*

BUDGET

FY 2015-16

**Adopted by the
Board of Directors
June 17, 2015**

MONTEREY BAY UNIFIED AIR POLLUTION CONTROL DISTRICT

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**Monterey Bay Unified
Air Pollution Control District
Fiscal Year 2015-16 Budget
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**MONTEREY BAY UNIFIED
AIR POLLUTION CONTROL DISTRICT
FY 2015-16 BUDGET
ADOPTION SCHEDULE**

- 1. FY 2015-16 Administrative Draft Release..... Week of April 6, 2015**

- 2. Budget Workshop #1 April 10, 2015**
11:00 a.m. - San Benito County
Board Chambers
481 Fourth Street, Hollister, California

- 3. Budget Workshop #2 April 14, 2015**
11:00 a.m. City of Watsonville
Public Library Meeting Room, 2nd Floor
275 Main Street, Suite 100, Watsonville, California

- 3. Budget Workshop #3 April 21, 2015**
11:00 a.m. – Monterey Bay Unified APCD
Board Chambers
24580 Silver Cloud Court, Monterey, California

- 5. First Board Hearing May 20, 2015**
1:30 p.m. -- Monterey Bay Unified APCD
Board Chambers
24580 Silver Cloud Court, Monterey, Ca.

- 6. Board Adoption of Final Budget June 17, 2015**
1:30 p.m. -- Monterey Bay Unified APCD
Board Chambers
24580 Silver Cloud Court, Monterey, Ca.

- 7. District Fiscal Year Begins..... July 1, 2015**

INTRODUCTION



Fiscal Year 2015-2016 (FY 15-16) Budget, which runs from July 1, 2015 through June 30, 2016, has been prepared for final adoption by the Monterey Bay Unified Air Pollution Control 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 15-16 Budget has been prepared according to 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 15-16 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 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 five full-time air monitoring stations and record and report some 49 air quality metrics with full quality control assurance.
- ◆ Review more than 50 environmental documents annually.
- ◆ Implement new Federal programs including permitting, updates to national ambient air quality attainment standards, and enforcement and compliance regulations.

- ◆ Implement District's Education and Outreach Program for public schools and air quality education programs.
- ◆ Implement the Woodstove Change-out Program to reduce localized particulate matter pollution from residential home heating.
- ◆ Provide smoke management services for areas affected by 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 \$14.0 million.

Revenue Projections

- ◆ Administer and process over 200 emissions reduction projects funded by District grants.
- ◆ Process approximately 500 Authorities to Construct and Permits to Operate annually and maintain/inspect up to 3,000 Permits to Operate.
- ◆ Address nonattainment of North Central Coast Air Basin for California PM₁₀ and ozone Ambient Air Quality Standards.

As compared to FY 14-15 estimated actuals, permit fee revenue projections for FY 15-16 are higher by about \$100,000. This is primarily due to proposed fee increases of 2.7% based on the 2014 San Francisco-Oakland-San Jose Consumer Price Index (CPI). City and County contributions are also projected to increase by about \$30,000 based on raising the per capita fee from \$.27 to \$.31.

Despite anticipated fee increases, the District's projected FY 15-16 Operating Budget shows a deficit of about \$72,000. At this time, the District has adequate General Fund reserves to cover the budget gap and remain financially sound. Fund balance schedules are included in

Introduction

the “Fund Balances” section of this budget document.

In summary, estimated financing for the FY 15-16 Budget totals \$13,946,000, of which

\$6,204,000 is the District’s annual operating budget and \$7,742,000 is in pass-through and prior year carryover grant funds.

ADMINISTRATIVE DIVISION

The Administrative Division consists of the Air Pollution Control Officer (APCO), a Deputy APCO (Planning and Air Monitoring Manager), 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 34 budgeted positions. As compared to the prior fiscal year, it is proposed that one Air Quality Compliance Inspector position be added and three positions eliminated in the FY 15-16 budget: Air Quality Engineer III, Air Monitoring Specialist II, and Source Test Program Coordinator.



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, and recruiting.

In FY 14-15, the Administrative Division successfully completed implementation of a new financial software system that created efficiencies and improved financial reporting and budgeting. It is planned that the new financial software will integrate with the new data management system for the Compliance and Engineering Divisions. By implementing these two new software programs, the District will benefit from newer technologies and replace systems that have been in place for twenty-plus years.

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

At the direction of the Board of Directors, the District is in the process of a building remodel project to make room for another tri-county area agency. The remodel is focused on creating additional space for the new agency as well as enhancing and improving work conditions for employees and address structural issues associated with a building that was constructed some 20 years ago.

Remodeling costs estimated at \$1,000,000 are factored into this year's budget. Once more complete information about the project is obtained, the budget will be amended to reflect a revised estimate. Under Board of Directors policy, most of the money required for the



Administrative Division

District building remodel has been reserved in the general fund.

AIR MONITORING DIVISION

The Air Monitoring Division consists of one Supervising Air Monitoring Specialist, three Air Monitoring Specialist II's, and one Air Monitoring Technical Assistant. Currently one Air Monitoring Specialist position is vacant.

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 real-time measurements that are available online via the District's website in order to provide the public with characterizations of air quality based on EPA's Air Quality Index (AQI). Real-time measurements also support the District's forecasting and wood smoke curtailment programs.



Ozone

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 ozone levels detected at the Pinnacles National Park.

The Division provides technical assistance and collaborates with the National Park Service at Pinnacles National Monument. Ozone measurements from this site may determine the District's attainment status and 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 California PM₁₀ Ambient Air Quality Standard. This status results from exceedances of the California Standard in the late 1980's most likely driven by deposits of sea salt on monitoring filters at coastal sites in Santa Cruz County and dust from plowed fields in Monterey and San Benito counties.

"PM₁₀" or PM Coarse refers to particles that are 10 micrometers or less in aerodynamic diameter (about 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"

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

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 residential home heating with wood in the San Lorenzo Valley and from large outdoor burns conducted in the Districts jurisdiction.

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 14-15 Major Accomplishments

- ◆ Met all EPA and ARB data collection, reporting and quality assurance requirements at all stations.
- ◆ Conducted a special study utilizing Aethalometers and filter based instruments at two stations in Felton. The filters will be analyzed for Levoglucosan, a known marker for wood smoke. The Aethalometers will provide a continuous measurement of "Biomass" that is related to wood burning.
- ◆ Relocated a PM_{2.5} monitor to a new location in Felton to better represent overall ambient conditions at the Neighborhood Scale.
- ◆ Received additional 105 Grant funds which partially offset materials costs of monitoring activities.
- ◆ Refined operations and modernized air monitoring resources the District and made investments in new equipment and staff assignments.
- ◆ Used EBAMs to continue to support

smoke management needs at the San Lorenzo Valley and near Fort Hunter Liggett.

- ◆ Updated the gas titration system in the Salinas AMS, allowing for remote precision and span checks on the, gas pollutant monitors.

FY 15-16 Objectives

- ◆ Meet all ARB and EPA Monitoring Requirements.
- ◆ Adapt operations to reflect expected reduction in Air Monitoring staffing levels.
- ◆ Continue modernization activities and apply benefits to expand more efficient operations to meet District needs.
- ◆ Upgrade modems used for special studies to keep up with changes in commercial cellular networks.
- ◆ Continue to optimize and tailor new data acquisition system capabilities to increase automation and remote control capabilities for various monitoring tasks.
- ◆ Continued monitoring in the San Lorenzo Valley to support District endeavors to reduce PM fine levels from wood smoke and backyard burning in winter.

Meteorological Monitoring

Meteorological measurements play a highly critical role in understanding levels of air quality. Measurements obtained directly affect and support District air quality forecasting and smoke management programs.

Meteorological data is also used to understand pollutant flux in the air basin

and is necessary for computer modeling used for permitting purposes and is useful when responding to complaints.

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

FY 14-15 Major Accomplishments

- ◆ Met all data collection, reporting and quality assurance objectives.
- ◆ Applied meteorological measurements at all 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. The students have won awards at the regional and national level based on this work.

FY 15-16 Objectives

- ◆ Continue meteorological monitoring to meet District needs.
- ◆ Seek the opportunity to upgrade old meteorological monitoring systems which have exceeded their expected life with modern sensors.

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.

COMPLIANCE DIVISION

The Compliance Division consists of an Engineering and Compliance Manager, a Supervising Inspector, six field Inspectors, one Compliance Program Coordinator and two Senior Administrative Assistants.

The major functions of the Compliance Division are as follows:

Inspections of Stationary Sources

The Division conducts unannounced inspections of 1,674 sources and 2,958 permits. These inspections are to assure compliance with all 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 2014, the Division performed 1,556 inspections of permitted equipment, responded to 274 public complaints, and addressed 55 reported facility equipment breakdowns.

FY 13-14 Major Accomplishments

- ◆ Beginning in 2014, a more detailed review of Continuous Emissions Monitoring and source testing reports are performed by Compliance staff.

- ◆ Completed 100% of all major source inspections and a majority of all minor source inspections under District's variable inspection frequency policy.
- ◆ Met all EPA requirements for inspection, reporting, and enforcement of sources covered by federal agreements.
- ◆ District staff continued to search for businesses operating without required permits under the Unpermitted Source Identification Program. A modification of this effort by source type resulted in 22 unpermitted engines found.
- ◆ During the month of December, the District embarked on the development of a new permit database. The project focuses on developing a dashboard view of the relevant information necessary to conduct an inspection with a new electronic inspection reporting system which will utilize tablet technologies. This program will significantly reduce the time necessary to assign, review, and conduct an inspection.

FY 14-15 Objectives

- ◆ Enhance use of web-based compliance inspection forms to streamline the inspection process and populate the District's new paperless workflow system. This will efficiently move documents from creation through approval and to their final location in the District's new permit database.
- ◆ The source testing program will transition into the Enforcement Division.
- ◆ Work towards eliminating paper-based forms through the use of electronic forms on tablet computers.
- ◆ Continue to develop and finalize new policies and procedures to improve consistency and efficiency. Having current, detailed policies provides staff with answers to many common questions that arise and

allows them to proceed quickly with their various tasks.

- ◆ Continue looking for improvement opportunities while concentrating efforts on the core responsibilities.
- ◆ Continue to expand the District internet site, making even more District information available to stakeholders and the general public.
- ◆ Continue the Unpermitted Source Identification Program to ensure that businesses operating without permits do not gain an unfair advantage over those complying with permitting requirements.
- ◆ Review and evaluate Enforcement Division business rules and practices.
- ◆ Continue cross-training of Division Staff.

Complaint Investigations

The Division receives approximately 275 complaints each year for which timely responses and investigations of alleged sources of non-compliance are top priorities.

FY 13-14 Major Accomplishments

- ◆ The Division has modified the complaint response process and has become more efficient while continuing to provide the same level of service quality.
- ◆ The number of complaints investigated by the District in the complaint handling program has increased since the implementation of the voluntary “Spare the Air” program which affects residential wood burning. The District handled 229 citizen complaints concerning poor air quality, 12% of which were directly related to emissions from fireplaces and woodstoves.

FY 14-15 Objectives

- ◆ Continue timely responses to complaints and investigations of alleged sources of non-compliance.

- ◆ Develop a new online complaint reporting portal. This new system will allow members of the public to file complaints online and receive complaint investigation reports automatically via email once completed.
- ◆ Evaluation of the effectiveness of the complaint response procedures and apply the results to improve District efforts on enforcement and complaint response.

Gasoline Station Inspection

Gasoline stations are one of the largest potential sources of volatile organic compounds in the District. A comprehensive inspection and testing program is important to ensure that vapor recovery systems operate as certified and the District realizes actual emission reductions.



In Station Diagnostics (ISD) has enhanced the inspection process by detecting equipment problems not visually evident, and is an important tool for the inspector and contractors. The information provided by the ISD console describes the issue and points toward its location, which can lead to quicker resolution when equipment problems occur.

District staff continues to inspect gasoline station vapor recovery systems on a routine basis assuring that required record keeping is maintained, and that any torn hoses, damaged nozzles, loose tank caps or other equipment issues are remedied as soon as possible.

In recent years mandated changes in state law have added complexity to the overall inspection and testing program. Annual system performance tests, performed by contractors must be evaluated before final compliance can be determined. Staff has increased random, unannounced observations of these tests to insure contractor adherence to procedures set by ARB.



FY 2013-14 Major Accomplishments:

- ◆ Completed inspections of all 253 gasoline dispensing service stations and 35 of the aboveground storage tanks.
- ◆ Tracked and reviewed all 294 annual vapor recovery tests conducted at gasoline service stations.
- ◆ Increased quality assurance observations of vapor recovery testing.
- ◆ Updated Rule 1002 (Transfer of Gasoline into Vehicle Fuel Tanks) based upon existing District practices, to eliminate outdated requirements, and to only require permit applications for existing sources when major modifications are undertaken.

FY 2014-15 Objectives:

- ◆ Continue effective and efficient inspection program for gasoline service stations.
- ◆ Utilize ISD data in the inspection program to verify compliance.
- ◆ Conduct quality assurance observations of vapor recovery testing to increase contractor adherence to established testing procedures.
- ◆ Participation on California Air Pollution Controls Officers Association (CAPCOA) Vapor Recovery Subcommittee.
- ◆ Continue to provide staff with enhanced training opportunities to improve their technical skills and customer service. Well-trained staff allows for improved operational efficiency and better customer service.

Smoke Management Program

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



permits pursuant to District and State requirements relating to open burning.

During the 2014 Backyard Burn Season, the District issued 1,331 burn permits and provided customer service to approximately 868 callers.

FY 13-14 Major Accomplishments

- ◆ Incorporated user feedback and upgraded the Backyard Burn Permit website to make it more user-friendly. Implemented improvements to increase efficiency.
- ◆ Expanded outreach and awareness on revisions to Rule 438 (Open Outdoor Fires) throughout District.
- ◆ Participated in continuous improvement program review, resulting in changes that enhance service to the public while making more efficient use of Staff resources.

FY 14-15 Objectives

- ◆ Develop and implement recommendations for improvement in use of Division resources. Evaluate workflows and apply results to Division operational needs.
- ◆ Enforce District rules governing excessive smoke and related nuisances.

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 14-15 Objectives

- ◆ Evaluate compliance assistance effectiveness methods and apply results to improve 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 2014, two (2) variances to District operating permits were issued by the Hearing Board.

FY 14-15 Major Accomplishments

- ◆ Welcomed and worked with new Hearing Board members on variances.
- ◆ Modified procedures to assure variances are not issued for relief from State Air Toxic Control Measures (ATCMs).

FY 15-16 Objectives

- ◆ Utilize the newly developing District database to provide better technical support to Hearing Board members.
- ◆ Improve variance application information on the District website and provide for on-line applications.

Asbestos Program

The Division enforces the federal NESHAP asbestos regulation through its Asbestos Program. Through this program the Division inspects selected projects for compliance, initiates enforcement actions, and works with asbestos contractors to assure in advance that projects will be carried out correctly.

During the calendar year 2014, 195 asbestos and demolition projects were reviewed and approved.

FY 14-15 Major Accomplishments

- ◆ Asbestos violations settled by the Santa Cruz and Monterey District Attorney's

Offices resulted in 2 criminal convictions and over \$80,000 in penalties.

- ◆ Worked with California National Guard, contractors and consultants during a second large scale project involving demolition of 53 military buildings at Camp Roberts.
- ◆ Coordinated with San Luis Obispo Air Pollution Control District for similar asbestos removal and demolition of structures on their portion of the Camp Roberts military facility.
- ◆ Finalized work at CSUMB on the demolition of 14 three story structures that included the removal of over 250,000 sq. ft. of asbestos containing materials.
- ◆ Assisted with development of a new Asbestos Database to better track projects and provide program reports to increase efficiency.

FY 15-16 Objectives

- ◆ Develop new asbestos informational brochures for distribution to contractors, agencies and the general public.
- ◆ Provide additional outreach for Asbestos Regulations and Safety by partnering with environmental health departments, building departments, and other agencies.
- ◆ Modify the District's Asbestos Rule to facilitate on-line applications and notifications for asbestos and demolition projects.
- ◆ Continue participation in local and regional environmental task forces to improve coordination with other environmental agencies, and better serve the public.



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 represents the District, and settles Notices of Violation through negotiations with respondents. On rare occasions, cases may be referred to the District Attorney's Office for formal action.

During calendar year 2014, the District issued 128 Notices of Violation and negotiated over \$155,000 in penalties. 2 environmental settlements included educational and/or emission reductions. Environmental settlements can include penalty reductions for affirmative actions taken to improve future compliance and reduce facility emissions.

FY 14-15 Major Accomplishments

- ◆ Promoted alternative settlements to reduce emissions and improve air quality.
- ◆ Modified forms and procedures to affect more rapid settlement of cases.

FY 15-16 Objectives

- ◆ Provide more compliance assistance and

outreach through our website, local media and coordination with other local agencies.

- ◆ Work with violators to find ways to reduce their emissions and 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 (.5 FTE), a Supervising Engineer, five Permit Engineers, and one Senior Administrative Assistant.

The Division performs the following functions:

Permitting



The District's permit system is the primary tool used to ensure businesses comply with air quality control requirements. The two

types of permits issued are Authorities to Construct and Permits to Operate.

Authorities to Construct are preconstruction permits issued after the project emissions and necessary control technologies have been evaluated, and criteria and toxic pollutant regulatory compliance has been determined.

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 2,950 active Permits to Operate, including the annual renewal process. During calendar year 2014, the Division issued 121 Authorities to Construct, 390 Permits to Operate, 7 Agricultural Diesel Engine Registrations, 10 Title V Permit renewals, and 3 Title V Permit revisions.

In order to meet state requirements, the Division maintains a registration program for diesel engines used in agricultural operations. Currently, 540 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 14-15 Accomplishments

- ◆ The Engineering Division has improved efficiencies in process by concentrating in core permitting activities.
- ◆ Evaluated and issued a total of one Federal Title V facility permit renewals.
- ◆ The District's NSR program has been reviewed and adjustments have been implemented to improve efforts.
- ◆ The District's permitting program and its relationship to environmental review have improved.
- ◆ The District's source test program has been reviewed and compliance with source test requirements has improved.
- ◆ Annual renewal process has been modified as an efficiency measure and associated workload has been reduced by approximately 80%
- ◆ Engineering staff has participated in and lead sub-groups within the District's database conversion project.
- ◆ Continually refined the procedures to project future budget revenues from permit renewals and new permit applications.



FY 15-16 Objectives

- ◆ Continue Permits database conversion project.
- ◆ Review core responsibilities.
- ◆ Continue to review and evaluate business rules and practices looking for improvement opportunities.
- ◆ Increase efficiency in all processes by promoting simplicity.

Engineering Division

- ♦ Evaluate and issue Federal Title V facility permit renewals.
- ♦ Process projects involving on-going installation and/or modification of Enhanced Vapor Recovery and In-Station Diagnostic systems at gasoline stations.
- ♦ Review records storage system and transition to a more paperless process congruent to the new permit system.



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 14-15 Accomplishments

- ♦ Revisions to Rules 300, 301, 302, 305, 306, 308, 309 & 310 (District Fee Rules) on June 2015 to reflect cost of a cost of living adjustment.

FY 15-16 Objectives

- ♦ Analyze existing regulations for consistency and conformity with applicable requirements, and initiate rule revisions as necessary.
- ♦ Continue to search for improvement opportunities by analyzing and adjusting District responsibilities and simplifying Rule language.

Toxics Programs

The Division's implementation of the State of California Air Toxics Hot Spots

Information and Assessment Act of 1987 (AB 2588) stabilized as the program transitioned into a maintenance effort for sources previously inventoried. The Division reviews sources of intermediate risk for significant changes at a minimum of every four years.



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 Office of Environmental Health Hazard Assessment (OEHHA).

FY 14-15 Accomplishments

- ♦ Continued participation in a California Air Pollution Control Officers Association (CAPCOA) and review of new OEHHA risk evaluation methodology.

FY 15-16 Objectives

- ♦ Incorporate newly approved OEHHA risk methodologies and risk factors.
- ♦ Train all staff in new OEHHA risk evaluation methodology.
- ♦ Emissions modeling and exposure calculations refresher for all staff.

Source Testing

In accordance with federal and state reference methodologies, the Division performs a minimum of 25 stack emission measurement tests annually. The Division also observes and reviews contracted stack emission testing performed by hired contractors at sources within the District.

FY 14-15 Accomplishments

- ♦ Met all core testing responsibilities.

FY 15-16 Objectives

- ♦ This fiscal year, the source test program will begin a transition from Engineering to Compliance.
- ♦ Source testing program responsibilities will

move to source test observation and documentation review only.

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

- ◆ Review and evaluate technical assistance priorities.
- ◆ Propose and initiate changes that reflect District needs.

PLANNING DIVISION

The Planning Division includes one Supervising Planner, 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 2015-16 Objectives

- ◆ Update the on-road mobile source inventory to reflect the updated Air Resources Board's EMFAC2014 model. Evaluate whether these changes impact the emission inventory in the Air Quality Management Plan (AQMP).
- ◆ Prepare a triennial update to the AQMP.
- ◆ Follow the US EPA's progress on established a new 8-hour ozone standard.

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.

FY 2015-16 Objectives

- ◆ Update mobile source emissions inventory based on AMBAG's regional transportation demand model and California Air Resources Board's EMFAC2014 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 2014-15 Major Accomplishments

- ◆ Reviewed and commented on over 50 environmental documents.

FY 2015-16 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.

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 2014-15 Major Accomplishments

- ♦ Managed over 200 active grant projects under AB2766 and Moyer Program.
- ♦ Received and reviewed 6 eligible emission reduction grant applications and 23 electric vehicle replacement applications for AB2766 FY 14/15 funds.
- ♦ Updated the AB2766 grant program to include an electric vehicle incentive program.
- ♦ Awarded approximately \$1.4 million in AB 2766 funds to four emission reduction projects and issued 21 electric vehicle vouchers.
- ♦ Awarded Moyer grant funds to four of the 50 applications received based on emission reductions and availability of grant funds.
- ♦ Awarded East Garrison mitigation fees to three Ag pump repower projects to electric motors.
- ♦ Managed and completed the Monterey Bay Plug-in Electric Vehicle Readiness Planning Project.
- ♦ Managed the Monterey Bay Alternative Fuel Ecosystem Project through a grant with the California Energy Commission.



FY 2015-16 Objectives

- ♦ Manage AB2766 and Moyer Program grant projects.
- ♦ Rank and select projects to award AB2766 funds.
- ♦ Obligate Moyer Program funds to selected projects.

- ♦ Manage two sub-contracts to implement the Monterey Bay Alternative Fuel Ecosystem Project.
- ♦ 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.

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 2014-15 Major Accomplishments

- ♦ Participated in regular transportation agency meetings.
- ♦ Participated in regular update meetings on AMBAG's regional transportation demand model and bike model.
- ♦ Participated in regular MBEVA meetings.

FY 2015-16 Objectives

- ♦ Continue to participate in local and regional transportation planning agency committees.
- ♦ Continue to support AMBAG's efforts to update the regional transportation demand model and develop the sustainable community's strategies.

Participation in California Air Pollution Control Officers Association's Committees

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

FY 2014-15 Major Accomplishments

- ◆ Assisted with drafting a white paper on residential smoke from home heating.
- ◆ Planning Supervisor takes on responsibility as chair of the planning managers committee.

FY 2015-16 Objectives

- ◆ Planning Supervisor continues role as chair of the planning managers committee.
- ◆ Continue to participate in the outreach and grants and incentive committees.

Rule Development

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

FY 2014-15 Major Accomplishments

- ◆ Conducted workshops in each county to discuss development of a smoke management permit fee rule.

FY 2015-16 Objectives

- ◆ Develop a rule to require the change-out of non-EPA certified wood stoves when residential properties are sold.
- ◆ Finalize the smoke management permit fee rule for agricultural and prescribed 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 in May, and an annual calendar art contest.

The Division also implements a grant program. The Air Expressions grant program, provides funding to high



school and college students for implementation of clean air projects.

FY 2014-15 Major Accomplishments

- ◆ Participated in community events such as student fairs, community festivals, and local college events.
- ◆ Provided funding to high school and college students under three Air Expressions grant projects.
- ◆ Enhanced communication with the public through acquiring a Constant Contact account which improved email distribution of District information.
- ◆ Improved the District's presence in social media through routine posting of information to the District's Facebook page.

FY 2015-16 Objectives

- ◆ Communicate the District's new name and logo to the public through outreach materials, advertisements, and social media.
- ◆ Enhance the District's visibility and messaging on local TV stations and social media.
- ◆ Develop a District-wide outreach theme to convey the District's mission as it applies to each Division.
- ◆ Continue participation in community events.
- ◆ Accept and review applications for Air Expressions program.

Smoke Management Program

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

The Division coordinates the District's Agricultural and Prescribed Burning Program

including analytical and technical assistance for burn projects.



Agricultural burn permits are issued through the District's online permit system. 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 potential for 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 2014-15 Major Accomplishments

- ◆ Developed and implemented new, simplified burn zones allowing for clearer communication to the public.
- ◆ Coordinated with CAL FIRE to develop a process for CAL FIRE to accept and review projects for the vegetation management program.
- ◆ Coordinated with the Monterey County Fire Safe Council to develop a job description for a Fuel Mitigation Officer.
- ◆ Worked with Fort Hunter Liggett to improve public communication prior to planned burns.
- ◆ Provided and administered incentives for neighborhood chipping programs.
- ◆ Streamlined the use of the online agricultural burn permit program to smaller pile burns used for wildland vegetation.
- ◆ Began collaboration with other air districts and the Air Resources Board to revitalize the California and Nevada Smoke and Air Committee (CANSAC) to improve meteorological tools used by air districts to minimize smoke impacts from burning.

FY 2015-16 Objectives

- ◆ Coordinate with CAL FIRE and local fire districts to provide more consistency in the smoke management permit conditions included in CAL FIRE and fire district issued permits.
- ◆ Continue participation in CANSAC improvements.
- ◆ Assist with planning, implementation, and monitoring of prescribed burns planned for the former Fort Ord.

Special Projects

San Lorenzo Valley PM2.5 Reduction Project

The San Lorenzo Valley (SLV) is a narrow river valley located in Santa Cruz County. Over the past four 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 2014-15 Major Accomplishments

- ◆ Limited the Woodstove Change-Out Program funding to focus on SLV and replaced over 50 old devices.
- ◆ Incentivized yard waste recycling in SLV by providing free yard waste drop-off events.
- ◆ Participated in community events, such as the Redwood Mountain Faire, to educate the public on wood burning and smoke impacts.
- ◆ Developed criteria and implemented a voluntary "Spare the Air" program for SLV.

Planning Division

- ◆ Prepared concept proposals and received approval to submit applications to CAL FIRE for grant funds to continue free yard waste events in SLV.
- ◆ Participated in SLV stakeholders meetings.

FY 2015-16 Objectives

- ◆ Continue PM2.5 reduction efforts in SLV.
- ◆ Seek funding sources for PM2.5 reduction

incentives such as the Woodstove Change-Out Program.

- ◆ Continue with the Woodstove Change-Out Program and yard waste recycling as approved by the Board.
- ◆ Improve implementation of the voluntary “Spare the Air” program to reduce localized impacts from wood burning for home heating.

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BUDGET

IN BRIEF



► **Fiscal Year 2015-16 Budget in Brief** ◀

The following are budgetary highlights:

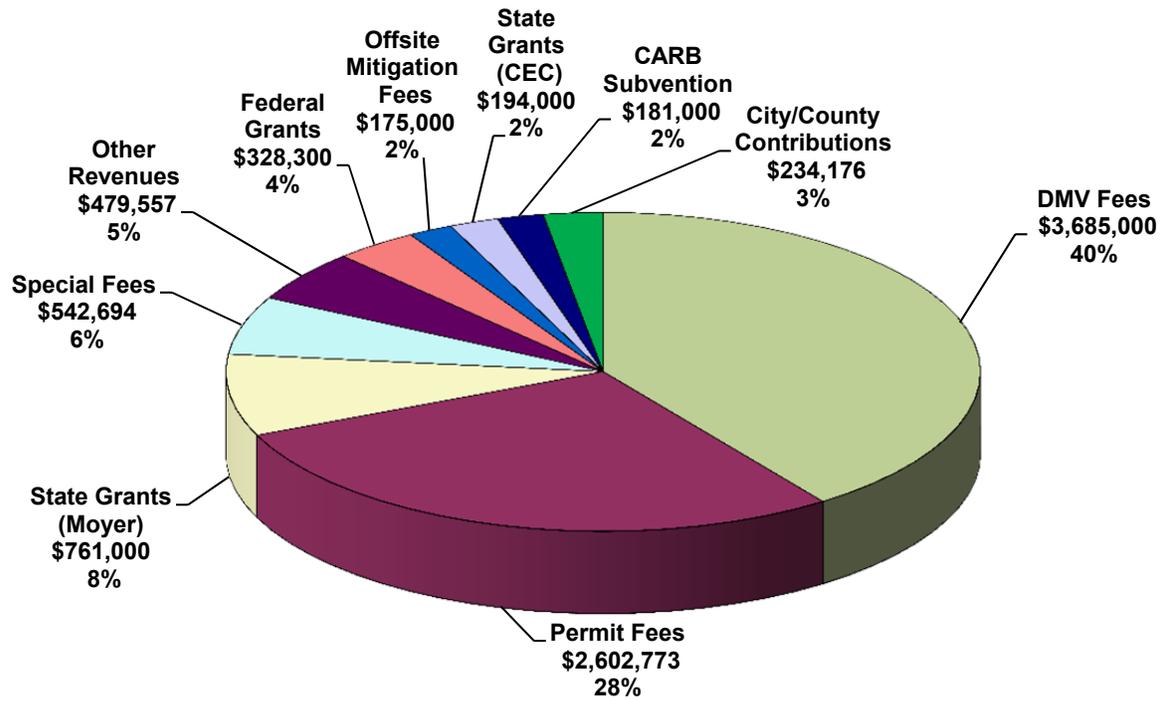
- ❖ Total budget of \$13.9 million consisting of:

Operational Budget	\$6.2 million
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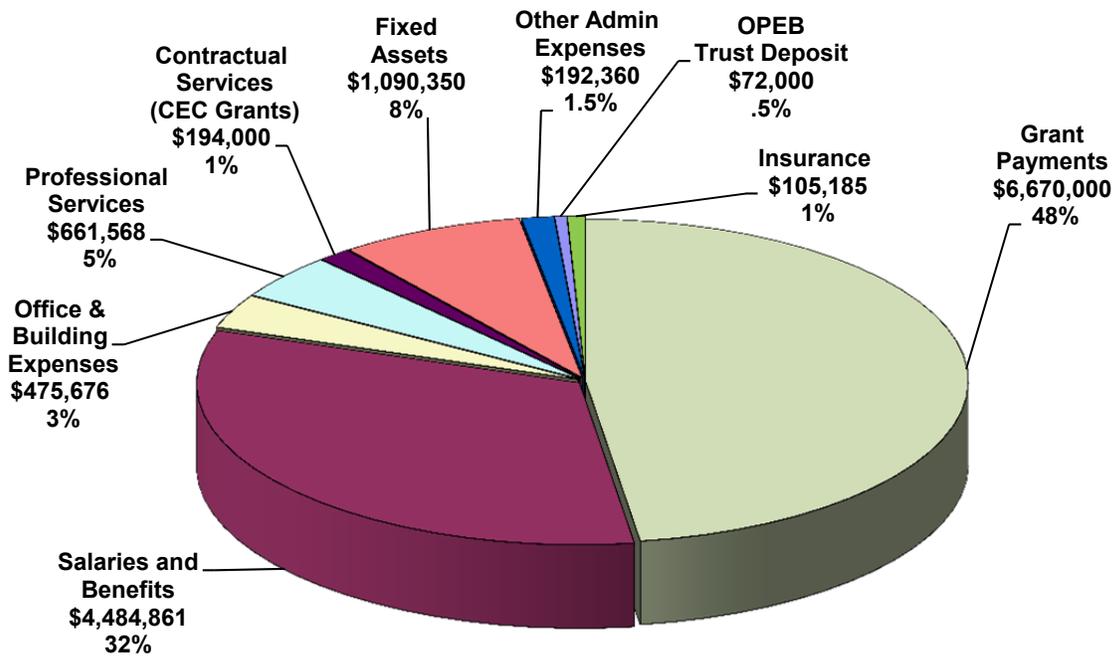
Non-Operational Budget (Grant Programs)	\$7.7 million
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- ❖ Fee rule changes and permit fee increases, resulting in an increase to revenues of about \$101,000.
- ❖ Personnel changes: Addition of an Air Quality Inspector I/II position. Elimination of three vacant positions: Air Monitoring Specialist II, Air Quality Engineer III, and Source Test Program Coordinator. Result is a net reduction of two positions.
- ❖ Increase in City and County per capita fees from \$.27 to \$.31, resulting in an additional \$30,000 in revenues.
- ❖ Fixed Asset purchases totaling approximately \$1,090,350, including the building remodel project estimated at \$1.0 million, completion of the new data management system project, and a vehicle replacement.
- ❖ \$72,000 deposit to the District's Other Post Employment Benefit (OPEB) Trust, funded by the General Fund reserve designated for post-employment benefits.
- ❖ General Fund budget net deficit of \$1,552,000, largely due to the building remodel project. The building remodel project can be partially funded by the use of the \$938,000 reserve designated for building improvements.
- ❖ AB2766 Fund budget net deficit of \$2.2 million, including approximately \$3.5 million for new and prior year grants to public agencies to fund qualifying projects that reduce emissions.
- ❖ AB923 Fund budget includes \$2.0 million in new grant expenditures.
- ❖ Carl Moyer Grant Fund budget includes \$885,000 in new grants.
- ❖ General Grant Fund budget of \$200,000 for grants to retrofit/replace agricultural pumps and school buses, funded by the East Garrison Project offsite mitigation fees (project located in Monterey County).
- ❖ Other Grant Programs - \$75,000 in Woodstove Changeout Grants and \$10,000 for Air Expression Grants.
- ❖ Continued assistance towards reducing PM2.5 emissions in the San Lorenzo Valley, including funding for free yard waste recycling for residents.

**FY 2015-16
Revenue - All Funds**



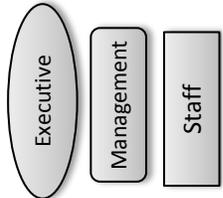
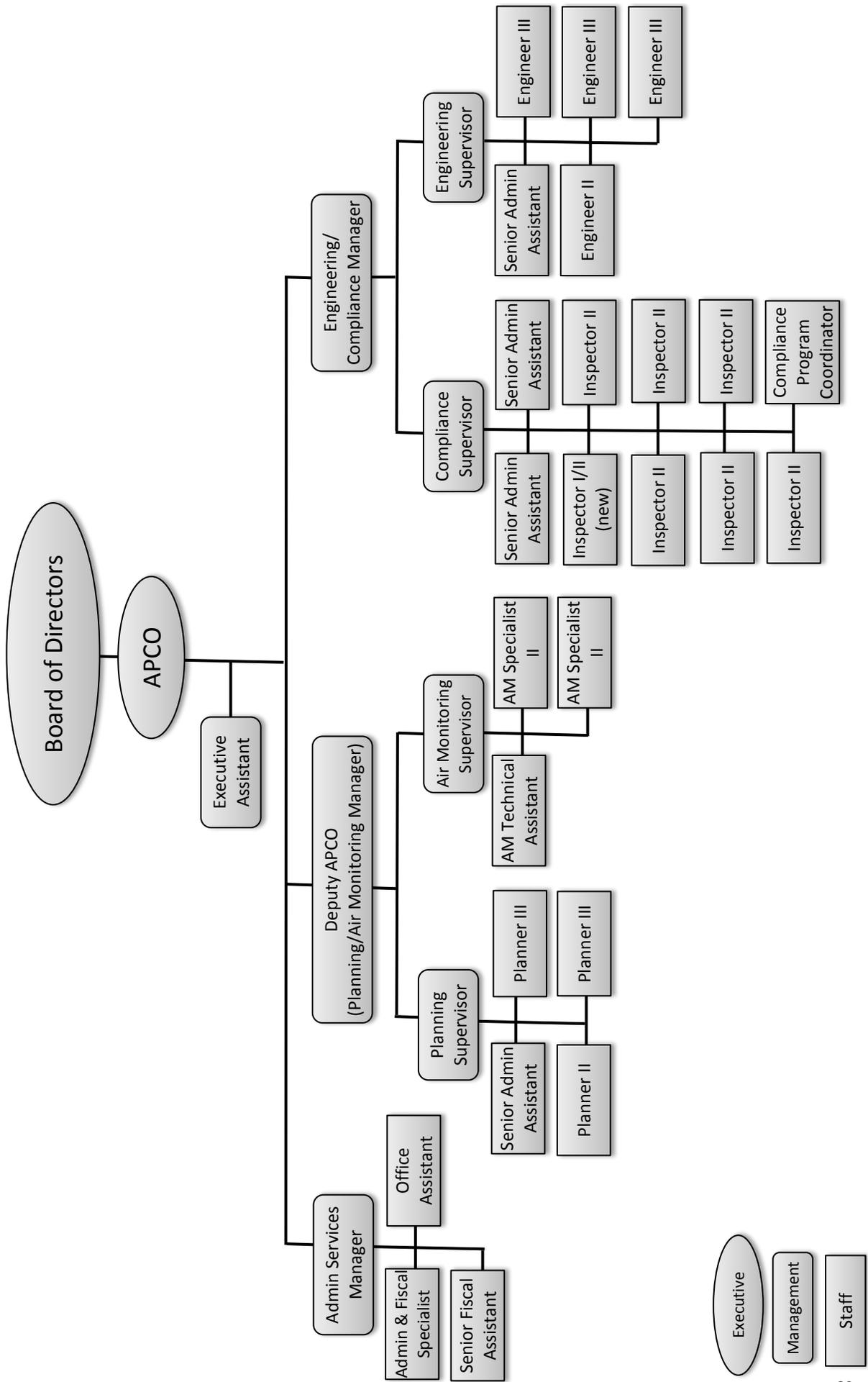
**FY 2015-16
Expenditures - All Funds**



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ORGANIZATIONAL STRUCTURE

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**Monterey Bay Unified Air Pollution Control District
Personnel Schedule**

Division/Position	Revised Budget FY 2014-15	Additions/ Deletions	Adopted Budget FY 2015-16
<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 (Planning & Air Monitoring Mgr)	1.00		1.00
Subtotal	7.00	0.00	7.00
<u>COMPLIANCE</u>			
Division Manager (1)	0.50		0.50
Division Supervisor	1.00		1.00
Senior Admin Assistant	2.00		2.00
Compliance Program Coordinator	1.00		1.00
Inspector I - New position for FY 15-16	0.00	1.00	1.00
Inspector I - Promoted to Inspector II	1.00	(1.00)	0.00
Inspector II	5.00	1.00	6.00
Subtotal	10.50	1.00	11.50
<u>ENGINEERING</u>			
Division Manager (1)	0.50		0.50
Division Supervisor	1.00		1.00
Senior Admin Assistant	1.00		1.00
Engineer II	1.00		1.00
Engineer III (2)	4.00	(1.00)	3.00
Source Testing Program Coordinator (3)	1.00	(1.00)	0.00
Subtotal	8.50	(2.00)	6.50
<u>PLANNING</u>			
Division Supervisor	1.00		1.00
Senior Administrative Assistant	1.00		1.00
Planner II	1.00		1.00
Planner III	2.00		2.00
Subtotal	5.00	0.00	5.00
<u>AIR MONITORING</u>			
Division Supervisor	1.00		1.00
AM Technical Assistant	1.00		1.00
AM Specialist II (2)	3.00	(1.00)	2.00
Subtotal	5.00	(1.00)	4.00
Total Number of Positions	36.00	(2.00)	34.00

Notes:

- 1) Position oversees both Compliance & Engineering divisions.
- 2) Positions eliminated due to attrition - employees retired. Includes 1 vacant position.
- 3) Source test program responsibilities transitioning to Compliance Div in FY 15-16.



**Monterey Bay Unified Air Pollution Control District
Hourly Rates for Staff Positions
Effective 1/1/15 (based on current SEIU labor contract)**

Job Title	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Office Assistant	18.08	18.99	19.95	20.95	22.00	24.20
Administrative Assistant	19.77	20.76	21.80	22.89	24.03	26.43
Fiscal Assistant	20.57	21.60	22.68	23.82	25.01	27.51
Sr. Admin Assistant (hired after 12/31/14)	21.84	22.93	24.08	25.28	26.54	29.20
Air Monitoring Technical Asst (hired after 12/31/14)	22.30	23.41	24.58	25.81	27.10	29.81
Sr. Fiscal Assistant	22.75	23.88	25.08	26.33	27.65	30.41
Air Monitoring Technical Asst (hired prior to 1/1/15)	24.88	26.12	27.43	28.81	30.25	33.29
Sr. Admin Assistant (hired prior to 1/1/15)	25.38	26.66	28.00	29.40	30.87	33.96
Air Monitoring Specialist I	25.63	26.92	28.26	29.68	31.16	34.27
Air Quality Compliance Inspector I	27.21	28.58	30.02	31.53	33.12	36.43
Air Quality Planner I	29.47	30.94	32.49	34.11	35.82	39.40
Air Monitoring Specialist II	29.76	31.25	32.82	34.47	36.20	39.82
Air Quality Compliance Inspector II	31.59	33.17	34.83	36.58	38.41	42.26
Air Monitoring Specialist III	32.23	33.84	35.53	37.31	39.18	43.11
Air Quality Planner II (hired after 12/31/14)	32.55	34.17	35.88	37.68	39.56	43.52
Air Quality Engineer I	32.88	34.52	36.24	38.06	39.97	43.97
Air Quality Compliance Inspector III	34.55	36.28	38.10	40.01	42.01	46.22
Air Quality Planner III (hired after 12/31/14)	35.95	37.75	39.63	41.62	43.70	48.07
Compliance Program Coordinator	36.31	38.14	40.03	42.04	44.14	48.55
Air Quality Engineer II	38.17	40.08	42.10	44.20	46.41	51.06
Air Quality Planner II (hired prior to 1/1/15)	38.17	40.08	42.10	44.20	46.41	51.06
Source Testing Program Coordinator	38.17	40.08	42.10	44.20	46.41	51.06
Air Quality Engineer III	41.74	43.83	46.02	48.33	50.74	55.83
Air Quality Planner III (hired prior to 1/1/15)	41.74	43.83	46.02	48.33	50.74	55.83

Annual Salaries - Based on Employment Agreements

Job Title	Annual Salary
Air Pollution Control Officer (APCO)	\$ 172,645
Deputy APCO (Planning & Air Monitoring Mgr)	\$ 139,677
Engineering & Compliance Manager	\$ 132,080
Engineering Supervisor	\$ 120,000
Administrative Services Manager	\$ 119,579
Supervising Air Quality Planner	\$ 108,525
Supervising Air Quality Compliance Inspector	\$ 102,053
Supervising Air Monitoring Specialist	\$ 85,954
Executive Assistant	\$ 78,500
Administrative & Fiscal Specialist	\$ 57,616

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BUDGET

SCHEDULES

**MBUAPCD
Operating Budget
Fiscal Year 2015-16**

	ACTUALS FY 13-14	REVISED BUDGET FY 14-15	ESTIMATED ACTUALS FY 14-15	ADOPTED BUDGET FY 15-16
<u>Operating Revenues</u>				
EPA Grants	\$ 321,899	\$ 326,750	\$ 321,750	\$ 328,300
AB2766 DMV Fees	1,450,000	1,450,000	1,450,000	1,450,000
AB923 DMV Fees	60,000	60,000	60,000	60,000
Permit Fees	2,930,912	2,568,540	2,501,848	2,602,773
Special Fees	494,732	681,400	564,500	542,694
Penalties and Fines	171,654	135,000	263,500	150,000
CARB Subvention	180,956	181,000	181,000	181,000
City and County Contributions (1)	171,312	203,814	203,814	234,176
Contract Revenues	78,730	80,000	75,000	75,000
Moyer Operating Grant Revenues	72,713	70,000	70,000	76,000
California Energy Commission EV Grants (3)	169,122	227,000	200,000	194,000
Other Revenues and Transfers	190,906	150,196	140,088	180,057
Interest Income	57,909	56,000	56,000	58,000
Total Operating Revenues	\$ 6,350,845	\$ 6,189,700	\$ 6,087,500	\$ 6,132,000
<u>Expenditures by Division:</u>				
Administrative	\$ 1,625,429	\$ 1,806,362	\$ 1,791,769	\$ 1,903,075
Air Monitoring	703,757	773,812	763,942	606,010
Compliance	1,378,293	1,417,748	1,416,855	1,573,732
Engineering	1,318,013	1,193,676	1,168,634	1,021,016
Planning	1,158,500	1,223,102	1,121,300	1,100,167
Total Operating Expenditures	\$ 6,183,992	\$ 6,414,700	\$ 6,262,500	\$ 6,204,000
To (From) Reserve Balances	\$ 166,853	\$ (225,000)	\$ (175,000)	\$ (72,000)
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 4,705,646	\$ 4,657,803	\$ 4,693,852	\$ 4,484,861
Maintenance, Equipment, and Supplies	264,821	369,174	322,968	355,431
Legal and Professional Services (2)	504,689	497,743	438,173	661,568
Contractual Svcs - Calif Energy Comm EV Grants (3)	161,881	227,000	175,000	194,000
Utilities & Office Rent	128,246	113,226	124,297	120,245
Insurance	97,096	103,065	99,569	105,185
Training, Travel, District Board Exp	100,781	169,705	131,957	160,915
Fixed Assets (4)	168,125	236,200	236,200	90,350
Sponsorships	-	25,000	25,000	13,500
Other	52,707	15,784	15,484	17,945
Total Operating Expenditures	\$ 6,183,992	\$ 6,414,700	\$ 6,262,500	\$ 6,204,000

Notes:

- (1) FY 14-15 City and County contributions includes per capita assessment increase from \$.27 to \$.31.
- (2) FY 15-16 legal expenses increased due to new lawsuit filed against the District.
- (3) Pass-through monies from the California Energy Commission for projects promoting electric vehicles.
- (4) Fixed Assets in FY 2015-16 consists of \$58,350 for balance of Trak-It database management system and \$32,000 for vehicle replacement.

MBUAPCD
Non-Operating Budget
Fiscal Year 2015-16

	ACTUALS FY 13-14	REVISED BUDGET FY 14-15	ESTIMATED ACTUALS FY 14-15	ADOPTED BUDGET FY 15-16
<u>Non-Operating Revenues</u>				
AB2766 DMV Fees	\$ 1,060,885	\$ 975,000	\$ 975,000	\$ 1,000,000
AB923 DMV Fees and Interest	1,212,773	1,174,000	1,174,000	1,189,000
Moyer Grants and Interest	1,116,728	902,000	902,000	687,000
Offsite Mitigation Fees/Interest (1)	96,919	225,500	200,500	175,500
School Bus Interest (2)	1,021	-	-	-
Total Non-Operating Revenues	\$ 3,488,326	\$ 3,276,500	\$ 3,251,500	\$ 3,051,500
<u>Expenditures by Division:</u>				
Planning (grant payments only)	\$ 4,515,065	\$ 7,467,270	\$ 4,212,185	\$ 6,670,000
Administrative - CalPERS Side Fund payoff	\$ 809,773	\$ -	\$ -	\$ -
Administrative - OPEB Liability Funding	\$ 150,000	\$ 150,000	\$ 150,000	\$ 72,000
Building Remodel Project	\$ 7,614	\$ 155,000	\$ 155,000	\$ 1,000,000
Total Non-Operating Expenditures	\$ 5,482,452	\$ 7,772,270	\$ 4,517,185	\$ 7,742,000
To (From) Reserve Balances	\$ (1,994,126)	\$ (4,495,770)	\$ (1,265,685)	\$ (4,690,500)
<u>Expenditures by Type:</u>				
AB2766 DMV Grants - Current Year (3)	122,498	1,450,000	470,000	1,000,000
AB2766 DMV Grants - Prior Year (3)	1,502,245	2,725,000	1,489,000	2,500,000
Moyer Grants (3)	1,349,360	1,009,770	663,000	885,000
AB923 Grants (3)	1,159,402	2,000,000	1,336,685	2,000,000
General Grants-Offsite Mitigation Grants (1)	-	200,000	171,000	200,000
School Bus Grants (2)	140,000	-	-	-
Woodstove Changeout Grants	122,750	72,500	72,500	75,000
Public Education Grants	18,810	10,000	10,000	10,000
Grants-Strategic Init- Electric Veh	100,000	-	-	-
PERS Side Fund Payoff	809,773	-	-	-
Building Remodel Project (4)	7,614	155,000	155,000	1,000,000
OPEB Trust Account Deposit (5)	150,000	150,000	150,000	72,000
Total Non-Operating Expenditures	\$ 5,482,452	\$ 7,772,270	\$ 4,517,185	\$ 7,742,000

Notes:

- (1) Funded by mitigation fees from the East Garrison project in Marina. Monies to be granted for retrofits/replacements of agricultural pumps and school buses.
- (2) LESBP School Bus Program final expenditures made in FY 13-14.
- (3) Assumption for FY 14-15 & 15-16 budget columns is that all outstanding grants are paid out during the fiscal period.
- (4) Partially funded from reserve designated for building improvements. Reserve current balance is \$938,550.
- (5) Funded from reserve designated for OPEB liability. Reserve current balance is \$560,000.

Monterey Bay Unified Air Pollution Control District
Funds Relationships to Divisions
FY 2015-16

Division/Program	Funded By				General Grants
	General	AB2766	Moyer	AB923	
Administrative					
District Boards	X				
Finance	X	X			
Operations	X	X			
Information Systems	X	X			
Public Education & Air Expression Grants		X			
Engineering					
Permitting	X				
Title V	X				
Source Testing	X				
Rule Development	X				
Compliance					
Permitting	X				
Title V	X				
Asbestos	X				
Complaints	X				
Burn Program	X				
Air Monitoring					
General Air Monitoring	X	X			
PM 2.5 Monitoring	X				
Planning					
Planning & Grant Programs	X	X		X	X
Carl Moyer Program			X		
Woodstove Changeout Grants	X				

The District's finances are reported in 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, special 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.

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

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

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

**Monterey Bay Unified
Air Pollution Control District
General Fund Budget**

	ACTUALS FY 13-14	REVISED BUDGET FY 14-15	ESTIMATED ACTUALS FY 14-15	ADOPTED BUDGET FY 15-16
Revenues				
EPA Grants	\$ 321,899	\$ 326,750	\$ 321,750	\$ 328,300
Permit Fees	2,930,912	2,568,540	2,501,848	2,602,773
Special Fees	494,732	681,400	564,500	542,694
Penalties and Fines	171,654	135,000	127,000	150,000
CARB Subvention	180,956	181,000	181,000	181,000
City and County Contributions (1)	171,312	203,814	203,814	234,176
Contract Revenues	78,730	80,000	75,000	75,000
California Energy Commission Grants (3)	169,122	227,000	200,000	194,000
Other Revenues	190,906	150,196	140,088	180,057
Interest Income	40,959	38,000	38,000	40,000
Total General Fund Revenues	\$ 4,751,182	\$ 4,591,700	\$ 4,353,000	\$ 4,528,000
Expenditures by Division:				
Administrative (including debt reduction spending) (5)	\$ 2,232,039	\$ 1,691,584	\$ 1,737,231	\$ 2,564,403
Air Monitoring	\$ 187,964	\$ 215,595	\$ 215,980	\$ 168,875
Compliance	\$ 1,378,293	\$ 1,417,748	\$ 1,416,855	\$ 1,573,732
Engineering	\$ 1,318,013	\$ 1,193,676	\$ 1,168,634	\$ 1,021,016
Planning	\$ 1,040,903	\$ 828,716	\$ 834,300	\$ 751,974
Total General Fund Expenditures	\$ 6,157,212	\$ 5,347,319	\$ 5,373,000	\$ 6,080,000
To (From) Reserve Balances	\$ (1,406,030)	\$ (755,619)	\$ (1,020,000)	\$ (1,552,000)
Expenditures by Type:				
Salaries and Benefits	\$ 3,859,794	\$ 3,643,306	\$ 3,737,852	\$ 3,572,282
Maintenance, Equipment, and Supplies	197,089	250,846	230,637	240,345
Legal and Professional Services (2)	382,155	335,798	352,128	522,448
Contractual Services - Calif Energy Comm Grant (3)	161,881	227,000	175,000	194,000
Utilities & Office Rent	87,269	81,491	86,949	86,700
Insurance	78,648	82,450	79,655	84,150
Training, Travel, District Board Exp	76,262	114,964	99,305	127,215
Fixed Assets (4)	118,601	375,800	375,800	1,090,350
Grants-Woodstove Changeouts	122,750	72,500	72,500	75,000
PERS Side Fund Payoff (5)	809,773	-	-	-
OPEB Trust Account Deposit (5)	150,000	150,000	150,000	72,000
Grants-Strategic Init- Electric Veh	100,000	-	-	-
Other	12,990	13,164	13,174	15,510
Total General Fund Expenditures	\$ 6,157,212	\$ 5,347,319	\$ 5,373,000	\$ 6,080,000
Net Deficit Without Bldg Remodel and Debt Reduction:	\$ (438,643)	\$ (450,619)	\$ (715,000)	\$ (480,000)

Notes:

- (1) FY 14-15 City and County contributions includes per capita assessment increase from \$.27 to \$.31
- (2) FY 15-16 legal expenses increased due to new lawsuit filed against the District.
- (3) Pass-through monies from the California Energy Commission for projects promoting electric vehicles.
- (4) FY 15-16 Fixed Assets include: \$1,000,000 for building remodel project, \$58,350 for database management system, \$32,000 for District vehicle.
- (5) Debt reduction includes PERS side fund payoff in FY 13-14 and deposits to District's Other Post Employment Benefit (OPEB) Trust to fund retiree health benefits.

**Monterey Bay Unified
Air Pollution Control District
AB2766 Fund Budget**

	ACTUALS FY 13-14	REVISED BUDGET FY 14-15	ESTIMATED ACTUALS FY 14-15	ADOPTED BUDGET FY 15-16
Revenues				
AB2766 DMV Fees-Operating	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000	\$ 1,450,000
AB2766 DMV Fees-Non-Operating	1,060,885	975,000	975,000	1,000,000
AB2766 Fund Interest Income	16,950	18,000	18,000	18,000
Total AB2766 Fund Revenues	\$ 2,527,835	\$ 2,443,000	\$ 2,443,000	\$ 2,468,000
Expenditures by Division:				
Administrative	\$ 379,587	\$ 429,778	\$ 369,538	\$ 420,672
Air Monitoring	\$ 515,793	\$ 558,217	\$ 547,962	\$ 437,135
Compliance	\$ -	\$ -	\$ -	\$ -
Engineering	\$ -	\$ -	\$ -	\$ -
Planning	\$ 1,860,110	\$ 4,519,054	\$ 2,253,250	\$ 3,840,514
Total AB2766 Fund Expenditures	\$ 2,755,490	\$ 5,507,049	\$ 3,170,750	\$ 4,698,321
To (From) Reserve Balances	\$ (227,655)	\$ (3,064,049)	\$ (727,750)	\$ (2,230,321)
Expenditures by Type:				
Salaries and Benefits	\$ 781,305	\$ 913,565	\$ 895,800	\$ 847,900
Maintenance, Equipment, and Supplies	67,361	115,428	91,281	113,086
Legal and Professional Services	120,084	142,945	82,045	123,120
Utilities & Office Rent	40,977	31,735	37,348	33,545
Insurance	18,448	20,615	19,914	21,035
Training, Travel, District Board Expenses	24,519	54,741	32,652	33,700
Sponsorships (1)	-	25,000	25,000	13,500
Fixed Assets	57,138	15,400	15,400	-
Grants-Public Educations	18,810	10,000	10,000	10,000
Grants-AB2766 (Current & Prior Years) (2)	1,624,743	4,175,000	1,959,000	3,500,000
Other	2,105	2,620	2,310	2,435
Total AB2766 Fund Expenditures	\$ 2,755,490	\$ 5,507,049	\$ 3,170,750	\$ 4,698,321

Notes:

- (1) FY 14-15 sponsorship was for promotion of electric vehicles. FY 15-16 includes sponsoring Breathe Calif awards.
(2) Budgeted amounts assume that all grant projects are completed and paid within the fiscal period. Actual results can vary depending on when projects are completed and when grantees submit reimbursement requests.

**Monterey Bay Unified
Air Pollution Control District
AB923 Fund Budget**

	ACTUALS FY 13-14	REVISED BUDGET FY 14-15	ESTIMATED ACTUALS FY 14-15	ADOPTED BUDGET FY 15-16
<u>Revenues</u>				
AB923 Fees/ - Operating	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
AB923 Fees/Interest -Non-Operating	1,195,316	1,160,000	1,160,000	1,175,000
AB923 Fund Interest Income	17,457	14,000	14,000	14,000
Total AB923 Fund Revenues	<u>\$ 1,272,773</u>	<u>\$ 1,234,000</u>	<u>\$ 1,234,000</u>	<u>\$ 1,249,000</u>
<u>Expenditures by Division:</u>				
Planning	<u>\$ 1,170,488</u>	<u>\$ 2,055,692</u>	<u>\$ 1,359,435</u>	<u>\$ 2,021,530</u>
Total AB923 Fund Expenditures	<u>\$ 1,170,488</u>	<u>\$ 2,055,692</u>	<u>\$ 1,359,435</u>	<u>\$ 2,021,530</u>
To (From) Reserve Balances	<u>\$ 102,285</u>	<u>\$ (821,692)</u>	<u>\$ (125,435)</u>	<u>\$ (772,530)</u>
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 11,086	\$ 45,292	\$ 22,700	\$ 11,130
Professional Services	-	10,000	-	10,000
Supplies, Travel, Training	-	400	50	400
Grants-AB923	1,159,402	2,000,000	1,336,685	2,000,000
Transfers to other funds	-	-	-	-
Total AB923 Fund Expenditures	<u>\$ 1,170,488</u>	<u>\$ 2,055,692</u>	<u>\$ 1,359,435</u>	<u>\$ 2,021,530</u>

**Monterey Bay Unified
Air Pollution Control District
Moyer Fund Budget**

	ACTUALS FY 13-14	REVISED BUDGET FY 14-15	ESTIMATED ACTUALS FY 14-15	ADOPTED BUDGET FY 15-16
<u>Revenues</u>				
Moyer Grant-Non Operating	\$ 1,113,978	\$ 900,000	\$ 900,000	\$ 685,000
Moyer Grant - Operating	72,713	70,000	70,000	76,000
Moyer Interest	2,750	2,000	2,000	2,000
Transfer from AB923 Fund	-	-	-	-
Total Moyer Fund Revenues	<u>\$ 1,189,441</u>	<u>\$ 972,000</u>	<u>\$ 972,000</u>	<u>\$ 763,000</u>
<u>Expenditures by Division:</u>				
Planning	\$ 1,402,455	\$ 1,076,910	\$ 705,500	\$ 946,149
Total Moyer Fund Expenditures	<u>\$ 1,402,455</u>	<u>\$ 1,076,910</u>	<u>\$ 705,500</u>	<u>\$ 946,149</u>
To (From) Reserve Balances	<u>\$ (213,014)</u>	<u>\$ (104,910)</u>	<u>\$ 266,500</u>	<u>\$ (183,149)</u>
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 50,274	\$ 55,640	\$ 37,500	\$ 53,549
Professional Services	2,450	9,000	4,000	6,000
Supplies, Travel, Training	371	2,500	1,000	1,600
Grants	1,349,360	1,009,770	663,000	885,000
Total Moyer Fund Expenditures	<u>\$ 1,402,455</u>	<u>\$ 1,076,910</u>	<u>\$ 705,500</u>	<u>\$ 946,149</u>

**Monterey Bay Unified
Air Pollution Control District
General Grants Fund Budget**

	ACTUALS FY 13-14	REVISED BUDGET FY 14-15	ESTIMATED ACTUALS FY 14-15	ADOPTED BUDGET FY 15-16
<u>Revenues</u>				
Offsite Mitigation Fees/Interest (1)	\$ 96,919	\$ 225,500	\$ 200,500	\$ 175,500
Total General Grants Fund Revenues	\$ 96,919	\$ 225,500	\$ 200,500	\$ 175,500
<u>Expenditures by Division:</u>				
Planning	-	200,000	171,000	200,000
Total General Grants Fund Expenditures	\$ -	\$ 200,000	\$ 171,000	\$ 200,000
To (From) Reserve Balances	\$ 96,919	\$ 25,500	\$ 29,500	\$ (24,500)
<u>Expenditures by Type:</u>				
Grants (1)	-	200,000	171,000	200,000
Total General Grants Fund Expenditures	\$ -	\$ 200,000	\$ 171,000	\$ 200,000

Notes:

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

**Monterey Bay Unified
Air Pollution Control District
School Bus Fund Budget**

	ACTUALS FY 13-14	REVISED BUDGET FY 14-15	ESTIMATED ACTUALS FY 14-15	ADOPTED BUDGET FY 15-16
<u>Revenues</u>				
School Bus Grants-Non Operating	\$ -	\$ -	\$ -	\$ -
School Bus Grants - Operating	-	-	-	-
School Bus Interest	1,021	-	-	-
Total School Bus Fund Revenues	\$ 1,021	\$ -	\$ -	\$ -
 <u>Expenditures by Division:</u>				
Planning	\$ 180,799	\$ -	\$ -	\$ -
Total Schl Bus Fund Expenditures	\$ 180,799	\$ -	\$ -	\$ -
To (From) Reserve Balances	\$ (179,778)	\$ -	\$ -	\$ -
 <u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 3,187	\$ -	\$ -	\$ -
Grants	140,000	-	-	-
Total Schl Bus Fund Expenditures	\$ 180,799	\$ -	\$ -	\$ -

Notes:

Final grant expenditures occurred in FY 13-14.

**Monterey Bay Unified
Air Pollution Control District
Direct Expenditures by Program - All Funds**

	ACTUALS FY 13-14	ESTIMATED ACTUALS FY 14-15	ADOPTED BUDGET FY 15-16
Support and Operations (1)	\$ 1,514,796	\$ 1,816,619	\$ 2,726,472
Education (2)	137,057	140,150	186,603
Permitting (3)	2,351,023	2,217,744	2,281,189
Title V	209,705	248,400	204,323
Source Testing (4)	68,129	69,650	-
Asbestos	240,226	258,075	260,074
Air Monitoring AB2766	515,793	547,962	437,135
Air Monitoring PM 2.5	25,237	40,200	31,300
Planning General	908,103	729,200	663,711
Planning AB2766	1,860,110	2,253,250	3,840,514
AB 923 Grant Program	1,170,488	1,359,435	2,021,530
Moyer Grant Program	1,402,455	705,500	946,149
School Bus Program (5)	180,799	-	
Offsite Mitigation Grants (6)	-	171,000	200,000
Woodstove Changeout Program	122,750	72,500	75,000
Debt Funding (7)	959,773	150,000	72,000
Total-All Programs	\$ 11,666,444	\$ 10,779,685	\$ 13,946,000

Notes:

- (1) Support and Operations include all overhead expenses. For FY 15-16, total includes building remodel project estimated at \$1.0 million.
- (2) Education program expenses for FY 15-16 include increases to public outreach program and public information officer contractual services.
- (3) Permitting program includes stationary source program expenditures for Engineering & Compliance divisions, rule development, complaints, burn permits, and air monitoring. For FY 15-16, total includes one new Inspector I/II positic
- (4) Source testing responsibilities are part of Permitting costs for FY 15-16.
- (5) Final expenditures for the Lower Emission School Bus Grant Program occurred in FY 13-14.
- (6) Offsite mitigation grants to be funded from East Garrison Project air quality mitigation fees collected by Monterey County.
- (7) Debt reduction includes PERS side fund payoff (FY 13-14) and deposits to Other Post Employment Benefit (OPEB) Trust (FY 14-15 & 15-16).

**Monterey Bay Unified
Air Pollution Control District
Stationary Source Programs
FY 2015-16 Budget**

	<u>Permitting</u>	<u>Title V</u>	<u>Asbestos</u>
Estimated Revenues	\$ 2,602,773	\$ 349,694	\$ 193,000
Estimated direct expenditures			
Engineering Division	\$ 942,798	\$ 78,218	\$ -
Compliance Division	1,187,553	126,105	260,074
Air Monitoring Division	137,575	-	-
Planning Division	13,263	-	-
Subtotal - Direct Expenditures	\$ 2,281,189	\$ 204,323	\$ 260,074
Estimated overhead allocations			
Engineering Division	\$ 374,529	\$ 29,747	\$ -
Compliance Division	501,361	60,369	109,562
Air Monitoring Division	54,781	-	-
Planning Division	4,194	-	-
Subtotal - Overhead Allocations	\$ 934,865	\$ 90,116	\$ 109,562
Total Expenditures + Overhead	\$ 3,216,054	\$ 294,439	\$ 369,636
<i>Surplus or (deficit)</i>	\$ (613,281)	\$ 55,255	\$ (176,636)

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), a Planning & Air Monitoring Manager (Deputy 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 2013-14	REVISED BUDGET FY 2014-15	ESTIMATED ACTUALS FY 14-15	ADOPTED BUDGET FY 15-16
<i>Expenditures by Type:</i>				
Salaries and Benefits	\$ 706,855	\$ 740,441	\$ 797,700	\$ 813,933
Maintenance, Equipment, and Supplies	181,157	185,614	171,440	197,471
Legal and Professional Services	357,635	391,575	345,775	545,400
Utilities & Office Rent	66,091	64,612	68,800	68,725
Insurance	97,096	103,065	99,569	105,185
Training, Travel, District Board Expenses	64,797	85,055	72,535	85,350
Fixed Assets	144,567	376,200	376,200	1,058,350
Sponsorships	-	-	-	11,500
PERS Side Fund Payment	809,773	-	-	-
OPEB Trust Acct Payment	150,000	150,000	150,000	72,000
Grants and Other	33,655	24,800	24,750	27,161
Totals	<u>\$2,611,626</u>	<u>\$2,121,362</u>	<u>\$2,106,769</u>	<u>\$2,985,075</u>

AIR MONITORING DIVISION

The Air Monitoring Division performs the following functions:

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

The Air Monitoring Division consists of one Supervising Air Monitoring Specialist, two Air Monitoring Specialists IIs, and an Air Monitoring Technical Assistant.

	ACTUALS FY 2013-14	REVISED BUDGET FY 2014-15	ESTIMATED ACTUALS FY 14-15	ADOPTED BUDGET FY 15-16
<i>Expenditures by Type:</i>				
Salaries and Benefits	\$ 586,166	\$ 635,703	\$ 633,352	\$ 504,445
Maintenance, Equipment, and Supplies	37,768	74,080	62,798	61,380
Professional Services	7,492	12,000	15,798	9,500
Utilities & Office Rent	38,027	25,529	31,872	26,685
Training & Travel	3,132	11,500	5,122	4,000
Fixed Assets	31,172	15,000	15,000	-
Totals	\$ 703,757	\$ 773,812	\$ 763,942	\$ 606,010

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, seven field Inspectors, a Compliance Program Coordinator, and two Senior Administrative Assistants.

	ACTUALS FY 2013-14	REVISED BUDGET FY 2014-15	ESTIMATED ACTUALS FY 14-15	ADOPTED BUDGET FY 15-16
<i>Expenditures by Type:</i>				
Salaries and Benefits	\$1,308,179	\$1,325,043	\$1,321,150	\$1,445,877
Maintenance, Equipment, and Supplies	22,917	35,930	36,030	33,830
Utilities & Office Rent	23,116	21,525	22,425	23,275
Legal and Professional Services	12,292	16,100	16,100	16,100
Training & Travel	11,789	19,150	21,150	22,650
Totals	<u>\$1,378,293</u>	<u>\$1,417,748</u>	<u>\$1,416,855</u>	<u>\$1,573,732</u>

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
- Source Testing of stack emissions
- 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 Supervising Engineer, four Permit Engineers, and a Senior Administrative Assistant.

	ACTUALS	REVISED	ESTIMATED	ADOPTED
	FY 2013-14	BUDGET	ACTUALS	BUDGET
	FY 2013-14	FY 2014-15	FY 14-15	FY 15-16
<i>Expenditures by Type:</i>				
Salaries and Benefits	\$1,284,294	\$1,136,474	\$1,120,750	\$ 946,999
Maintenance, Equipment, and Supplies	8,295	19,300	14,000	10,400
Legal and Professional Services	17,300	18,818	18,250	40,818
Training & Travel	8,124	18,600	15,150	22,315
Other	-	484	484	\$ 484
Totals	\$1,318,013	\$1,193,676	\$1,168,634	\$1,021,016

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
- Grant and contractual programs including AB2766 (DMV Fees) Grant Program, Carl Moyer Memorial Program, School Bus Retrofit & Replacement Programs, Woodstove Changeout Program, and the Fort Ord Burn Program
- Educational programs for the general public

The Planning Division consists of one Supervising Planner, two Air Quality Planners IIIs, one Air Quality Planner II, and a Senior Administrative Assistant.

	ACTUALS FY 2013-14	REVISED BUDGET FY 2014-15	ESTIMATED ACTUALS FY 14-15	ADOPTED BUDGET FY 15-16
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 820,152	\$ 820,142	\$ 820,900	\$ 773,607
Maintenance, Equipment, and Supplies	4,152	21,600	14,050	19,000
Legal and Professional Services	282,193	317,100	241,700	275,800
Utilities & Office Rent	1,012	1,560	1,200	1,560
Training & Travel	50,741	37,200	18,200	27,900
Sponsorships	-	25,000	25,000	2,000
Grants-AB2766	1,624,743	4,175,000	1,959,000	3,500,000
Grants-Moyer	1,349,360	1,009,770	663,000	885,000
Grants-AB923	1,159,402	2,000,000	1,336,685	2,000,000
Grants-Woodstove Changeouts	122,750	72,500	72,500	75,000
Grants-Offsite Mitigation	-	200,000	171,000	200,000
Grants-School Bus	140,000	-	-	-
Grants-Electric Vehicles Strategic Initiative	100,000	-	-	-
Other	250	500	250	300
Totals	<u>\$5,654,755</u>	<u>\$ 8,680,372</u>	<u>\$ 5,323,485</u>	<u>\$ 7,760,167</u>

**Fixed Assets
Adopted Budget
FY 2015-16**

Description	Estimated Cost
District's Building Remodel Project-estimated costs	\$ 1,000,000
Permitting & Compliance Data Management System - completion of software implementation	58,350
Replacement vehicle for compliance inspections	<u>32,000</u>
Grand Totals	<u><u>\$ 1,090,350</u></u>

FUND BALANCES

Fund Balances

	General Fund			AB2766 Fund			AB923 Fund			Moyer Fund			General Grant Fund		
	ACTUALS FY 13-14	ESTIMATED ACTUALS FY 14-15	ADOPTED BUDGET FY 15-16	ACTUALS FY 13-14	ESTIMATED ACTUALS FY 14-15	ADOPTED BUDGET FY 15-16	ACTUALS FY 13-14	ESTIMATED ACTUALS FY 14-15	ADOPTED BUDGET FY 15-16	ACTUALS FY 13-14	ESTIMATED ACTUALS FY 14-15	ADOPTED BUDGET FY 15-16	ACTUALS FY 13-14	ESTIMATED ACTUALS FY 14-15	ADOPTED BUDGET FY 15-16
Beginning Fund Balance, July 1st	\$ 8,842,993	\$ 7,436,964	\$ 6,416,964	\$ 3,493,312	\$ 3,265,656	\$ 2,537,906	\$ 4,023,925	\$ 4,126,209	\$ 4,000,774	\$ 566,816	\$ 353,802	\$ 620,302	\$ 236,611	\$ 334,269	\$ 363,769
Revenues	4,751,182	4,353,000	4,528,000	2,527,835	2,443,000	2,468,000	1,272,772	1,234,000	1,249,000	1,189,441	972,000	763,000	97,658	200,500	175,500
Expenditures	(6,157,211)	(5,373,000)	(6,080,000)	(2,755,491)	(3,170,750)	(4,898,321)	(1,170,488)	(1,359,435)	(2,021,530)	(1,402,455)	(705,500)	(946,139)	-	(171,000)	(200,000)
Net Increase (Decrease) in Fund Balance	\$ (1,406,029)	\$ (1,020,000)	\$ (1,552,000)	\$ (227,656)	\$ (727,750)	\$ (2,230,321)	\$ 102,284	\$ (125,435)	\$ (772,530)	\$ (213,014)	\$ 266,500	\$ (183,139)	\$ 97,658	\$ 29,500	\$ (24,500)
Projected Ending Fund Balance, June 30th	\$ 7,436,964	\$ 6,416,964	\$ 4,864,964	\$ 3,265,656	\$ 2,537,906	\$ 307,585	\$ 4,126,209	\$ 4,000,774	\$ 3,228,244	\$ 353,802	\$ 620,302	\$ 437,163	\$ 334,269	\$ 363,769	\$ 339,269
Reserves & Unreserved Fund Balance:															
Reserved for Grants				\$ 2,923,323	\$ 2,100,000	\$ 200,000	\$ 4,126,209	\$ 4,000,774	\$ 3,228,244	\$ 353,802	\$ 620,302	\$ 437,163	\$ 334,269	\$ 363,769	\$ 339,269
Designated for Economic Uncertainties (1)	\$ 1,565,000	\$ 1,608,500	\$ 1,551,000												
Designated for Building & Facilities	938,550	938,550	-												
Designated for Vehicles & Equipment	100,000	100,000	100,000												
Designated for Other Post Employment Benefits (OPEB)	710,000	560,000	488,000												
Unreserved Fund Balance	4,123,414	3,209,914	2,725,964	342,333	437,906	107,585									
Projected Total-Reserved & Unreserved Fund Balance	\$ 7,436,964	\$ 6,416,964	\$ 4,864,964	\$ 3,265,656	\$ 2,537,906	\$ 307,585	\$ 4,126,209	\$ 4,000,774	\$ 3,228,244	\$ 353,802	\$ 620,302	\$ 437,163	\$ 334,269	\$ 363,769	\$ 339,269

Notes:

1) Per the District's Reserve Policy, the minimum level is 25% of the current year's Operating Budget.

RESOLUTION

RESOLUTION 15-008

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

Adopt the Fiscal Year (FY) 15-16 Budget in the Amount of \$13,946,000; and)
Authorize the Purchase of Specified Fixed Assets; and)
Approve the Per Capita Assessment per the District's Unification Agreement; and)
Approve Direction to Staff for Development of Future District Budgets.....)

BE IT RESOLVED, a budget figure in the amount of \$13,946,000 for FY 15-16 is hereby adopted for the Monterey Bay Unified Air Pollution Control 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 15-16.

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 15-16 shall be thirty-one cents (\$.31). The per capita assessment of thirty five cents (\$.35) for FY 16-17, shall be based on future Board approval of the applicable budget.

BE IT FURTHER RESOLVED, this Board 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 17th day of June, 2015, upon motion of Director Parker, seconded by Director Coonerty, and carried by the following vote, to wit:

AYES: Directors Coonerty, Friend, Ledesma, Lund, McShane, Muenzer, Parker, Phillips, Salinas, Termini

NOES: None

ABSENT: Director Talmage

I hereby certify that the foregoing is a true and correct Resolution as duly adopted by the Board of Directors of the Monterey Bay Unified Air Pollution Control District on June 17, 2015.

By: Ann O'Rourke
Ann O'Rourke, Executive Assistant

Approved: Richard A. Stedman
Richard A. Stedman, APCO

GLOSSARY

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 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 \$.31 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.

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.

PERS SIDE FUND: The District participates in a CalPERS retirement program risk pool with other public agencies. When the District joined the risk pool in June 2003, it had an existing unfunded actuarial accrued liability that was placed in a side fund with payments amortized over 20 years.

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.

Serving the North Central Coast Air Basin

MONTEREY COUNTY

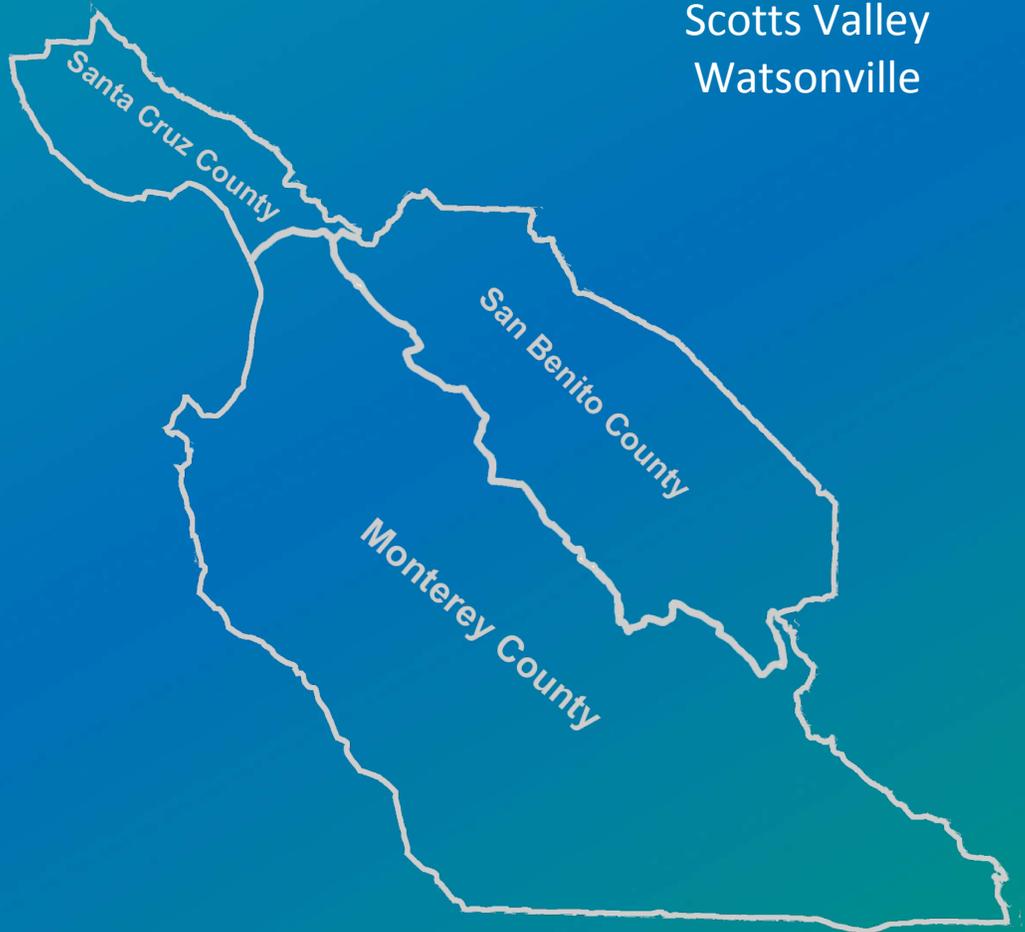
- Carmel-by-the-Sea
- Del Rey Oaks
- Gonzales
- Greenfield
- King City
- Marina
- Monterey
- Pacific Grove
- Salinas
- Sand City
- Seaside
- Soledad

SAN BENITO COUNTY

- Hollister
- San Juan Bautista

SANTA CRUZ COUNTY

- Capitola
- Santa Cruz
- Scotts Valley
- Watsonville



*Monterey Bay Unified
Air Pollution Control District*