



*Monterey Bay Air
Resources District*

FY 2017-18 BUDGET

Adopted June 21, 2017

MONTEREY BAY AIR RESOURCES DISTRICT

BOARD OF DIRECTORS

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 <p>Steve Dallas Mayor, City of Carmel-by-the-Sea</p>	Monterey County Peninsula Cities



Richard A. Stedman, Air Pollution Control Officer



Monterey Bay Air Resources District Fiscal Year 2017-18 Budget

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FY 2017-18 BUDGET ADOPTION SCHEDULE

- 1. FY 2017-18 Administrative Draft Release..... Week of April 10, 2017**
- 2. Budget Workshop #1 April 11, 2017**
11:00 a.m. – Monterey Bay Air Resources District (Monterey County)
Board Chambers
24580 Silver Cloud Court, Monterey, California
- 3. Budget Workshop #2 April 13, 2017**
11:00 a.m. – Hollister (San Benito County)
Board Chambers
481 Fourth Street, Hollister, California
- 3. Budget Workshop #3 April 17, 2017**
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 17, 2017**
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 21, 2017**
1:30 p.m. -- Monterey Bay Air Resources District
Board Chambers
24580 Silver Cloud Court, Monterey, California
- 7. District Fiscal Year Begins..... July 1, 2017**

INTRODUCTION

The Fiscal Year 2017-2018 (FY 17-18) Budget, which runs from July 1, 2017 through June 30, 2018, 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 17-18 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 17-18 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 47 air quality metrics with full quality control assurance.
- ◆ Review more than 30 environmental documents annually.
- ◆ Implement federal air quality programs including permitting, updates to national ambient air quality attainment standards, and enforcement and compliance 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 30 emissions reduction projects funded by District grants.
- ◆ Process approximately 370 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.

Revenue Projections

As compared to FY 16-17 estimated actuals, permit fee revenue projections for FY 17-18 are higher by about \$65,000. This increase is primarily due to proposed fee increases of 5% for most other permit categories and the addition of new fee categories designed to streamline the permit billing process. City and County contributions are projected to increase by about \$33,000 based on raising the per capita fee from \$.35 to \$.39. Other notable budget highlights are included in the “Budget in Brief” section of this budget document.

The District’s projected FY 17-18 Operating Budget shows a surplus of about \$315,000 as compared to a \$1.0 million surplus projected for FY 16-17. The FY 16-17 surplus is primarily due to large civil penalties received from a major source and from asbestos cases and additional investment income. Schedules for all of the District’s funds are included in the “Fund Balances” section of this budget document.

The District’s projected FY 17-18 Non-Operating Budget (for grant programs and other non-operational activities) shows a deficit of \$4.1 million which reflects a spending down of fund balances set aside for grants. The budget assumes that all outstanding grants are paid out during the fiscal year. In addition, the Non-Operating Budget includes estimated expenditures for the District’s third floor remodeling project, estimated at \$600,000.

In regards to the Stationary Source Program, the District continues to operate in a deficit of about \$345,000 as shown in the “Budget Schedules” section of this budget document. By being careful not to overcollect, 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.

In summary, estimated financing for the FY 17-18 Budget totals \$14,127,000, of which \$6,100,000 is the District’s annual operating budget and \$8,027,000 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 (unfilled position), 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. No new positions are proposed for FY 17-18 and two open positions are projected to remain unfilled.

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 16-17, the Administrative Division made improvements in financial reporting and implemented electronic methods of processing cash receipts and accounts payable. The District also contracted with a different auditing firm, Badawi and Associates. The financial audit for FY 15-16 was successfully completed in November 2016 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 15-16, the District successfully completed its second floor building remodel project. The \$1.1 million remodel project created additional space for a new lease with the Association of Monterey Bay Area Governments (AMBAG), improved work areas for employees, and addressed building structural issues.

In the FY 17-18 budget, \$600,000 is set aside for remodeling of the District's third floor which includes the Board Room and work areas. This is a preliminary estimate of costs, subject to change once architectural and engineering plans are completed.



AIR MONITORING DIVISION

The Air Monitoring Division consists of one Supervising Air Monitoring Specialist, two Air Monitoring Specialist II's, and one Air Monitoring Technical Assistant. In 2015 one Air Monitoring Specialist retired and the position was not filled. In FY 2016-17 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 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

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 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.

The District has applied to EPA for a waiver to operate the ozone network on a reduced schedule. We are anticipating approval and this will significantly reduce workloads and costs during the non-ozone season, October through April.

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 $\frac{1}{25}$ 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”

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 burns conducted on Fort Ord, other large prescribed burns, and in the San Lorenzo Valley for wood smoke.

The District conducted a special purpose monitoring effort in Carmel-by-the Sea from May 2015 to January 2016. The purpose was to determine if smoke from beach fire were impacting the residences nearby and creating a public nuisance. The data collected was provided to the city’s leadership and was used 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. During 2016 the District is planning to discontinue monitoring for these pollutants. Based on a review of monitored data this can be implemented with little concern in the characterization of air quality conditions in Salinas. This will result in lower costs in staff time and in fees charges to a large stationary source.

FY 16-17 Major Accomplishments

Met all EPA and ARB data collection, reporting and quality assurance requirements at all stations.

Received additional 105 Grant funds which offset materials costs of monitoring activities in the San Lorenzo Valley.

The District continues the responsibility for the operation and maintenance of the PM₁₀ network located within the Hollister Hills Recreational Vehicle Park. The District receives direct compensation for this work.

Refined operations and modernized air monitoring resources. The District has replaced its existing network of meteorological sensors in order to shift to new less costly servicing schedule.

Continued to support smoke management needs at the San Lorenzo Valley by successfully detecting PM_{2.5} pollution levels during the winter home heating season. A new monitor is in place at the Zayante Fire Station.

All portable monitoring modems have been upgraded and deployed. All telemetry is currently up to date.

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FY 16-17 Major Accomplishments (cont.)

Set up and maintained a large network of PM_{2.5} EBAM monitors with the help of ARB. These smoke monitors were deployed around the Sobranes Fire which lasted for about two and a half months. Monitoring data was available on both the district and USFS websites.

FY 17-18 Objectives

Continue to meet all ARB and EPA Monitoring Requirements.

Continue modernization activities and apply benefits to expand more efficient operations to meet District needs.

Continue to optimize and tailor new data acquisition system capabilities to increase automation and remote control capabilities for air 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. This includes the continued use of an Aethelometer at the SLV Middle School Station in Felton to quantify the wood smoke component of PM_{2.5} in this area.

Meteorological Monitoring

Meteorological measurements are critical to 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 sites in Salinas, Hollister, Santa Cruz, King City, Carmel Valley, and Felton. Parameters recorded are wind speed, wind direction, and ambient temperature.

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 16-17 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.

Updated meteorological data collection by integrating the use of sonic sensors into the monitoring network.

FY 17-18 Objectives

Continue meteorological monitoring to meet District needs.

Continue to upgrade meteorological monitoring systems as needed.

COMPLIANCE DIVISION

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

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 2016, the Division performed 1,987 inspections of permitted equipment, responded to 224 public complaints, and addressed 41 reported facility equipment breakdowns.

FY 16-17 Major Accomplishments

- ◆ Completed all major source inspections and the majority of minor source inspections per the District's variable inspection frequency policy.
- ◆ Met all EPA requirements for inspection, reporting, and enforcement of sources covered by federal agreements.
- ◆ Compliance staff conducted source test observations to ensure compliance with permit conditions.
- ◆ Continued to develop and improve upon workflows in the new database program called TRAKIT.
- ◆ Streamlined the inspection process and populated the District's new paperless workflow system. This efficiently moves documents from creation through approval and to their final location in the District's new permit database.
- ◆ District staff continued to search for businesses operating without required permits under the Unpermitted Source Identification Program. This effort resulted in bringing many concrete pumper engines into compliance.
- ◆ Continued cross-training opportunities in the Mutual Settlement, Asbestos, and Vapor Recovery programs.
- ◆ Mailed out compliance advisories to 35 permit holders of Tier 0 Engines on the ATCM requirement specific to their engine.
- ◆ Provided guidance and assistance with existing and new regulations. Dry cleaners, gasoline dispensing facilities, and non-certified portable diesel-fueled engines are examples of existing businesses that have received assistance from staff.

FY 17-18 Objectives

- ◆ Develop or update policies and procedures to improve consistency of enforcement actions. Having current, detailed policies provides staff with answers to many common questions that arise and allows them to proceed quickly with their various tasks.
- ◆ Look for opportunities to improve while continuing to concentrate efforts on core responsibilities.
- ◆ Increasing District information available to stakeholders and the general public.
- ◆ Continue Unpermitted Source Identification Program ensuring that businesses operating without permits do not gain an unfair advantage over those complying with permitting requirements.
- ◆ Review and evaluate Compliance Division business rules and practices.
- ◆ Continue cross-training of Division Staff.

Complaint Investigations

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

FY 16-17 Major Accomplishments

- ◆ Refined the complaint response process which allowed for more efficient use of staff time while continuing to provide the same level of service to the public.
- ◆ The number of complaints investigated by the District decreased this year by 36%. The District handled 224 citizen complaints concerning poor air quality, 21% of which were directly related to emissions from fireplaces and woodstoves.

FY 17-18 Objectives

- ◆ Development of 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.
- ◆ Provide timely responses to complaints and investigations of alleged sources of non-compliance.
- ◆ Continue to evaluate complaint response procedures and apply findings towards improving District efforts.

Gasoline Station Inspection

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

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 ensure contractor adherence to procedures set by ARB.

FY 2016-17 Major Accomplishments:

- Completed inspections of all 254 gasoline dispensing service stations and 35 aboveground storage tanks.
- Tracked and reviewed 299 annual vapor recovery tests conducted at gasoline service stations.
- Continued participation on California Air Pollution Controls Officers Association (CAPCOA) Vapor Recovery Subcommittee.
- Utilized the District's new database to enhance inspection efficiency.
- Conducted quality assurance observations of vapor recovery testing to increase contractor adherence to established testing procedures.

FY 17-18 Objectives

- Transition gas station inspections to the area inspectors.
- Participate in California Air Resources Board (CARB) advanced training in Phase I and II EVR, Testing Observation, and ISD.
- Continue effective inspection program for gasoline service stations.
- Utilize ISD data in the inspection program to verify compliance.
- Provide staff with training opportunities to improve their technical skills and customer service. Well-trained staff allow 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 fireplace smoke, backyard burns, prescribed burns and agricultural burns, and issues backyard burn permits pursuant to District and State requirements relating to open burning.

During the 2016 Backyard Burn Season, the District issued 1,145 burn permits and provided customer service to burners.

FY 17-18 Major Accomplishments

- ◆ Continued to provide 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 17-18 Objectives

- ◆ Develop 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 17-18 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 2016, six variances to District operating permits were issued by the Hearing Board.

FY 16-17 Major Accomplishments

- ◆ Worked with the Hearing Board and the Santa Cruz Harbor to maintain a viable harbor entrance threatened by shoaling due to winter storms.
- ◆ Worked with Hearing Board and UCSC to maintain campus utility grid with emergency gen-sets while retrofitting their new low emission gas turbine cogeneration unit.
- ◆

FY 17-18 Objectives

- ◆ Utilize the new District Permit database to provide better technical support to Hearing Board members.
- ◆ Improve the tracking and recording of the elements of progress for the 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 2016, 244 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 16-17 Major Accomplishments

- ◆ Partnered with local building departments to improve compliance assistance to building permit applicants. These efforts help to prevent disturbance of asbestos by contractors and building owners who may be unaware of asbestos building products during renovations.
- ◆ Continued work on a new Asbestos Rule to clarify federal requirements and improve compliance.
- ◆ Utilized the new District database to track notifications for asbestos and demolition projects, improving in-house coordination.
- ◆ Participated in local and regional environmental task forces for improved coordination with other environmental agencies, conducting joint investigations that better served the public and provided for more comprehensive prosecutions against responsible parties.
- ◆ Staff also inspected and ensured compliance at several large projects including building removals at CSUMB and the former Fort Ord, renovation of the Monterey Convention Center, fire damage at the Dick Bruhn building, demolition of multi-story structures as part of the Marina Heights project, and the removal of conveyor lines and structures at the former CEMEX plant in Davenport.
- ◆ Acquired a MicroPhazir handheld asbestos screening device. This device allows real time discovery of asbestos products in as little as 10 seconds, representing a revolutionary advancement in asbestos field identification.

FY 17-18 Objectives

- ◆ Continue to coordinate with building departments and other local environmental agencies to promote compliance, to better serve and protect the public.
- ◆ Expand the use of the MicroPhazir handheld asbestos screening device to increase speed and efficiency during inspections and investigations of renovation and demolition sites.

Continued on next page

- ◆ Continue development of a new Asbestos Rule with the objective of greater compliance by improved language, definitions and enforceability.
- ◆ Continue coordination between tri-county agencies such as health and building departments to better serve the public regarding environmental concerns.
- ◆ 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 settles Notices of Violation through negotiations with respondents. On occasion, cases may be referred to the local District Attorney's Office for prosecution.

During 2016, the District issued 83 Notices of Violation and negotiated over \$71,000 in penalties. One environmental settlement included yard waste diversion events to reduce open burning emissions. Environmental settlements can also include penalty reductions for affirmative actions taken to improve future compliance and reduce facility emissions.

FY 16-17 Major Accomplishments

- ◆ Finalized a \$550,000 settlement agreement with a large industrial facility by coordinating the efforts of District Staff, the violator and outside Counsel.
- ◆ Provided coordination between the District and the California District Attorneys Association to successfully prosecute a utility company whose operations impacted a nearby elementary grade school. The settlement included improved procedures and community involvement in future maintenance operations.
- ◆ Modified the routing of cases and use of the new database to improve speed and efficiency 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 that improve compliance and reduce emissions.
- ◆ Worked with local building departments to provide District information to permit applicants who may be subject to District requirements.

FY 17-18 Objectives

- ◆ Continue coordination efforts with local building departments to assure permit applicants are aware of District requirements for both operating permits and asbestos program requirements. This will better serve the public and reduce the number of enforcement actions.
- ◆ Utilize the new District database to identify trends of noncompliance so outreach can be initiated to promote awareness through compliance assistance.
- ◆ Reduce the time between the 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 (.5 FTE), a Supervising Engineer, four 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 2016, the Division issued 157 Authorities to Construct, 235 Permits to Operate, 13 Agricultural Diesel Engine Registrations, and 2 Title V Permit revisions.

In order to meet state requirements, the Division maintains a registration program for diesel engines used in agricultural operations. Currently, 533 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 16-17 Major Accomplishments

- ◆ Continued to develop and improve upon workflows in the new database program called TRAKiT.
- ◆ 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 significant modification.
- ◆ 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 17-18 Objectives

- ◆ Continue to review and evaluate business rules and practices looking for improvement opportunities.
- ◆ Increase efficiency in all processes by promoting simplicity.
- ◆ 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 with TRAKIT.

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 16-17 Major Accomplishments

- ◆ Revisions to Rules, Rule 201 (Sources Not Requiring Permits), Rule 207 (Review of New or Modified Sources), Rule 1000 (Permit Guidelines and Requirements for Sources Emitting Toxic Air Contaminants), and Rule 1003 (Air Toxic Emissions Inventory and Risk Assessments) in February 2017.
- ◆ Adoption of New Rules Minor New Source Review and Federal Prevention of Significant Deterioration. These rules were adopted in an effort to separate out the State and Federal requirements from Rule 207.

FY 17-18 Objectives

- ◆ Analyze existing regulations for consistency and conformity with applicable requirements, and initiate rule revisions as necessary.
- ◆ Adoption of a new rule to reduce landfill gas (LFG) emissions from municipal solid waste (MSW) landfills by implementing the provisions of EPA's Title 40 Code of Federal Regulations (CFR) Part 60, Subpart Cf.
- ◆ 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

Engineering Division

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 Toxic Substances Control, and Office of Environmental Health Hazard Assessment (OEHHA).

FY 16-17 Major Accomplishments

- ◆ Continued participation in a California Air Pollution Control Officers Association (CAPCOA) and review of new OEHHA risk evaluation methodology.
- ◆ Completed Rule 1000 and Rule 1003 revisions which incorporates OEHHA's updated methodology for risk assessments.

FY 17-18 Objectives

- ◆ Continue to train staff in new OEHHA risk evaluation methodology and updated prioritization methodology, including Hot Spots Analysis and Reporting (HARP) modeling and exposure calculations refresher for staff.
- ◆ Develop a plan to implement, and commence effort on facility reviews using the new OEHHA Risk Assessment Guidelines, ARB Risk Management Guidelines and CAPCOA Prioritization Guidelines.

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 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 2016-17 Major Accomplishments

- ◆ Completed the 2016 Air Quality Management Plan to evaluate progress on meeting the state ambient air quality standards for ozone.

FY 2017-18 Objectives

- ◆ Follow the US EPA's progress on new 8-hour ozone standard.
- ◆ Prepare documentation to identify exceptional events which caused exceedances of federal PM_{2.5} and state ozone standards.

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 2017-18 Objectives

- ◆ Maintain mobile source emissions inventory based on AMBAG's regional transportation demand model and California Air Resources Board's EMFAC2014 model.
- ◆ Develop an inventory of PM_{2.5} 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 2016-17 Major Accomplishments

- ◆ Reviewed and commented on over 30 environmental documents.

FY 2017-18 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.
- ◆ Develop program to participate in the California Air Pollution Control Officers Association Greenhouse Gas Reduction Exchange.

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 2016-17 Major Accomplishments

- ◆ Managed over 30 active grant projects under AB2766, AB923 and Moyer Program.
- ◆ Received and reviewed 9 eligible emission reduction grant applications and 4 electric vehicle replacement applications for AB2766 FY 16/17 funds.
- ◆ Updated the AB2766 grant program to include an electric vehicle incentive program for public agencies and an EV rebate program open to public in all three counties
- ◆ Awarded approximately \$1 million in AB 2766 funds to five emission reduction projects, issued 3 public agency electric vehicle vouchers, and \$400K for 177 EV rebates to the general public.
- ◆ Identified 5 projects for funding through the Carl Moyer program. The projects are evaluated based on emission reductions and availability of grant funds.
- ◆ Awarded AB923 grant funds for 5 replacement buses, 2 CNG fuel tank replacements and 2 bus exhaust retrofits
- ◆ 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 2017-18 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, awarded to the District.
- ◆ 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.

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 2016-17 Major Accomplishments

- ◆ Participated in regular transportation agency meetings.
- ◆ Participated in update meetings on AMBAG's regional transportation demand model, bike model and sustainable communities' strategies.
- ◆ Participated in regular MBEVA meetings.

FY 2017-18 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 two of the California Air Pollution Control Officers Association's (CAPCOA) committees; planning managers, and grants and incentives.

FY 2016-17 Major Accomplishments

- ◆ Planning and Air Monitoring Manager takes on responsibility as Vice-Chair of the planning managers committee.

FY 2017-18 Objectives

- ◆ Planning and Air Monitoring Manager continues role as Vice-Chair of the planning managers committee.
- ◆ Planning and Air Monitoring Manager takes over 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 2016-17 Major Accomplishments

- ◆ Filed Negative Declaration and Notices of Determination for District Rules 201, 207, 220, 221, 1000, and 1003.

FY 2017-18 Objectives

- ◆ Develop a rule to require the 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 in May, 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 2016-17 Major Accomplishments

- ◆ Participated in community events such as student fairs, community festivals, and local college events.
- ◆ Committed funding to college students under an Air Expressions grant project.
- ◆ Improved the District's presence in social media through posting of information to the District's Facebook page, especially during the Soberanes Fire.
- ◆ Participated in the San Lorenzo Valley (SLV) Student Art Contest by judging student art, providing awards, and speaking at the SLV Board Meeting.

FY 2017-18 Objectives

- ◆ Continue participation in community events.
- ◆ Accept and review applications for Air Expressions program.
- ◆ Redesign and implement a new version of the District's website.

Smoke Management Program

The Division is in the process of continuously 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.

The Division coordinates the District's Agricultural and Prescribed Burning SMP Program which includes analysis 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 2016-17 Major Accomplishments

- ◆ Worked with Fort Hunter Liggett to evaluate burn areas prior to planned burns.
- ◆ Provided significant resources for technical support, outreach, and public information in response to the Soberanes fire.
- ◆ Coordinated 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.

FY 2017-18 Objectives

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

Special Projects

San Lorenzo Valley PM_{2.5} 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 PM_{2.5} concentrations above the federal 24-hour standard. The Division assists with implementing programs to reduce PM_{2.5} emissions during the wintertime. The primary source of PM_{2.5} emissions is smoke from wood burning for home heating.

FY 2016-17 Major Accomplishments

- ◆ Limited the Woodstove Change-Out Program funding to focus on SLV and replaced over 68 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.
- ◆ Continued the “Spare the Air” program for SLV.

FY 2017-18 Objectives

- ◆ Continue PM_{2.5} reduction efforts in SLV.
- ◆ Apply for funding for PM_{2.5} reduction incentives such as the Woodstove Change-Out Program from the California Air Resources Board.
- ◆ Continue with the Woodstove Change-Out Program as approved by the Board.
- ◆ Seek continuous improvements for implementation of the “Spare the Air” program to reduce localized impacts from wood burning for home heating.

BUDGET

IN

BRIEF



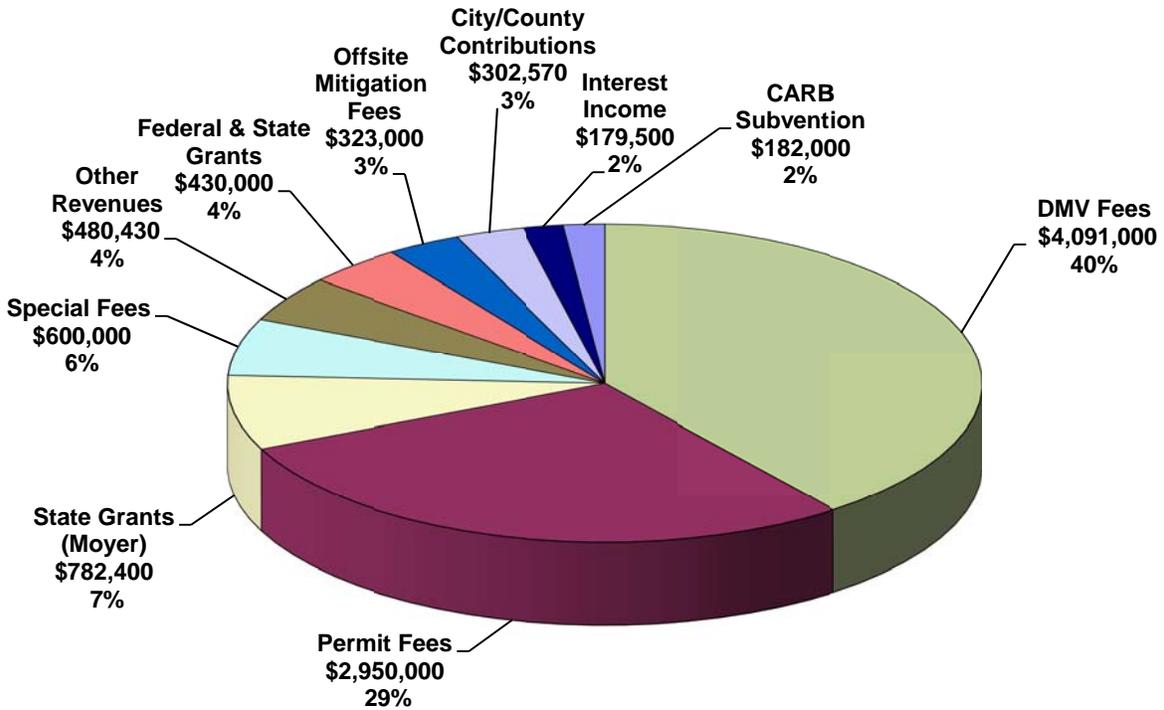
▶ **Fiscal Year 2017-18 Budget in Brief** ◀

The following are budgetary highlights:

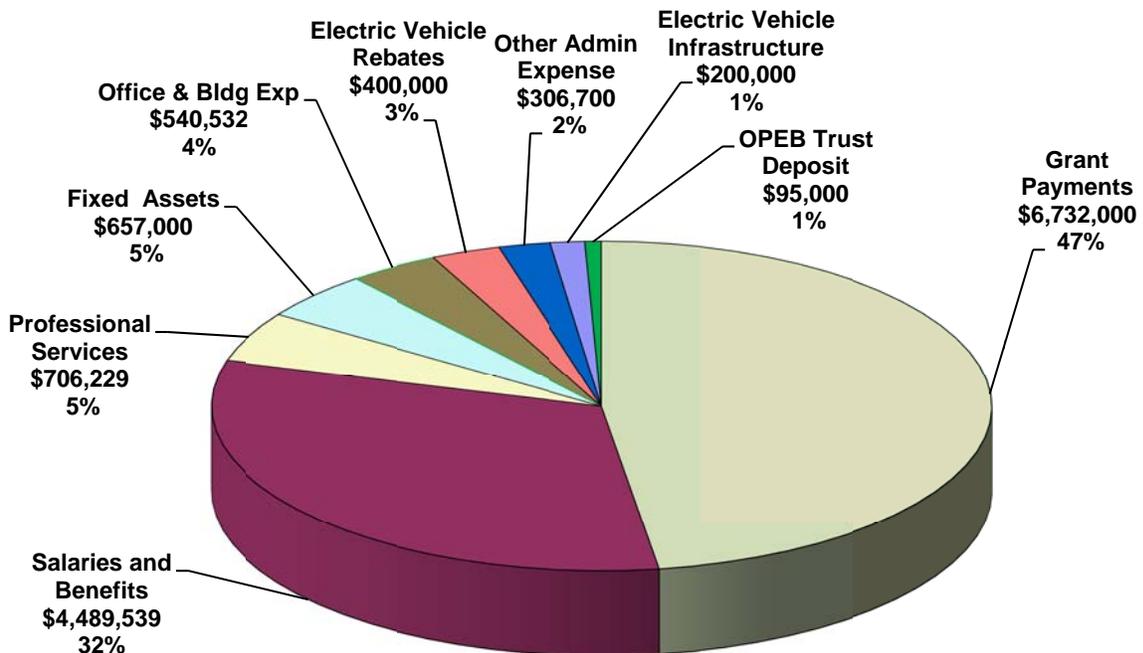
- ❖ Total budget of \$14.1 million consisting of:

Operational Budget	\$6.1 million
Non-Operational Budget (Grant Programs)	\$8.0 million
- ❖ Permit fee increases of 5.0% for most fee categories, resulting in an increase to revenues of about \$130,000. In addition, new fee categories are proposed for certain permit types as described in the proposed fee rules changes.
- ❖ Increase in City and County per capita fees from \$.35 to \$.39, resulting in an additional \$33,000 in revenues.
- ❖ No change in the current staffing level of 34 full-time employees with two vacant positions remaining unfilled.
- ❖ Fixed Asset purchases of \$657,000, including a portion of the proposed building remodel project for the District's headquarter's 3rd floor estimated at \$600,000, \$30,000 for exterior painting of the District's office building, and \$27,000 for air monitoring equipment.
- ❖ Estimated \$95,000 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 \$575,000, largely due to the 3rd floor building remodel project and increases to salaries and benefits.
- ❖ AB2766 Fund budget net deficit of \$1.26 million, including spending down of fund balance with approximately \$2.5 million for grants to public agencies for projects that reduce emissions and \$400,000 for electric vehicle rebates to individuals.
- ❖ AB923 Fund budget includes \$2.0 million in new grant expenditures and \$200,000 to continue the electric vehicle charging stations infrastructure project.
- ❖ Carl Moyer Grant Fund budget includes \$1.145 million in new grants.
- ❖ General Grant Fund budget of \$1.0 million for grants to retrofit/replace agricultural pumps and school buses, funded by the East Garrison Project offsite mitigation fees.
- ❖ 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 2017-18 Revenue - All Funds



FY 2017-18 Expenditures - All Funds

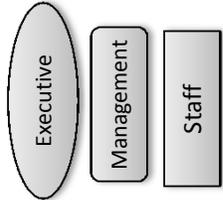
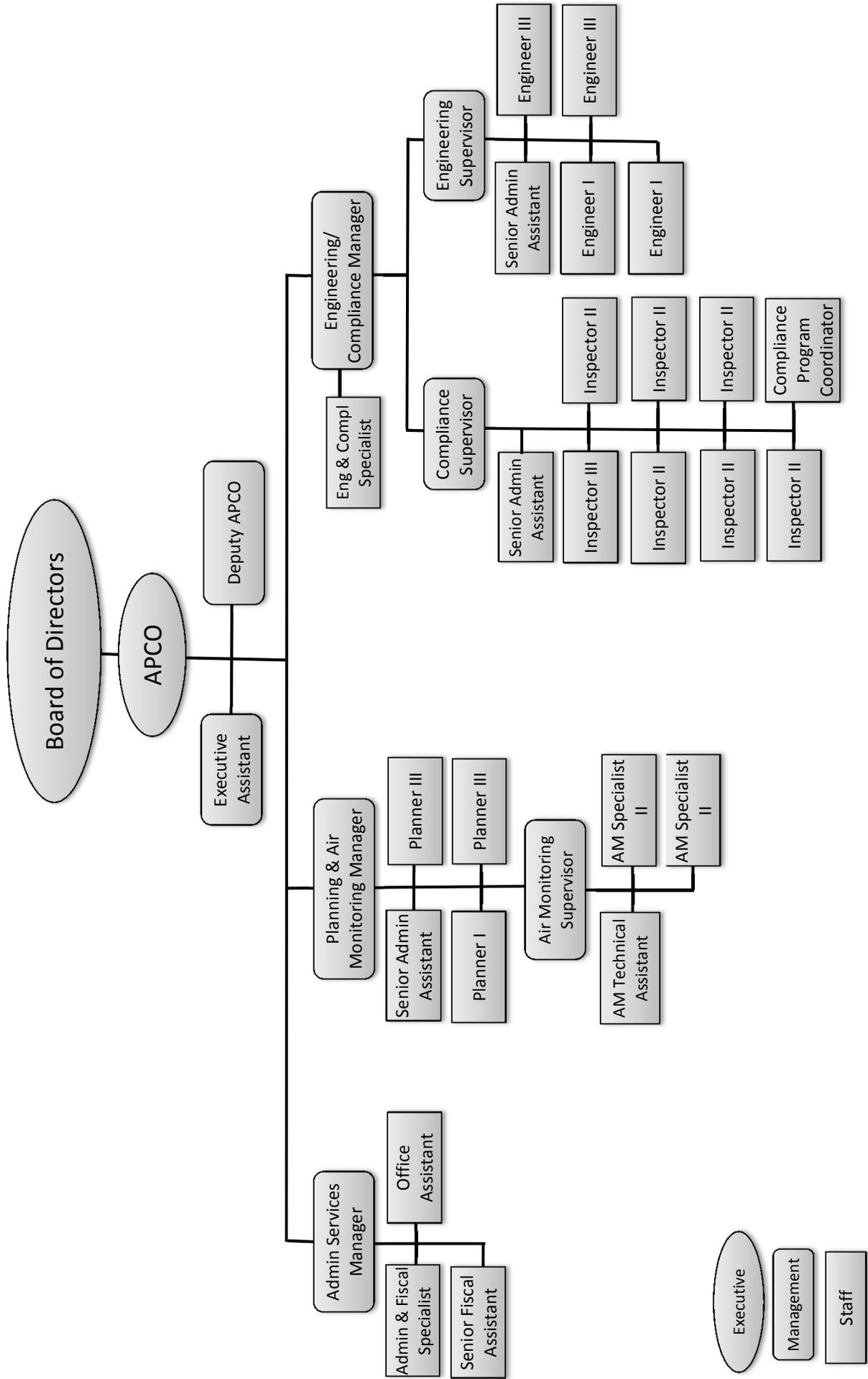


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ORGANIZATIONAL STRUCTURE

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Monterey Bay Air Resources District
 Organization Chart - FY 2017/18





Personnel Schedule

<u>Division/Position</u>	<u>Revised Budget FY 2016-17</u>	<u>Additions/ Deletions</u>	<u>Adopted Budget FY 2017-18</u>
<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	1.00		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)	2.00	(1.00)	1.00
Compliance Program Coordinator	1.00		1.00
Engineering and Compliance Specialist (2)	0.00	1.00	1.00
Inspector II (one Inspector promoted to level III)	7.00	(1.00)	6.00
Inspector III	0.00	1.00	1.00
Subtotal	11.50	0.00	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 I	1.00	1.00	2.00
Engineer II (promoted to level III)	1.00	(1.00)	0.00
Engineer III	2.00		2.00
Subtotal	6.50	0.00	6.50
<u>PLANNING</u>			
Division Manager (3)	0.50		0.50
Senior Administrative Assistant	1.00		1.00
Planner I (4)	0.00	1.00	1.00
Planner II (4)	1.00	(1.00)	0.00
Planner III	2.00		2.00
Subtotal	4.50	0.00	4.50
<u>AIR MONITORING</u>			
Division Manager (3)	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	0.00	34.00

Notes:

- 1) Position oversees both Compliance & Engineering divisions.
- 2) One Senior Admin Asst reclassified to an Engineering & Compliance Specialist.
- 3) Position oversees both Planning and Air Monitoring divisions.
- 4) Vacant Planner II position filled with Planner I.



Monterey Bay Air Resources District
Hourly Rates for Staff Positions
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	21.48	22.55	23.68	24.86	26.11	28.72
Administrative Assistant	22.35	23.47	24.64	25.87	27.17	29.89
Fiscal Assistant	23.25	24.41	25.63	26.91	28.26	31.08
Sr. Admin Assistant (hired after 12/31/14)	24.68	25.91	27.21	28.57	30.00	33.00
Air Monitoring Technical Asst (hired after 12/31/14)	25.18	26.44	27.77	29.15	30.61	33.67
Sr. Fiscal Assistant	25.69	26.97	28.32	29.73	31.22	34.34
Air Monitoring Technical Asst (hired prior to 1/1/15)	27.54	28.92	30.37	31.89	33.48	36.83
Sr. Admin Assistant (hired prior to 1/1/15)	28.10	29.50	30.98	32.53	34.15	37.58
Air Monitoring Specialist I	28.94	30.39	31.90	33.50	35.17	38.69
Engineering and Compliance Specialist	29.52	31.00	32.55	34.17	35.88	39.48
Air Quality Compliance Inspector I	30.72	32.25	33.87	35.56	37.34	41.07
Air Quality Planner I	33.27	34.93	36.68	38.51	40.44	44.48
Air Monitoring Specialist II	33.61	35.29	37.05	38.90	40.85	44.93
Air Quality Compliance Inspector II	35.68	37.47	39.34	41.31	43.38	47.72
Air Monitoring Specialist III	36.40	38.22	40.13	42.14	44.26	48.67
Air Quality Planner II (hired after 12/31/14)	36.77	38.60	40.53	42.56	44.69	49.17
Air Quality Engineer I	37.13	38.99	40.94	43.00	45.15	49.65
Air Quality Compliance Inspector III	39.01	40.96	43.01	45.16	47.42	52.16
Air Quality Planner III (hired after 12/31/14)	40.59	42.62	44.75	46.99	49.34	54.27
Compliance Program Coordinator	41.00	43.05	45.20	47.46	49.83	54.83
Air Quality Planner II (hired prior to 1/1/15)	42.23	44.34	46.56	48.89	51.34	56.48
Air Quality Engineer II	43.09	45.24	47.50	49.88	52.37	57.61
Air Quality Planner III (hired prior to 1/1/15)	46.18	48.48	50.92	53.46	56.14	61.75
Air Quality Engineer III	47.10	49.46	51.93	54.53	57.25	62.98

Annual Salaries - Based on Employment Agreements

Job Title	Annual Salary
Air Pollution Control Officer (APCO)	\$ 186,194
Deputy APCO	<i>Vacant</i>
Engineering & Compliance Manager	\$ 140,000
Engineering Supervisor	\$ 133,000
Administrative Services Manager	\$ 131,836
Planning and Air Monitoring Manager	\$ 126,000
Supervising Air Quality Compliance Inspector	\$ 107,197
Supervising Air Monitoring Specialist	\$ 100,545
Executive Assistant	\$ 89,151
Administrative & Fiscal Specialist	\$ 62,920

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BUDGET

SCHEDULES

Monterey Bay Air Resources District Operating Budget

	ACTUALS FY 15-16	REVISED BUDGET FY 16-17	ESTIMATED ACTUALS FY 16-17	ADOPTED BUDGET FY 17-18
<u>Operating Revenues</u>				
EPA Grants	\$ 338,795	\$ 337,000	\$ 326,330	\$ 285,000
AB2766 DMV Fees	1,450,000	1,250,000	1,250,000	1,200,000
AB923 DMV Fees	60,000	60,000	60,000	60,000
Permit Fees	2,703,783	2,792,491	2,885,500	2,950,000
Special Fees (Title V and Asbestos)	571,859	569,232	569,000	600,000
Penalties and Fines	255,695	724,500	761,500	187,500
CARB Subvention	180,900	181,650	181,388	182,000
City and County Contributions (1)	234,175	269,406	269,405	302,570
Contract Revenues	74,222	100,000	96,000	96,500
Moyer Operating Grant Revenues	97,695	71,000	97,000	98,000
California Energy Commission EV Grants (2)	137,580	-	-	145,000
Other Revenues and Transfers	143,132	419,721	420,877	196,430
Interest Income (Gen Fund and AB2766 Fund)	77,590	60,000	109,000	112,000
Total Operating Revenues	\$ 6,325,426	\$ 6,835,000	\$ 7,026,000	\$ 6,415,000
<u>Expenditures by Division:</u>				
Administrative	\$ 1,697,908	\$ 1,854,594	\$ 1,777,000	\$ 1,876,852
Air Monitoring	602,820	753,383	710,900	666,977
Compliance	1,557,660	1,711,566	1,650,200	1,495,572
Engineering	1,045,952	1,094,763	1,054,000	1,126,876
Planning	834,629	935,444	788,900	933,723
Total Operating Expenditures	\$ 5,738,969	\$ 6,349,750	\$ 5,981,000	\$ 6,100,000
Net Surplus (Deficit)	\$ 586,457	\$ 485,250	\$ 1,045,000	\$ 315,000
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 4,429,786	\$ 4,776,728	\$ 4,665,250	\$ 4,489,539
Maintenance, Equipment, and Supplies	272,236	325,123	283,450	397,227
Legal and Professional Services	423,037	733,953	548,200	561,229
Contractual Svcs - Calif Energy Comm EV Grants (2)	123,217	-	-	145,000
Utilities & Office Rent	121,229	132,431	136,600	143,305
Insurance	100,276	100,500	100,500	103,300
Training, Travel, District Board Exp	98,086	140,480	110,750	158,670
Fixed Assets (3)	136,945	106,327	102,250	57,000
Sponsorships	12,276	14,000	14,000	18,000
Other	21,883	20,208	20,000	26,730
Total Operating Expenditures	\$ 5,738,971	\$ 6,349,750	\$ 5,981,000	\$ 6,100,000

Notes:

(1) FY 17-18 City and County contributions includes per capita assessment increase from \$.35 to \$.39.

(2) In FY 15-16 and 17-18, pass-through monies are from the California Energy Commission for projects promoting electric vehicles.

(3) FY 17-18 Fixed Assets expenditures include air monitoring equipment and District building exterior painting.

Monterey Bay Air Resources District Non-Operating Budget

	ACTUALS FY 15-16	REVISED BUDGET FY 16-17	ESTIMATED ACTUALS FY 16-17	ADOPTED BUDGET FY 17-18
<u>Non-Operating Revenues</u>				
AB2766 DMV Fees	\$ 1,172,910	\$ 1,317,500	\$ 1,448,000	\$ 1,527,000
AB923 DMV Fees and Interest	1,287,577	1,261,700	1,310,000	1,356,000
Moyer Grants and Interest	780,879	769,000	691,000	691,900
Offsite Mitigation Fees/Interest (1)	335,200	201,500	293,000	331,000
Total Non-Operating Revenues	\$ 3,576,566	\$ 3,549,700	\$ 3,742,000	\$ 3,905,900
<u>Expenditures by Division:</u>				
Planning (grant payments only)	\$ 3,665,906	\$ 5,847,500	\$ 3,287,500	\$ 6,732,000
Planning - Electric Vehicle Rebates	\$ -	\$ 400,000	\$ 400,100	\$ 400,000
Planning - Electric Vehicle Infrastructure Proj (2)	\$ -	\$ 1,247,100	\$ 1,247,100	\$ 200,000
Administrative - OPEB Liability Funding	\$ 72,000	\$ 95,000	\$ 95,000	\$ 95,000
Building Remodel Project	\$ 1,023,367	\$ 500,000	\$ 100,000	\$ 600,000
Total Non-Operating Expenditures	\$ 4,761,273	\$ 8,089,600	\$ 5,129,700	\$ 8,027,000
Net Surplus (Deficit)	\$ (1,184,707)	\$ (4,539,900)	\$ (1,387,700)	\$ (4,121,100)
<u>Expenditures by Type:</u>				
AB2766 DMV Grants - Current Year (3)	199,736	1,042,700	400,000	1,200,000
AB2766 DMV Grants - Prior Year (3)	1,300,593	1,557,300	1,300,000	1,300,000
Moyer Grants (3)	533,000	1,160,000	800,000	1,145,000
AB923 Grants (3)	1,453,491	1,800,000	500,000	2,000,000
AB923 Electric Vehicle Infrastructure Project (2)	-	1,247,100	1,247,100	200,000
General Grants-Offsite Mitigation Grants (1)	116,886	200,000	200,000	1,000,000
Electric Vehicle Rebates	-	400,000	400,100	400,000
Woodstove Changeout Grants (4)	62,000	75,500	75,500	75,000
Public Education Grants	200	12,000	12,000	12,000
Building Remodel Project (5)	1,023,367	500,000	100,000	600,000
OPEB Trust Account Deposit (6)	72,000	95,000	95,000	95,000
Total Non-Operating Expenditures	\$ 4,761,273	\$ 8,089,600	\$ 5,129,700	\$ 8,027,000

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) Electric vehicle infrastructure project using AB923 funds.
- (3) Assumption for FY 16-17 & 17-18 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) Potentially significant funding may be available from the Calif Air Resources Board for these grants.
- (5) Actual for FY 15-16 was for 2nd floor remodel of the District's headquarters. The FY 16-17 & 17-18 estimates are for the 3rd floor remodel.
- (6) Funded from reserve designated for OPEB liability. Reserve current balance is \$370,000.



**Monterey Bay Air Resources District
Funds Relationships to Divisions and Programs
FY 2017-18**

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				
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		
Electric Vehicle Rebates		X			
Woodstove Changeout Grants	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, 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 Air Resources District General Fund Budget

	ACTUALS FY 15-16	REVISED BUDGET FY 16-17	ESTIMATED ACTUALS FY 16-17	ADOPTED BUDGET FY 17-18
BEGINNING FUND BALANCE	\$ 6,959,976	5,757,332	5,757,332	6,337,332
Revenues				
EPA Grants	\$ 338,795	\$ 337,000	\$ 326,330	\$ 285,000
Permit Fees	2,703,503	2,792,000	2,885,000	2,950,000
Special Fees	571,859	569,232	569,000	600,000
Penalties and Fines	255,695	724,500	761,500	187,500
CARB Subvention	180,900	181,650	181,388	182,000
City and County Contributions (1)	234,175	269,406	269,405	302,570
Contract Revenues	74,222	100,000	96,000	96,500
California Energy Commission Grants (2)	137,580	-	-	145,000
Other Revenues	108,443	348,712	344,227	119,065
Rental Income	34,969	71,500	77,150	77,365
Interest Income	50,778	42,000	70,000	70,000
Total General Fund Revenues	\$ 4,690,919	\$ 5,436,000	\$ 5,580,000	\$ 5,015,000
Expenditures by Division:				
Administrative (including OPEB Trust Acct deposits)	\$ 2,474,869	\$ 1,977,559	\$ 1,563,100	\$ 2,113,393
Air Monitoring	\$ 185,668	\$ 210,443	\$ 200,100	\$ 209,190
Compliance	\$ 1,557,660	\$ 1,711,566	\$ 1,650,200	\$ 1,495,572
Engineering	\$ 1,045,952	\$ 1,094,763	\$ 1,054,000	\$ 1,126,876
Planning	\$ 629,414	\$ 656,587	\$ 532,600	\$ 644,969
Total General Fund Expenditures	\$ 5,893,563	\$ 5,650,918	\$ 5,000,000	\$ 5,590,000
Net Surplus (Deficit)	\$ (1,202,644)	\$ (214,918)	\$ 580,000	\$ (575,000)
ENDING FUND BALANCE	\$ 5,757,332	\$ 5,542,414	\$ 6,337,332	\$ 5,762,332
Expenditures by Type:				
Salaries and Benefits	\$ 3,640,335	\$ 3,793,138	\$ 3,721,900	\$ 3,563,205
Maintenance, Equipment, and Supplies	197,877	228,606	203,750	291,774
Legal and Professional Services	365,676	583,317	444,450	450,704
Contractual Services - Calif Energy Comm Grant (2)	123,217	-	-	145,000
Utilities & Office Rent	89,656	96,887	99,800	108,542
Insurance	80,221	80,000	80,000	85,700
Training, Travel, District Board Exp	82,673	107,565	90,950	117,280
Fixed Assets (3)	1,160,312	571,297	169,250	632,190
Grants-Woodstove Changeouts	62,000	75,500	75,500	75,000
OPEB Trust Account Deposit (4)	72,000	95,000	95,000	95,000
Grants-Air Expressions	-	2,000	2,000	2,000
Other	19,596	17,608	17,400	23,605
Total General Fund Expenditures	\$ 5,893,563	\$ 5,650,918	\$ 5,000,000	\$ 5,590,000
Net Surplus (Deficit) Without Bldg Remodel Projects	\$ (179,077)	\$ 285,082	\$ 680,000	\$ 25,000

Notes:

- (1) FY 17-18 City and County contributions includes per capita assessment increase from \$.35 to \$.39.
- (2) In FY 15-16 & 17-18, pass-through monies are from the California Energy Commission for projects promoting electric vehicles.
- (3) FY 17-18 Fixed Assets include: \$600,000 for 3rd floor remodeling project, \$24,900 (Gen Fund portion) for District building exterior painting, and \$7,290 (Gen Fund portion) for air monitoring equipment.
- (4) Funded from reserve designated for OPEB liability. Reserve current balance is \$370,000.

Monterey Bay Air Resources District AB2766 Fund Budget

	ACTUALS FY 15-16	REVISED BUDGET FY 16-17	ESTIMATED ACTUALS FY 16-17	ADOPTED BUDGET FY 17-18
<i>BEGINNING FUND BALANCE</i>	<u>\$ 3,439,290</u>	<u>3,675,880</u>	<u>3,675,880</u>	<u>3,187,180</u>
<u>Revenues</u>				
AB2766 DMV Fees-Operating	\$ 1,450,000	\$ 1,250,000	\$ 1,250,000	\$ 1,200,000
AB2766 DMV Fees-Non-Operating	1,172,910	1,317,500	1,448,000	1,527,000
AB2766 Fund Interest Income	26,812	18,000	39,000	42,000
Total AB2766 Fund Revenues	<u>\$ 2,649,722</u>	<u>\$ 2,585,500</u>	<u>\$ 2,737,000</u>	<u>\$ 2,769,000</u>
<u>Expenditures by Division:</u>				
Administrative	\$ 318,408	\$ 472,035	\$ 408,900	\$ 458,459
Air Monitoring	\$ 417,152	\$ 542,940	\$ 510,800	\$ 457,787
Compliance	\$ -	\$ -	\$ -	\$ -
Engineering	\$ -	\$ -	\$ -	\$ -
Planning (2)	\$ 1,677,572	\$ 3,222,287	\$ 2,306,000	\$ 3,110,320
Total AB2766 Fund Expenditures	<u>\$ 2,413,132</u>	<u>\$ 4,237,262</u>	<u>\$ 3,225,700</u>	<u>\$ 4,026,566</u>
Net Surplus (Deficit)	<u>\$ 236,590</u>	<u>\$ (1,651,762)</u>	<u>\$ (488,700)</u>	<u>\$ (1,257,566)</u>
<i>ENDING FUND BALANCE</i>	<u>\$ 3,675,880</u>	<u>\$ 2,024,118</u>	<u>\$ 3,187,180</u>	<u>\$ 1,929,614</u>
<u>Expenditures by Type (4):</u>				
Salaries and Benefits	\$ 699,592	\$ 849,326	\$ 810,100	\$ 770,262
Maintenance, Equipment, and Supplies	74,046	90,711	75,050	102,091
Legal and Professional Services	57,361	146,636	103,750	104,525
Utilities & Office Rent	31,573	35,544	36,800	34,763
Insurance	20,055	20,500	20,500	17,600
Training, Travel, District Board Expenses	15,413	32,915	19,800	41,390
Sponsorships (1)	12,276	14,000	14,000	18,000
Fixed Assets	-	35,030	33,000	24,810
Grants-Public Educations	200	10,000	10,000	10,000
Grants-AB2766 (Current & Prior Years) (2)	1,500,329	2,600,000	1,700,000	2,500,000
Electric Vehicle Rebates (3)	-	400,000	400,100	400,000
Other	2,287	2,600	2,600	3,125
Total AB2766 Fund Expenditures	<u>\$ 2,413,132</u>	<u>\$ 4,237,262</u>	<u>\$ 3,225,700</u>	<u>\$ 4,026,566</u>

Notes:

- (1) Includes sponsoring the annual Clean Air awards and electric vehicle events.
- (2) Assumption for FY 16-17 & 17-18 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 15-16	REVISED BUDGET FY 16-17	ESTIMATED ACTUALS FY 16-17	ADOPTED BUDGET FY 17-18
<i>BEGINNING FUND BALANCE</i>	<u>\$ 4,426,205</u>	<u>4,295,664</u>	<u>4,295,664</u>	<u>3,852,664</u>
<u>Revenues</u>				
AB923 Fees/ - Operating	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
AB923 Fees/Interest -Non-Operating	1,251,455	1,243,700	1,260,000	1,304,000
AB923 Fund Interest Income	36,122	18,000	50,000	52,000
Total AB923 Fund Revenues	<u>\$ 1,347,577</u>	<u>\$ 1,321,700</u>	<u>\$ 1,370,000</u>	<u>\$ 1,416,000</u>
<u>Expenditures by Division:</u>				
Planning (1)	\$ 1,478,118	\$ 3,112,270	\$ 1,813,000	\$ 2,239,800
Total AB923 Fund Expenditures	<u>\$ 1,478,118</u>	<u>\$ 3,112,270</u>	<u>\$ 1,813,000</u>	<u>\$ 2,239,800</u>
Net Surplus (Deficit)	<u>\$ (130,541)</u>	<u>\$ (1,790,570)</u>	<u>\$ (443,000)</u>	<u>\$ (823,800)</u>
<i>ENDING FUND BALANCE</i>	<u><u>\$ 4,295,664</u></u>	<u><u>\$ 2,505,094</u></u>	<u><u>\$ 3,852,664</u></u>	<u><u>\$ 3,028,864</u></u>
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 24,627	\$ 63,346	\$ 64,000	\$ 38,438
Professional Services	-	-	-	-
Supplies, Travel, Training	-	1,824	1,900	1,362
Electric Vehicle Infrastructure Project (1)	-	1,247,100	1,247,100	200,000
Grants-AB923 (2)	1,453,491	1,800,000	500,000	2,000,000
Total AB923 Fund Expenditures	<u><u>\$ 1,478,118</u></u>	<u><u>\$ 3,112,270</u></u>	<u><u>\$ 1,813,000</u></u>	<u><u>\$ 2,239,800</u></u>

Notes:

- (1) *Electric Vehicle Infrastructure Project to install and operate EV charge stations in the Monterey, Santa Cruz, and San Benito Counties.*
- (2) *Assumption for FY 16-17 & 17-18 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 15-16	REVISED BUDGET FY 16-17	ESTIMATED ACTUALS FY 16-17	ADOPTED BUDGET FY 17-18
<i>BEGINNING FUND BALANCE</i>	<u>\$ 388,517</u>	<u>668,546</u>	<u>668,546</u>	<u>584,546</u>
<u>Revenues</u>				
Moyer Grant-Non Operating	\$ 775,834	\$ 767,000	\$ 684,000	\$ 684,400
Moyer Grant - Operating	97,695	71,000	97,000	98,000
Moyer Interest	5,045	2,000	7,000	7,500
Total Moyer Fund Revenues	<u>\$ 878,574</u>	<u>\$ 840,000</u>	<u>\$ 788,000</u>	<u>\$ 789,900</u>
<u>Expenditures by Division:</u>				
Planning (1)	\$ 598,545	\$ 1,238,900	\$ 872,000	\$ 1,270,634
Total Moyer Fund Expenditures	<u>\$ 598,545</u>	<u>\$ 1,238,900</u>	<u>\$ 872,000</u>	<u>\$ 1,270,634</u>
Net Surplus (Deficit)	<u>\$ 280,029</u>	<u>\$ (398,900)</u>	<u>\$ (84,000)</u>	<u>\$ (480,734)</u>
<i>ENDING FUND BALANCE</i>	<u>\$ 668,546</u>	<u>\$ 269,646</u>	<u>\$ 584,546</u>	<u>\$ 103,812</u>
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 65,232	\$ 70,918	\$ 69,250	\$ 117,634
Professional Services	-	4,000	-	6,000
Supplies, Travel, Training	313	3,982	2,750	2,000
Grants (1)	533,000	1,160,000	800,000	1,145,000
Total Moyer Fund Expenditures	<u>\$ 598,545</u>	<u>\$ 1,238,900</u>	<u>\$ 872,000</u>	<u>\$ 1,270,634</u>

Notes:

(1) Assumption for FY 16-17 & 17-18 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 15-16	REVISED BUDGET FY 16-17	ESTIMATED ACTUALS FY 16-17	ADOPTED BUDGET FY 17-18
<i>BEGINNING FUND BALANCE</i>	<u>\$ 427,174</u>	<u>645,488</u>	<u>645,488</u>	<u>738,488</u>
<u>Revenues</u>				
Offsite Mitigation Fees/Interest (1)	<u>\$ 335,200</u>	<u>\$ 201,500</u>	<u>\$ 293,000</u>	<u>\$ 331,000</u>
Total General Grants Fund Revenues	<u>\$ 335,200</u>	<u>\$ 201,500</u>	<u>\$ 293,000</u>	<u>\$ 331,000</u>
<u>Expenditures by Division:</u>				
Planning	<u>116,886</u>	<u>200,000</u>	<u>200,000</u>	<u>1,000,000</u>
Total General Grants Fund Expenditures	<u>\$ 116,886</u>	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 1,000,000</u>
Net Surplus (Deficit)	<u>\$ 218,314</u>	<u>\$ 1,500</u>	<u>\$ 93,000</u>	<u>\$ (669,000)</u>
<i>ENDING FUND BALANCE</i>	<u><u>\$ 645,488</u></u>	<u><u>\$ 646,988</u></u>	<u><u>\$ 738,488</u></u>	<u><u>\$ 69,488</u></u>
<u>Expenditures by Type:</u>				
Grants (1)	<u>\$ 116,886</u>	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 1,000,000</u>
Total General Grants Fund Expenditures	<u><u>\$ 116,886</u></u>	<u><u>\$ 200,000</u></u>	<u><u>\$ 200,000</u></u>	<u><u>\$ 1,000,000</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 Direct Expenditures by Program - All Funds

	ACTUALS FY 15-16	ESTIMATED ACTUALS FY 16-17	ADOPTED BUDGET FY 17-18
Support and Operations (1)	\$ 2,616,522	\$ 1,695,150	\$ 2,276,802
Education (2)	104,753	181,850	200,050
Permitting (3)	2,349,921	2,392,450	2,356,326
Title V	164,808	191,450	212,508
Asbestos	221,502	288,000	262,299
Air Monitoring AB2766	417,152	510,800	457,787
Air Monitoring PM 2.5	57,733	37,000	40,937
Planning General	562,730	452,500	529,537
Planning AB2766 (4)	1,677,572	2,306,000	3,110,320
AB 923 Grant Program (4)	1,478,118	1,813,000	2,239,800
Moyer Grant Program (4)	598,545	872,000	1,270,634
Offsite Mitigation Grants (5)	116,886	200,000	1,000,000
Woodstove Changeout Program	62,000	75,500	75,000
Debt Funding (6)	72,000	95,000	95,000
Total-All Programs	\$ 10,500,242	\$ 11,110,700	\$ 14,127,000

Notes:

- (1) Support and Operations include all overhead expenses, including building remodel expenses.
- (2) Education program expenses for FY 16-17 & FY 17-18 include increases to public outreach program.
- (3) Permitting program includes stationary source program expenditures for Engineering & Compliance divisions, rule development, complaints, burn permits, and air monitoring.
- (4) Assumption for FY 17-18 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.
- (5) Offsite mitigation grants to be funded from East Garrison Project air quality mitigation fees collected by Monterey County.
- (6) Debt reduction is for deposits to Other Post Employment Benefit (OPEB) Trust.

**Monterey Bay Air Resources District
Stationary Source Programs
FY 2017-18 Budget**

	Program		
	Permitting	Title V	Asbestos
Estimated Revenues - Permitting Fees	\$ 2,950,000	\$ 375,555	\$ 224,445
Estimated direct expenditures			
Engineering Division	\$ 1,047,031	\$ 79,845	\$ -
Compliance Division	1,100,610	132,663	262,299
Air Monitoring Division	168,253	-	-
Planning Division	40,432	-	-
Subtotal - Direct Expenditures	\$ 2,356,326	\$ 212,508	\$ 262,299
Estimated overhead allocations			
Engineering Division	\$ 412,295	\$ 29,563	\$ -
Compliance Division	450,019	57,621	105,803
Air Monitoring Division	60,418	-	-
Planning Division	16,191	-	-
Subtotal - Overhead Allocations	\$ 938,924	\$ 87,183	\$ 105,803
Total Expenditures + Overhead	\$ 3,295,250	\$ 299,691	\$ 368,102
Revenues less Expenditures:			
Surplus or (deficit)	\$ (345,250)	\$ 75,864	\$ (143,657)

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



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 Deputy APCO (vacant position), 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 15-16	REVISED BUDGET FY 16-17	ESTIMATED ACTUALS FY 16-17	PROPOSED BUDGET FY 17-18
<i>Expenditures by Type:</i>				
Salaries and Benefits	\$ 742,637	\$ 858,538	\$ 848,000	\$ 845,387
Maintenance, Equipment, and Supplies	175,152	186,370	173,050	249,825
Legal and Professional Services	388,211	540,065	494,650	441,160
Utilities & Office Rent	74,389	77,536	84,200	86,360
Insurance	100,276	100,500	100,500	103,300
Training, Travel, District Board Expenses	56,128	65,875	56,200	70,440
Fixed Assets	1,079,232	509,600	104,500	630,000
Sponsorships	10,776	10,000	10,000	15,000
OPEB Trust Acct Payment	150,000	72,000	72,000	95,000
Grants and Other	16,474	29,110	28,900	35,380
Totals	\$ 2,793,275	\$ 2,449,594	\$ 1,972,000	\$ 2,571,852



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 15-16	REVISED BUDGET FY 16-17	ESTIMATED ACTUALS FY 16-17	PROPOSED BUDGET FY 17-18
<i>Expenditures by Type:</i>				
Salaries and Benefits	\$ 507,003	\$ 612,383	\$ 578,750	\$ 536,547
Maintenance, Equipment, and Supplies	44,134	49,035	41,750	54,380
Professional Services	8,591	12,500	12,750	15,000
Utilities & Office Rent	22,398	27,240	27,650	28,050
Training & Travel	1,806	7,425	5,000	6,000
Fixed Assets	18,888	44,800	45,000	27,000
Totals	\$ 602,820	\$ 753,383	\$ 710,900	\$ 666,977



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, an Engineering and Compliance Specialist, and a Senior Administrative Assistant.

	ACTUALS FY 15-16	REVISED BUDGET FY 16-17	ESTIMATED ACTUALS FY 16-17	PROPOSED BUDGET FY 17-18
<i>Expenditures by Type:</i>				
Salaries and Benefits	\$ 1,415,155	\$ 1,574,351	\$ 1,527,600	\$ 1,397,647
Maintenance, Equipment, and Supplies	27,503	31,110	22,400	34,410
Utilities & Office Rent	23,295	24,695	22,950	25,935
Legal and Professional Services	4,337	5,553	3,800	12,500
Training & Travel	20,678	23,930	20,700	25,080
Other	4,500	-	-	-
Totals	\$ 1,557,660	\$ 1,711,566	\$ 1,650,200	\$ 1,495,572



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, and a Senior Administrative Assistant.

	ACTUALS FY 15-16	REVISED BUDGET FY 16-17	ESTIMATED ACTUALS FY 16-17	PROPOSED BUDGET FY 17-18
<i>Expenditures by Type:</i>				
Salaries and Benefits	\$ 1,012,294	\$ 1,028,444	\$ 1,013,450	\$ 1,057,857
Maintenance, Equipment, and Supplies	9,404	12,650	9,650	12,200
Utilities	73	1,000	300	1,000
Legal and Professional Services	15,351	31,219	13,750	36,519
Training & Travel	8,381	20,950	16,350	18,750
Other	449	500	500	\$ 550
Totals	\$ 1,045,952	\$ 1,094,763	\$ 1,054,000	\$ 1,126,876



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, Electric Vehicles Programs, Woodstove Changeout Program, and the Fort Ord Burn Program
- 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 15-16	REVISED BUDGET FY 16-17	ESTIMATED ACTUALS FY 16-17	PROPOSED BUDGET FY 17-18
<i>Expenditures by Type:</i>				
Salaries and Benefits	\$ 674,695	\$ 726,012	\$ 720,450	\$ 652,101
Maintenance, Equipment, and Supplies	5,878	20,006	17,250	17,262
Legal and Professional Services	140,204	1,413,366	1,286,100	428,300
Utilities & Office Rent	1,074	1,960	1,500	1,960
Training & Travel	11,228	26,900	16,400	40,500
Sponsorships	1,500	4,000	4,000	3,000
Grants-AB2766	1,500,329	2,600,000	1,700,000	2,500,000
Grants-Moyer	533,000	1,160,000	800,000	1,145,000
Grants-AB923	1,453,491	1,800,000	500,000	2,000,000
Electric Vehicle Rebates	-	400,000	400,100	400,000
Grants-Woodstove Changeouts	62,000	75,500	75,500	75,000
Grants-Offsite Mitigation	116,886	200,000	200,000	1,000,000
Grants-Air Expressions	-	2,000	2,000	2,000
Other	250	300	300	600
Totals	\$ 4,500,535	\$ 8,430,044	\$5,723,600	\$ 8,265,723

**Monterey Bay Air Resources District
Fixed Assets
Adopted Budget
FY 2017-18**

Description	Estimated Cost
District's Building 3rd Floor Remodel Project	\$ 600,000
District's Building Exterior Painting Project	\$ 30,000
Air Monitoring Equipment - Gas Titrator, Span Gas Calibrator	18,000
Air Monitoring Equipment - Portable UV Absorption Photometer	<u>9,000</u>
Grand Total	<u><u>\$ 657,000</u></u>

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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 16-17	ADOPTED BUDGET FY 17-18		ESTIMATED ACTUALS FY 16-17	ADOPTED BUDGET FY 17-18		ESTIMATED ACTUALS FY 16-17	ADOPTED BUDGET FY 17-18		ESTIMATED ACTUALS FY 16-17	ADOPTED BUDGET FY 17-18		ESTIMATED ACTUALS FY 16-17	ADOPTED BUDGET FY 17-18	
Beginning Fund Balance, July 1st	\$ 6,959,976	\$ 5,757,332	\$ 6,337,332	\$ 3,439,290	\$ 3,187,180	\$ 3,187,180	\$ 4,426,205	\$ 4,295,664	\$ 3,852,664	\$ 388,517	\$ 668,546	\$ 584,546	\$ 427,174	\$ 645,488	\$ 738,488
Revenues	4,690,919	5,580,000	5,015,000	2,649,722	2,737,000	2,769,000	1,347,577	1,370,000	1,416,000	878,574	788,000	789,900	335,200	293,000	331,000
Expenditures (1)	(5,893,563)	(5,000,000)	(5,590,000)	(2,413,132)	(3,225,700)	(4,026,566)	(1,478,118)	(1,813,000)	(2,239,800)	(598,545)	(872,000)	(1,270,634)	(116,886)	(200,000)	(1,000,000)
Net Increase (Decrease) in Fund Balance	\$ (1,202,644)	\$ 580,000	\$ (575,000)	\$ 236,590	\$ (488,700)	\$ (1,257,566)	\$ (130,541)	\$ (443,000)	\$ (823,800)	\$ 280,029	\$ (84,000)	\$ (480,734)	\$ 218,314	\$ 93,000	\$ (669,000)
Projected Ending Fund Balance, June 30th	\$ 5,757,332	\$ 6,337,332	\$ 5,762,332	\$ 3,675,880	\$ 3,187,180	\$ 1,929,614	\$ 4,295,664	\$ 3,852,664	\$ 3,028,864	\$ 668,546	\$ 584,546	\$ 103,812	\$ 645,488	\$ 738,488	\$ 69,488
Reserves & Unreserved Fund Balance:															
Reserved for Grants															
Designated for Economic Uncertainties (2)	\$ 1,568,000	\$ 1,587,438	\$ 1,525,000												
Designated for Building & Facilities	600,000	600,000	-												
Designated for Other Post Employment Benefits (OPEB)	465,000	370,000	275,000												
Unreserved Fund Balance	3,124,332	3,779,895	3,962,332	1,845,342	1,087,180	929,614									
Projected Total-Reserved & Unreserved Fund Balance	\$ 5,757,332	\$ 6,337,332	\$ 5,762,332	\$ 3,675,880	\$ 3,187,180	\$ 1,929,614	\$ 4,295,664	\$ 3,852,664	\$ 3,028,864	\$ 668,546	\$ 584,546	\$ 103,812	\$ 645,488	\$ 738,488	\$ 69,488

Notes:
(1) Assumption for 17-18 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.

RESOLUTION

RESOLUTION 17-013

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

Adopt the Fiscal Year (FY) 17-18 Budget in the Amount of \$14,127,000 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, 2017 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 \$14,127,000 for FY 17-18 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 17-18.

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 17-18 shall be thirty-nine cents (\$.39). The per capita assessment of forty-three cents (\$.43) for FY 18-19, 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 21st day of June, 2017, upon motion of Director Salinas, seconded by Director Phillips, and carried by the following vote, to wit:

AYES: Directors Coonerty, Friend, Ledesma, Villegas (alt.), Muenzer, Phillips, and Salinas

NOES: None.

ABSENT: Directors Brown, Dallas, McShane, Parker, and Rios

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 21, 2017.

By: 
Ann O'Rourke, Executive Assistant

Approved: 
Richard A. Stedman, APCO

Table 1. Fee Schedule

Rule 300 (Part 3, Permit Fees)			
	Permit Fees	Rule 300 (FY 2016-2017)	Rule 300 (FY 2017-2018)
Section 3.1	Filing Fee	\$ 189	\$ 198
Section 3.4.1	Synthetic Minor Permit Filing Fee	Not applicable	\$ 290
Section 3.4.2	Synthetic Minor Permit Evaluation Fee	Not applicable	\$ 1,160
Rule 300 (Annual Renewal Fees for Source Specific Categories, Section 4.3)			
	Source Category	Rule 300 (FY 2016-2017)	Rule 300 (FY 2017-2018)
	Dry Cleaner	Not applicable	\$310
	Emergency Diesel Fueled Internal Combustion Engine (current fee code 502)	Not applicable	\$310
	Emergency Diesel Fueled Internal Combustion Engine (current fee code 501)	Not applicable	\$210
	Emergency Non-Diesel Fueled Internal Combustion Engine	Not applicable	\$210
	Fume Hood	Not applicable	\$210
	Fossil Fueled Power Plant Gas Turbine Maximum Rated Heat Input	Not applicable	\$50 per MMBtu/hr
	Fossil Fueled Power Plant Boiler	Not applicable	\$25 per MMBtu/hr
	Lime Processing Facility (3-year average kiln annual production rates):		
	-Kiln production rate < 100,000 short tons per year	Not applicable	\$0.50 per short ton
	-Kiln production rate > 100,000 short tons per year	Not applicable	\$0.70 per short ton
	Cannabis Cultivation/Manufacturing/Processing Operations	Not applicable	\$450
	Cannabis Cultivation/Manufacturing/Processing Odors	Not applicable	\$100
	Synthetic Minor Permit	Not applicable	\$40 per ton
Rule 300 (Annual Renewal Fees for Sources Greater Than 300 Tons)			
	Billable Emission per Permit, Tons per Year	Rule 300 (FY 2016-2017)	
Section 4	>300	\$167 per ton	-

Table 1. Fee Schedule

Rule 300 (Annual Renewal Fees ~~for Sources Less Than 300 Tons~~, Section 4.54)

Billable Emission per Permit; Tons per Year	Rule 300 (FY 2016-2017)	Rule 300 (FY 2017-2018)
0 - < 0.1	\$ 188	\$ 197
0.1 - < 1	\$ 281	\$ 295
1 - < 2	\$ 351	\$ 369
2 - < 5	\$ 501	\$ 526
5 - < 8	\$ 689	\$ 723
8 - < 10	\$ 1,318	\$ 1,384
10 - < 20	\$ 1,946	\$ 2,043
20 - < 30	\$ 3,376	\$ 3,544
30 - < 45	\$ 4,803	\$ 5,043
45 - < 60	\$ 5,873	\$ 6,166
60 - < 80	\$ 6,943	\$ 7,290
80 - < 100	\$ 7,646	\$ 8,028
100 - < 150	\$ 8,335	\$ 8,752
150 - < 200	\$ 10,094	\$ 10,599
200 - < 250	\$ 11,854	\$ 12,446
250 - < 300	\$ 14,723	\$ 15,459

Rule 300 (Annual Renewal Fee Determination, Section 4.65)

Fees	Rule 300 (FY 2016-2017)	Rule 300 (FY 2017-2018)
Section 4.65.1	\$ 914	\$ 959
Section 4.65.2	\$ 457	\$ 480
Section 4.65.3	\$ 457	\$ 480

Rule 300 (Gasoline Throughput Fees, Section 4.76)

Gasoline Throughput; Gallons per Year	Rule 300 (FY 2016-2017)	Rule 300 (FY 2017-2018)
Section 4.76 Per Nozzle Fee	\$ 48	\$ 50
Throughput "b" 0 - < 100,000	\$ 234	\$ 246
100,000 - < 400,000	\$ 374	\$ 393
400,000 - < 800,000	\$ 553	\$ 581
800,000 - < 1,200,000	\$ 736	\$ 773
1,200,000 - < 1,600,000	\$ 918	\$ 963
1,600,000 - < 2,000,000	\$ 1,186	\$ 1,245
2,000,000 - < 3,000,000	\$ 1,799	\$ 1,889
3,000,000 and greater	\$1,799 + \$599 for each additional million gallons	\$1,889 + \$628 for each additional million gallons

Table 1. Fee Schedule**Rule 300 (Wastewater Treatment Facilities Fees, Section 4.87)**

Average Flow; Gallons per Day	Rule 300 (FY 2016-2017)	Rule 300 (FY 2017-2018)
0 - < 500,000	\$ 167	\$ 176
500,000 - < 1,000,000	\$ 280	\$ 294
1,000,000 - < 2,000,000	\$ 497	\$ 522
2,000,000 - < 3,000,000	\$ 713	\$ 749
3,000,000 - < 4,000,000	\$ 1,104	\$ 1,160
4,000,000 - < 5,000,000	\$ 1,418	\$ 1,489
5,000,000 - < 6,000,000	\$ 1,733	\$ 1,820
6,000,000 - < 7,000,000	\$ 2,049	\$ 2,151
7,000,000 - < 8,000,000	\$ 2,365	\$ 2,483
8,000,000 and greater	-\$2364 + \$316 for each additional million gallons	\$2,483 + \$332 for each additional million gallons

Rule 300 (Other Annual Renewal Fee Determination)

Fees	Rule 300 (FY 2016-2017)	Rule 300 (FY 2017-2018)
Section 4.98 Annual Renewal Fee for NESHAP Sources	\$ 14,723	\$ 15,459
Section 4.109 Methyl Bromide Fumigation Chambers	\$ 167	\$ 176
Section 4.110 Authorities to Construct	\$ 167	\$ 176
Section 4.121 Toxic Program Sources	\$ 88	\$ 92
Section 6.1 ERC Registry Fee	\$ 555	\$ 583
Section 6.1.2 Annual Regsitry Fee	\$ 185	\$ 195

Rule 300 (Delinquency Penalties)

Fees	Rule 300 (FY 2016-2017)	Rule 300 (FY 2017-2018)
Section 5.1.7.2 Revocation Initiation	\$ 474	\$ 497
Section 5.1.7.3 Reinstatement	\$ 714	\$ 750

Table 1. Fee Schedule

Rule 301 (Permit Fee Schedules)

	Fee Schedules	Rule 301 (FY 2016-2017)	Rule 300 (FY 2017-2018)
	Hourly Staff Rate	\$ 138	\$ 145
Schedule 1	General Permit Fee	\$840 plus the hourly staff rate	\$882 plus the hourly staff rate
Schedule 2	Administrative Amendment	\$272 plus the hourly staff rate	\$286 plus the hourly staff rate
Schedule 3	Equipment that Lost Permit Exemption	hourly staff rate	hourly staff rate
Schedule 4	Gasoline Dispensing Facilities		
	Phase I	\$ 867	\$ 910
	Phase II	\$ 867	\$ 910
	Phase II per nozzle fee	\$ 53	\$ 50
	Phase I + Phase II	\$1155 + \$103 for each nozzle	\$1213 + \$108 for each nozzle
	Installation of In Station Diagnosis System	\$ 1,235	\$ 1,296
	Throughput Fees (gallons per year)		
	1 Nozzle (0 - < 100,000)	\$ 234	\$ 246
	2 Nozzles (100,000 - < 400,000)	\$ 375	\$ 393
	3 Nozzles (400,000 - < 800,000)	\$ 553	\$ 581
	4 Nozzles (800,000 - < 1,200,000)	\$ 736	\$ 773
	5 Nozzles (1,200,000-< 1,600,000)	\$ 917	\$ 963
	6 Nozzles (1,600,000 -<2,000,000)	\$ 1,186	\$ 1,245
	More than 7 Nozzles (2,000,000 or greater)	\$ 1,799	\$ 1,889
Schedule 5	Emission Fees	\$ 188	\$ 197
Schedule 6	Toxic Air Contaminants	\$ 189	\$ 198
Schedule 7	Public Notification	\$ 570	\$ 599
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	\$ 178	\$ 186

Table 1. Fee Schedule

Rule 302 (Source Testing and Analyses)

Type of Test		Rule 302 (FY 2016-2017)	Rule 300 (FY 2017-2018)
Section 4.1.2	Visible emission evaluation test or observation of source testing	\$138 + \$138 per hour for every staff hour in excess of 20 staff hours	\$145 + \$145 per hour for every staff hour in excess of 20 staff hours

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

Fee Determination		Rule 305 (FY 2016-2017)	Rule 300 (FY 2017-2018)
Hourly Staff Rate for:			
Section 3.1.2-3.1.3	Public Notification, Audit and Plan, Supplemental Risk Assessment	\$ 138	\$ 145
Section 3.3.5.1	Revocation Initiation	\$ 474	\$ 497
Section 3.3.5.2	Reinstatement	\$ 714	\$ 750

Table 1. Fee Schedule

Rule 306 (Asbestos NESHAP Fees)

	Fee	Rule 306 (FY 2016-2017)	Rule 300 (FY 2017-2018)
Section 4.2	Demolition (cost per structure) Where No Asbestos Present	\$ 383	\$ 402
Demolition or Renovation Fee			
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)	\$ 383	\$ 402
Section 4.5.2	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	\$ 665	\$ 698
Section 4.5.3	Demolition or Renovation involving; between 1000 and 1499 sq. ft. RACM, or between 500 and 749 linear ft. RACM	\$ 858	\$ 900
Section 4.5.4	Demolition or Renovation involving; between 1500 and 1999 sq. ft. RACM, or between 750 and 999 linear ft. RACM	\$ 1,049	\$ 1,101
Section 4.5.5	Demolition or Renovation involving; between 2000 and 4000 3999 sq. ft. RACM, or between 1000 and 2000 1999 linear ft. RACM	\$ 1,235	\$ 1,297
Section 4.5.6	Demolition or Renovation involving; greater than between 4000 and 9999 sq. ft. RACM, or greater than between 2000 and 2999 linear ft. RACM	\$ 1,415	\$ 1,486
Section 4.5.7	Demolition or Renovation involving; greater than 10000 sq. ft. RACM, or greater than 3000 linear ft. RACM	Not applicable	\$ 1,627
Section 4.5.8	Cancellation Fee	Not applicable	\$ 145

Table 1. Fee Schedule

Rule 308 (Title V Fees)			
	Title V Fees	Rule 308 (FY 2016-2017)	Rule 300 (FY 2017-2018)
	Filing Fee for an initial Federal Operating Permit, renewal, or modification	\$ 383	\$ 402
	Filing Fee for Change of Ownership	\$ 138	\$ 145
Section 3.3	Evaluation Fee	\$ 138	\$ 145
Section 4.1.1	Minimum Annual Federal Operating Permit Fee (AFOPF)	\$ 914	\$ 959
Section 4.1.2.1	AFPOF for landfill gas emissions per ton	\$ 2.78	\$ 2.92
Rule 309 (Hearing Board Fees)			
	Hearing Board Fees	Rule 309 (FY 2016-2017)	Rule 309 (FY 2017-2018)
Section 3.1.1-3.1.10	Fee for Each Additional Hearing	\$ 445	\$ 467
Application Fees:			
	Length of variance exceeds 90 days	\$ 886	\$ 930
Section 3.1.1			
	Length of variance does not exceed 90 days	\$ 620	\$ 651
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	\$ 445	\$ 467
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)	\$ 0.60	\$ 0.63
Section 3.3.1	Excess Visible Emission	\$ 1.71	\$ 1.79
Section 3.4	Minimum Fees	\$ 445	\$ 467

Table 1. Fee Schedule

Rule 310 (Agricultural Diesel Engine Registration Fees)

	Ag Engine Fees	Rule 310 (FY 2016-2017)	Rule 300 (FY 2017-2018)
Application Fees:			
Section 3.1.1.1	In-use diesel engine	\$378 + \$189 for each additional engine	\$397 + \$198 for each additional engine
Section 3.1.2.1	New Diesel Engine within 90 days of purchase	\$189 + \$94 for each additional engine	\$198 + \$99 for each additional engine
Section 3.1.2.2	New Diesel Engine after 90 days of purchase	\$378 + \$189 for each additional engine	\$397 + \$198 for each additional engine
Section 3.2	Operational Annual Registration Fees	\$ 69	\$ 73
	Non-Operational Annual Registration Fees	\$ 35	\$ 37
Section 3.3	Transfer of Owner/Change of Location	Not applicable	\$ 198

GLOSSARY

**MONTEREY BAY AIR RESOURCES DISTRICT
FY 2017-18 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 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 \$.39 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.

**Serving *Monterey*, *San Benito*, and
Santa Cruz Counties.**



*Monterey Bay Air
Resources District*

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