



Our Vision  Clean Air

Santa Barbara County Air Pollution Control District

Fiscal Year 2008-09 Comprehensive Program Summary and Proposed Budget



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Terry Dressler
Air Pollution Control Officer

Front Cover:

NORTH-FACING VIEW OF CASA NUEVA'S EAST ENTRANCE

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Air Pollution Control Officer's Message

April 11, 2008

The Governing Board of the
Santa Barbara County Air Pollution Control District

Dear Chair Alvarez and Board Members:

The fiscal year (FY) 2008-09 Comprehensive Program Summary and Budget has been prepared according to the policy framework and direction provided by the Board and the Air Pollution Control District Strategic Plan.

This summary discussion includes (1) the District budget at a glance, (2) major factors affecting the budget, and (3) budget highlights.

This summary is followed by the District's operating budgets by Division, which provide division overviews, significant financial changes, purpose statements, FY 2007-08 significant accomplishments, FY 2008-09 goals and objectives, and recurring performance measures.

Fiscal Year 2008-09 District Budget at a Glance

	Adopted FY 2007-08	Proposed FY 2008-09
Revenues	\$ 9,241,759	\$ 9,460,583
Expenditures	\$ 9,241,759	\$ 9,460,583
Staffing (positions)	51.25	51.25

We are proposing to maintain staffing levels. The Proposed FY 2008-09 budget is \$224,758 (or 2.4%) higher than the Adopted FY 2007-08 budget. *(Please see page eight for a complete APCD Budget schedule.)*

Major Factors Affecting the Fiscal Year 2008-09 Budget

The FY 2008-09 budget is characterized by our fourth year of a long term plan to bring our expenditures in alignment with our revenues. For the last four out of five fiscal years the APCD's budgeted expenditures have been greater than our budgeted revenues, and we have had to use, in the form of a release of designations, previously accumulated discretionary funds in order to balance our budgets, the balances of which are described in our designations schedules on pages four and five.

We are pleased to report that we have eliminated our need to use designations to balance our budget, reducing it from an adopted \$223,481 in FY 2007-08.

For the FY 2008-09 budget, we have maintained staffing levels and implemented the results of our study of our annual revenue budget estimates.

Retirement rates have increased from 20.1% of pensionable earnings to 26.7%. This equates to \$308,151 over the prior year cost of \$817,283.

The revenue estimating study analyzed the previous four years of budgeted revenues to their resulting actuals, and a number of revenue sources appeared to be very conservatively estimated. Revenue estimates increased as a result of this study are, Reevaluation Fees (an additional \$36,421), Application Fees (\$24,000), Source Test Fees (\$5,631), Interest (\$100,000), Federal - EPA Grant (\$15,000), and Environmental Reviews (\$8,165), for a total adjustment of \$207,854 (or 2.7% of FY 2007-08 adopted revenues).

Due to how closely we have projected the balance of our revenues and expenditures, we will ask the Board to authorize the Air Pollution Control Officer (APCO) to release discretionary designations during the fiscal year, if necessary, to offset any unforeseen reductions in projected revenues.

Discussed below are major expenditure changes and major revenue changes, not already outlined by the above study, that affect the FY 2008-09 budget.

Revenue Changes

No fee increases are proposed for FY 2008-09 other than the estimated 3.0% CPI adjustment in fees that is authorized by APCD Rule 210. In fact, a number of years between July 1, 1990 and the end of fiscal year 1999-2000, the APCD did not raise fees by even the CPI, thereby foregoing 14.36% as of fiscal year 2008-09. Compounding continues to cause this percentage to grow over time.

As mentioned, above, a number of revenue sources are proposed to increase above the 3% CPI due to the implementation of the new rules mentioned above, as well as the, above mentioned, revenue budgeting study.

Other proposed increases include the first peak year after the trough year of our three-year Reevaluation Fees cycle. Compared to Adopted FY 2007-08 Reevaluation Fees of \$343,060, FY 2008-09 is proposed at \$874,400, a \$531,340 (or 154.9%) increase. Inspection fees will increase \$14,650 (or 55%) for the Air Resources Board's (ARB's) Portable Equipment Registration Program (PERP). We also added a new Data Acquisition

System participant, J&A Santa Maria, Inc., contributing to the increase of \$13,523 (or 4%) in DAS revenues. SBCAG pool car usage and other services increased slightly, resulting in the \$7,366 (or 4.7%) increase to Other Governments. The next EPA grant could be approximately \$550,000 with \$495,000 being utilized in 2008-09.

Proposed decreases include an Annual Emission Fees decrease of \$32,076 (or 3.1%) due to emission decreases made by our sources, particularly Celite, as well as a reimbursement charges decrease of \$82,463 (or 5.1%) to \$1,534,000 compared to the Adopted FY 2007-08 budget of \$1,616,463 as a result of a reduction in the amount of State provided Moyer grant funds budgeted to be received.

Lastly, we propose no use of discretionary designations to balance related discretionary operations in the FY 2008-09 budget. This is a \$223,481 (or 100%) reduction.

Expenditure Changes

The FY 2008-09 Expenditure Plan of \$9,946,517 represents an increase of \$224,758 (or 2.4%) compared to FY 2007-08 of \$9,241,759, which is primarily attributed to COLAs, step increases, and retirement rate increases, offset by a reduction in County Cost Allocation charges, savings from hiring new employees at lower steps, and reductions in contributions to other governmental agencies.

The net \$43,206 (or 1.5%) decrease in Administration is where the savings from the County Cost Allocation charges reduction is described. The \$145,446 (or 6.7%) increase in Engineering & Compliance (ECD) is primarily due to step increases for the newer employees being more pronounced, since ECD has the lion's share of the APCD's new employees. The net \$95,987 (2.4%) increase in Technology and Environmental Assessment (TEA) is primarily attributed to reductions in contributions to other governmental agencies, offsetting salary and benefits cost increases.

Under the Character of Expenditures, despite the proposed COLA of 3%, Salaries increase only \$23,875 (or 0.6%) due to the savings realized in hiring new employees at lower steps. The net increase of \$171,683 in Benefits is from the retirement rate increases, offset by a handful of employees that opted out of the APCD's health insurance benefits. The retirement expense increase was unanticipated. The FY 2008-09 increase is due to the retirement system hiring new actuaries and more accurately valuing the pension obligations. We do not anticipate another increase, for this reason, occurring again. Services and supplies increase modestly, primarily due to an increase in the amount of grants forecasted to be issued. The reduction in fixed assets reflects the

completion of the data logger upgrades for the Data Acquisition System, offset by a vehicle needed in ECD.

Clean Air Planning Requirements

During FY 2008-09, staff effort will be focused on obtaining EPA approval of our 2007 Clean Air Plan and preparing greenhouse gas emissions inventories for our major stationary sources. EPA has also revised its eight-hour ozone standard and staff will be working closely with EPA to determine and specific planning requirements for the revised health standard.

Motor Vehicle Registration Surcharge Program

An existing annual surcharge of \$6 per registered vehicle is charged by the California Department of Motor Vehicles (DMV) to reduce air pollution from motor vehicles. Use of DMV funds for APCD programs reduces the fee burden on local businesses. In the FY 2008-09 budget, approximately \$48,000 is to be used for outside programs, grants, and contracts while the remaining funding is to be used to fund District programs. Included in the \$6 surcharge is a \$2 allocation to fund four programs specified in AB 923 legislation. Programs allowed under AB 923 include the Carl Moyer Program eligible projects, the School Bus Replacement/Retrofit Program, the Agricultural Assistance Program, and an Old Car Buyback Program. The legislation mandates that only 5% of the revenues can be applied to the administration of the grant programs with 95% directly funding grants. We also use AB 923 funding as a match to obtain our Year 10 Carl Moyer funding allocation.

Innovative Technologies Group

The award-winning Innovative Technologies Group continues to fund numerous projects demonstrating the use of clean air technologies. These projects include re-powering fishing vessels, heavy-duty trucks and school buses and replacing old agricultural pumps with newer, lower polluting engines. The primary funding source for these grants has shifted from mitigation funds established by major oil and gas projects in the late 1980s to new funding sources such as Carl Moyer Funds from the state and motor vehicle surcharge fees authorized by AB 923, as discussed above.

EPA Grant

The EPA Federal FY 2008 (October 1, 2007 - September 30, 2008) \$105 Grant for the APCD is estimated to be \$559,751. As the federal fiscal year is not the same as our fiscal year, we have budgeted \$495,000 in this budget. Competition for these grant funds is stiff and there are always threats to reduce overall EPA grant funds. The amount of funding provided through the \$105 Grant program is decreasing, subject to austerity measures and other funding reductions promulgated through the federal budget process.

Alternative Funding Sources

An important objective in the APCD Strategic Plan is to “Broaden the APCD funding base by actively pursuing additional sources of revenue.” The APCD has not increased its fixed fees, beyond CPI adjustments, in 16 years; however, we have also not been able to locate any other sustainable funding sources that would maintain our level of service. To that end, we are working with a group of fee paying stakeholders to address options for long term enhancement of District revenues.

Streamlining and Efficiency Improvements

Continuous efficiency improvements are imperative for the APCD to maintain the same level of effectiveness and customer service with reduced resources. The FY 2008-09 budget relies on continued efficiency improvements and streamlining of operations including increased computer automation, reduced permit processing times, and streamlined rules. Performance measure tracking is essential to continued improvements. It is important to note that, while we believe we can continue to achieve our mandated goals with the proposed staffing levels, we are staffed very thinly. Any prolonged absence of an employee due to illness or family leave could prevent us from achieving our mandated activities timely. We are currently operating below optimal staffing levels.

Fiscal Year 2008-09 Budget Highlights

Overview

This budget is for APCD’s FY 2008-09, which runs from July 1, 2008 through June 30, 2009. The budget adoption process is specified in Health and Safety Code Section 40131 and includes requirements for two public hearings and notification of all fee payers.

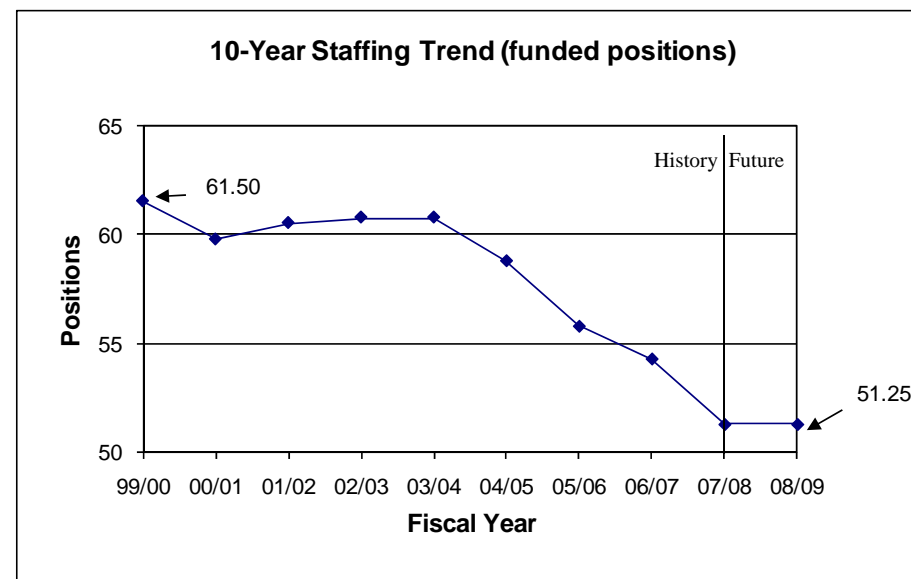
The APCD budget is divided into three units to differentiate:

- the costs of controlling pollution from onshore sources typical of the responsibilities of any air district, and from offshore oil and gas development and associated onshore facilities essentially unique to Santa Barbara County, and
- the costs associated with the Innovative Technologies Program. The Innovative Technologies Program consists of voluntary public and private partnerships funded by offshore oil mitigation funds, and state and federal grants, and
- the district-wide costs associated with APCD administration.

The APCD budget is financed primarily through fees paid by regulated businesses, motor vehicle registration fees, and federal and state grants. The Strategic Plan adopted by the APCD Board in October 1997 forecast that

overall fee revenue would continue to decrease substantially for several years. Sizable revenue reductions, indeed, occurred shortly after they were predicted. The fee revenue outlook has stabilized and while it is predicted revenues will grow, it is predicted that they will grow less than the CPI. The lag behind the CPI is due to positive emission reductions from new, cleaner, emission sources replacing the periodic withdrawal of older, less efficient sources, and an ongoing shift from reimbursable fee to fixed fee arrangements.

The revenue picture has stabilized; however, a detailed analysis of ongoing revenues and expenditures has revealed the need for additional expenditure reductions or increased revenue within the next 5 to 10 years.



Since FY 1999-00 we have reduced staffing by 10.25 FTE positions (or 15.2%). The APCD is proposing to maintain the 51.25 full time equivalent employees (funded positions). 51.25 FTE positions are a 54.6% reduction from the FY 1992-93 staffing peak of 113.0 positions. The current staff face the challenge of continuing to comply with existing and new state and federal mandates while maintaining a high level of service in major program areas such as rule development, planning, permitting, inspection, air monitoring, air toxics, and interagency review.

We have not proposed an increase in the Rule 210 fee schedule for regulated sources since 1991 other than the annual adjustment for Consumer Price Index change provided in our rules, which for FY 2008-09 is estimated at, and proposed to be, 3.0%. In fact, a number of years between July 1, 1990

and the end of fiscal year 1999-2000, the APCD did not raise fees by even the CPI, thereby foregoing 14.36% as of fiscal year 2008-09.

The Use of Savings/Fund Balance (Release of Designations)

The use of savings appears in the form of use of prior year fund balance. Going back five completed fiscal years, there was a use of fund balance of \$476,158, \$540,397, and \$351,972 for FY 2002-03 to 2004-05 and deposits of \$1,000,666 and \$220,747 for FY 2005-06 and 2006-07. The most recent deposits have been due to unpredictable Notice of Violation revenue and a number of revenue sources that have trended higher than anticipated. We are estimating a net savings of \$224,107 for FY 2007-08 and budgeting a net use of \$755,550 for FY 2008-09.

The budgeted use of savings has a number of components. The first component is the use of the Innovative Technologies Group (ITG) Projects designation of \$214,498, which was established from a large penalty settlement, to fund grant programs to reduce emissions, received over a decade ago, and periodically funded by additional mitigation agreements. We plan on applying these funds through Year 15 of the Carl Moyer Program (expiring in 2015-2016) and the recent increase in DMV funds from the new \$2 registration fee will help continue the program in future years. It is important to note that DMV \$2 funds are not considered an ongoing use of savings. The APCD will grant out DMV \$2 funds annually, and will only designate funds that can not be granted within a given fiscal year. The use of the DMV \$2 designation of \$614,796 is due to grant disbursement cycles.

Lastly, the Data Acquisition System component of \$39,432 is due to expenditures on capital projects for which the previously collected revenue was put aside.

Designation Usage Stabilization Plan

We have conducted systems and process improvements that have produced efficiencies and which have allowed us to reduce staff and the use of contractors while continuing to accomplish our mission. However, the staffing reductions have left us very little room to adapt to unforeseen temporary employee absence due to employee illness, valid and approved leaves from work, and resignations. Consequently, we continue to respond to short-term employee absence by performing ad hoc reorganizations within the divisions in order to meet our mandated goals and provide high quality service to our customers. The reduction in staffing levels has allowed us to balance the budget without accessing discretionary designations as revenue. Under our current organizational structure and revenue projections we expect to be able maintain a balanced budget in future years, with some years requiring accessing designations to balance and other years producing slight

surpluses that would replenish designations. If we are able to secure additional ongoing revenue, we believe there is justification to increase the APCD staff level by two to four positions over the next few years. While current and projected revenues do not allow for such an staffing increase, we will continue to work with a group of fee paying stakeholders to address options for the improvement in efficiency and the enhancement of revenues in future years.

Designation Summary

Description	Actual 7/1/2007 Amounts	Est. Act. FY 2007-08 Incr./((Decr.)	Est. Act. 6/30/2008 Amounts	Proposed FY 2008-09 Incr./((Decr.)	Proposed 6/30/2009 Amounts
Reserves:					
Imprest Cash	\$ 550	\$ -	\$ 550	\$ -	\$ 550
Reserved Receivables	12,626	1,860	14,486	-	14,486
Total Reserves	13,176		15,036		15,036
Designations:					
ITG Projects	1,311,511	(386,166)	925,345	(214,498)	710,847
Accumulated Capital Outlay	345,273	103,429	448,702	106,395	555,097
Strategic Reserve	450,000	-	450,000	-	450,000
Monitoring	164,363	6,436	170,799	6,781	177,580
Dry Period Reserve	883,929	(308,631)	575,298	-	575,298
Contingency	66,453	-	66,453	-	66,453
Data Acquisition System	495,131	(8,440)	486,691	(39,432)	447,259
Insurance Deductible	40,000	-	40,000	-	40,000
Special Investigations	20,000	-	20,000	-	20,000
DMV \$2	570,938	140,535	711,473	(614,796)	96,677
DMV \$4	197,905	104,630	302,535	-	302,535
Operational Activities	1,861,389	570,454	2,431,843	-	2,431,843
Total Designations	6,406,892		6,629,139		\$ 5,873,589
Total Res. and Des.	\$ 6,420,068		\$ 6,644,175		\$ 5,888,625
Net Adjustments		\$ 224,107		\$ (755,550)	

In addition to the uses of savings described earlier, the increase in designation of \$106,395 into Accumulated Capital Outlay signifies management's saving for capital equipment replacement in the future.

Total discretionary designations, not funded by categorical revenues, are outlined in the following table under the discretionary designation detail heading.

Discretionary Designation Detail

	Est. Act. 6/30/2008	Proposed FY 2008-09 Incr./(Decr.)	Proposed 6/30/2009 Amounts
Discretionary Designations:	Amounts		
Strategic Reserve	450,000	-	450,000
Dry Period Reserve	575,298	-	575,298
Contingency	66,453	-	66,453
Insurance Deductible	40,000	-	40,000
Special Investigations	20,000	-	20,000
Operational Activities	2,431,843	-	2,431,843
Total	\$ 3,583,594	\$ -	\$ 3,583,594

The Government Finance Officers Association (GFOA) recommends a minimum of 15% of revenues, be set aside in designations, which would be 15% of \$8,579,154, or \$1,286,873 for FY 2008-09. Based on the combined discretionary designations of \$3,583,594, the APCD has discretionary designations \$2,296,721 above the 15% recommended level. Given APCD's funding sources, management believes 25% would be a more prudent reserve target, which would be \$2,144,789. The APCD has discretionary designations \$1,438,805 above that target.

As part of the recommended budget resolution, we are requesting that the Board authorize the APCO to release discretionary designations, up to an amount not to exceed \$125,000, in the case that one or more of our projected revenue sources is not received at the projected level.

The Reporting of Impact and Performance Measures


Impact Measures quantify the impact the APCD is having on air quality and help track organizational effectiveness. Impact measures may be affected by other factors as well, such as meteorology, the efforts of other organizations, and business cycles.

Recurring *Performance Measures* quantify the efficiency of divisions and programs in meeting specific quantifiable performance goals (e.g., number of permits processed within a certain timeframe), while other annual objectives (e.g., completion of a study or adoption of a specific rule) are listed in the FY 2008-09 goals section for each program. Recurring performance measures may also be affected by factors outside the agency's control, but still serve an important accountability purpose.

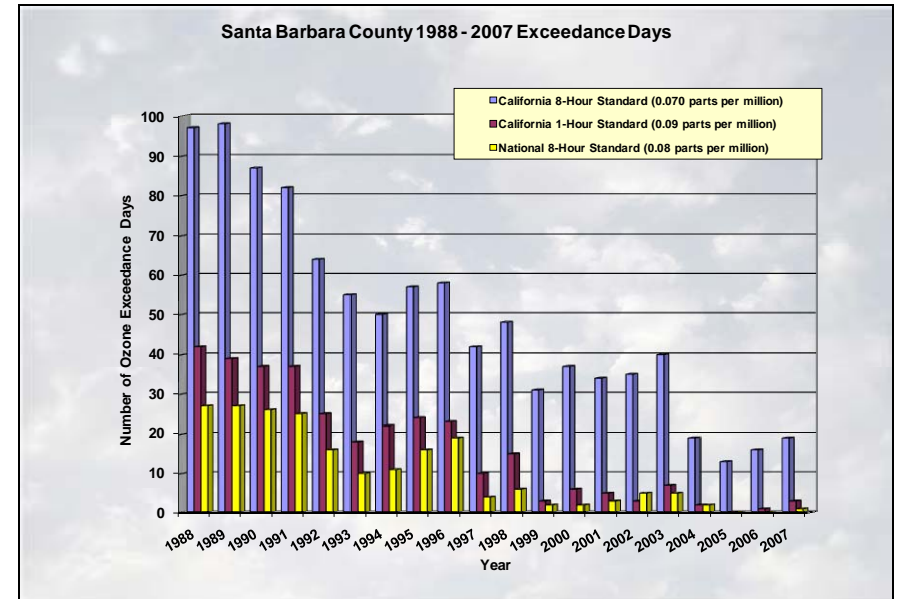
The APCD utilizes both impact and recurring performance measures to enhance the budget review and adoption process.

I look forward to working with your Board and our partners in the community during the coming year.

Respectfully,


Terry Dressler
Air Pollution Control Officer

Santa Barbara County Historical Air Quality



Santa Barbara County's air quality historically violated both the state and federal ozone standards. Ozone concentrations above these standards adversely affect public health, diminish the production and quality of many agricultural crops, reduce visibility, and damage native and ornamental vegetation. In 1970, when the APCD was formed, the air in Santa Barbara did not meet the federal one-hour ozone standard. For over 30 years our efforts focused on attaining that standard. On August 8, 2003, Santa Barbara County was officially designated an attainment area for the federal one-hour ozone standard. Santa Barbara County is currently designated as attainment for the federal eight-hour ozone standard that replaced the previous federal one-hour standard. In addition, we attained the state one-hour ozone standard for the first time ever during 2004-2006. The California eight-hour ozone standard was implemented in June, 2006. The County violates this new state eight-hour ozone standard and continues to violate the state standard for PM₁₀.

About the APCD

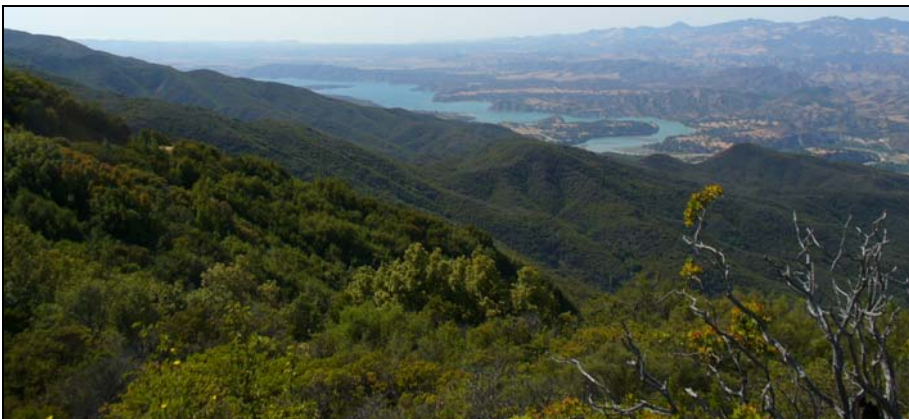
What is the APCD?

The Santa Barbara County Air Pollution Control District (APCD) is an independent special district charged with protecting human health by improving and protecting the quality of the air in Santa Barbara County. In 1970, the California Legislature gave local governments the primary responsibility for controlling air pollution from all sources except motor vehicles. In response, the APCD was established to adopt measures to control local sources of pollution, issue permits, monitor air quality, maintain an inventory of pollution sources, and other related activities. APCD staff members have expertise in meteorology, engineering, chemistry, planning, environmental sciences, field inspection, air monitoring, public outreach, data processing, accounting, human resources, and administration.

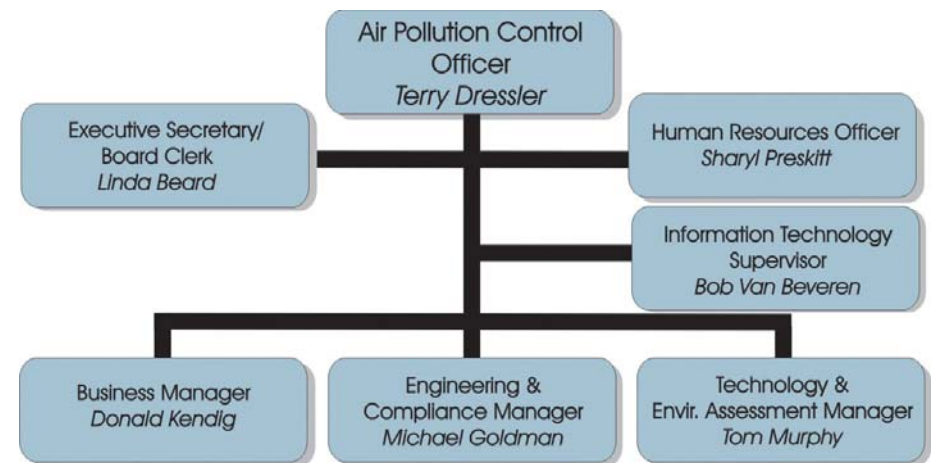
The governing board of the APCD consists of the five members of the County Board of Supervisors and one representative (a mayor or city councilperson) from each of the eight cities in the county.

APCD's Mission

The APCD's mission is to protect the people and the environment of Santa Barbara County from the effects of air pollution. We accomplish this mission by implementing state and federal air pollution control laws in order to attain all ambient air quality standards and to minimize public exposure to airborne toxins and nuisance odors. In carrying out this mission, we strive at all times to demonstrate excellence and leadership in the field of air pollution control. Our goal is to provide consistent, high-quality, cost effective professional services to the public and regulated community.



Organizational Chart



Strategic Plan

The Strategic Plan aligns APCD actions with our mission and organizational values. It was developed with community input via workshops and public hearings and adopted by the Board in October of 1997.

Priority 1: Protection of Public Health Through Air Quality Improvement

Goal: Continue to implement programs which directly reduce emissions.

Objectives:

- Adopt new rules and regulations which cost-effectively reduce emissions.
- Emphasize alternatives to “command-and-control” regulations such as pollution prevention and incentives.
- Develop partnership initiatives to introduce innovative or other low polluting technology in areas not currently regulated or where technology recipients agree to go beyond regulatory requirements.

- Involve the community in pollution reduction efforts through grant programs, public education, and recognition of outstanding pollution reduction efforts.
- Maintain a fair and rigorous enforcement program.
- Ensure that all emission sources contribute to reducing emissions.
- Ensure that penalties act as a deterrent.

Goal: Maintain a strong, science-based program.

Objectives:

- Place a high priority on staff training.
- Base decisions on data that have been documented and subjected to critical and open review.
- Maintain a sound emission inventory and air quality monitoring system.
- Maintain and update the Clean Air Plan using the latest data and control techniques.
- Use the best available data in developing programs, rules and permit analyses.
- Recognize differences between North and South County air quality.

Goal: Ensure that the APCD's mission and actions are aligned and routinely reviewed.

Objectives:

- Maintain and periodically update a strategic plan.
- Develop and adopt annual goals and track progress.

Goal: Ensure adequacy of resources.

Objectives:

- Continue to streamline and improve efficiency by taking advantage of technological advances and continuously reviewing systems and tasks.
- Broaden the APCD funding base by actively pursuing additional sources of revenue.

Priority 2: Community Involvement

Goal: Involve the community in air quality protection.

Objectives:

- Support a broad-based Community Advisory Council to provide input on rules and clean air plans and to foster open communication and a collaborative approach to air pollution control planning.
- Conduct workshops on new rules, plans, and the budget to obtain community input.
- Inform the public on air quality issues through a periodic newsletter, a web site, explanatory pamphlets and other educational matter.
- Keep the media informed.
- Participate in community events.

Priority 3: Continuously Improve Service

Goal: Maintain and improve relationships with all constituents.

Objectives:

- Keep the Board well informed.
- Provide opportunities for public input to decisions which affect them.
- Train staff in customer service and reward good service.
- Survey constituents regarding the quality of service received.
- Tap employee expertise, reward high performance, and push decisions down to the lowest level at which they can be competently made.

Fiscal Year 2008-09 District Budget

REVENUE PLAN

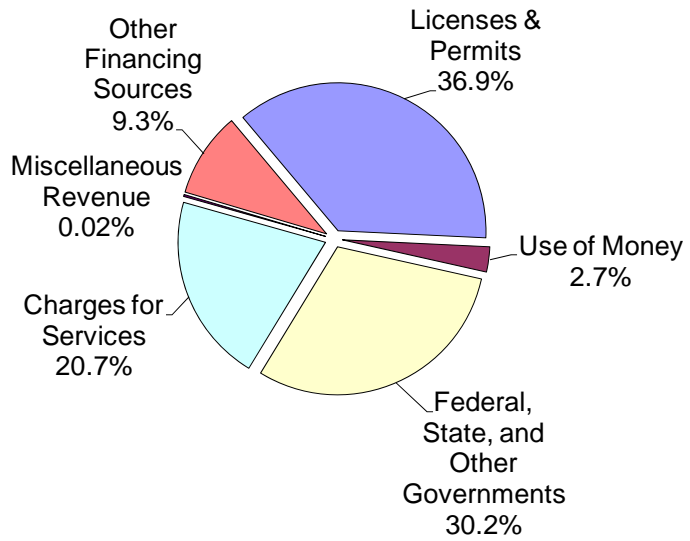
	Actual FY 2006-07	Adopted FY 2007-08	Est. Act. FY 2007-08	Proposed FY 2008-09
<i>Licenses & Permits</i>				
Evaluation Fees	\$ 205,648	\$ 121,080	\$ 150,501	\$ 239,978
Asbestos Notification Fees	90,088	69,609	80,000	80,000
Reevaluation Fees	762,115	343,060	345,000	874,400
Air Toxics (AB 2588)	11,577	6,439	6,439	6,439
Application Fees	108,659	100,900	126,638	125,000
Annual Emission Fees	1,085,778	1,042,297	1,150,299	1,010,221
Notice of Violation	216,385	150,000	220,000	175,000
Inspection Fees	27,468	26,641	40,000	41,291
Source Test Fees	63,780	50,450	55,000	62,600
DAS	324,026	335,142	335,142	348,665
Monitoring	492,751	508,791	508,791	523,900
<i>Use of Money</i>				
Interest	329,306	160,000	160,000	260,000
<i>Federal, State, and Other Governments</i>				
Federal - EPA Grant	490,818	480,785	482,000	495,000
Motor Vehicle \$4	1,357,596	1,400,000	1,400,000	1,400,000
Motor Vehicle \$2	693,943	704,465	700,000	700,000
State-ARB	105,407	100,000	105,408	100,000
Other Governments	152,749	155,854	170,000	163,220
<i>Charges for Services</i>				
Environmental Review	14,624	24,092	12,000	20,163
AQAP Fees	338,280	363,240	372,000	400,000
Reimbursement Charges- Air Pollution	1,952,612	1,616,463	1,712,280	1,534,000
<i>Miscellaneous Revenue</i>	63,868	3,000	45,134	19,277
Revenue Total	8,887,479	7,762,308	8,176,632	8,579,154
<i>Other Financing Sources</i>				
Release of Designations	-	1,479,451	703,237	881,429
Revenue Plan Total	<u>\$ 8,887,479</u>	<u>\$ 9,241,759</u>	<u>\$ 8,879,869</u>	<u>\$ 9,460,583</u>

EXPENDITURE PLAN

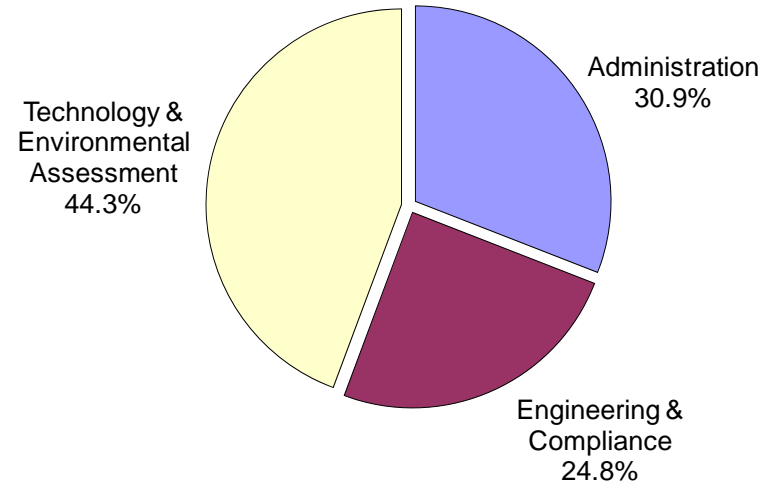
	Actual FY 2006-07	Adopted FY 2007-08	Est. Act. FY 2007-08	Proposed FY 2008-09
<i>Operating Expenditures</i>				
Administration	\$ 2,549,356	\$ 2,929,425	\$ 2,658,137	\$ 2,886,219
Engineering & Compliance	2,260,899	2,165,737	1,964,832	2,311,183
Technology & Environmental Assessment	3,856,478	4,041,315	3,329,556	4,137,302
Operating Total	8,666,732	9,136,477	7,952,525	9,334,704
<i>Other Financing Uses</i>				
Designated for Future Uses	220,747	105,282	927,344	125,879
Expenditure Plan Total	<u>\$ 8,887,479</u>	<u>\$ 9,241,759</u>	<u>\$ 8,879,869</u>	<u>\$ 9,460,583</u>

CHARACTER OF EXPENDITURES

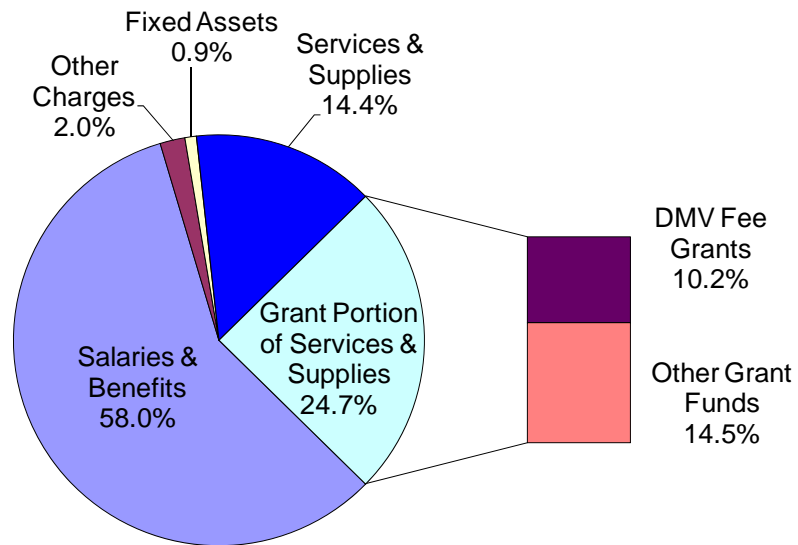
	Actual FY 2006-07	Adopted FY 2007-08	Est. Act. FY 2007-08	Proposed FY 2008-09
<i>Operating Expenditures</i>				
Regular Salaries	\$ 3,904,351	\$ 4,017,512	\$ 3,630,576	\$ 4,041,387
Benefits	1,051,746	1,203,986	1,050,714	1,375,669
Salaries & Benefits Total	4,956,097	5,221,498	4,681,290	5,417,056
Services & Supplies	3,236,442	3,631,898	3,033,662	3,649,409
Other Charges	320,441	183,081	162,849	183,239
Fixed Assets	153,753	100,000	74,724	85,000
Operating Total	<u>\$ 8,666,732</u>	<u>\$ 9,136,477</u>	<u>\$ 7,952,525</u>	<u>\$ 9,334,704</u>



Revenue Plan



Expenditure Plan



Character of Expenditures

Projects Funded with Motor Vehicle Registration Fees

Fiscal Year 2008-09 Programs Funded with \$4 DMV	Funding
SBCAG Planning Work	\$10,000
Old Car Buyback Program Administration	\$38,000
Total \$4 DMV FY 2008-09 Program Funds	\$48,000

Fiscal Year 2008-09 Programs Funded with \$2 DMV*	Funding
Heavy Duty Diesel Programs	\$199,999
Agricultural Assistance Program	\$440,000
School Bus Replacement Program	\$360,000
Old Car Buy Back Program	\$300,000
Total \$2 DMV FY 2008-09 Program Funds	\$1,299,999

Total DMV FY 2008-09 Program Funds	\$1,347,999
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* \$2 DMV Funding will be used as a match for our Carl Moyer Year 10 funding allocation

Projects Funded with Other Grant Funds

Fiscal Year 2008-09 Innovative Technologies Program Expenditures	Funding
Marine Repowers (Moyer funds)	\$176,467
Marine Shipping Retrofit Program (Innovative Technology Group and other agency funds)	\$100,000
Heavy Duty Diesel Programs (Moyer funds)	\$225,000
Agricultural Programs (Moyer funds)	\$225,000
Guadalupe Oil Field Air Quality Mitigation Program	\$48,000
ITG Programs Funded in FY 2008-09	\$774,467

Fiscal Year 2008-09 Job Class Table (Effective June 30, 2008)

Position Number	Classification Title	Adopted FY 2007-08	Additions / Deletions	Proposed FY 2008-09	Range Number	Monthly Equivalent Salary Range (A-E)	Representation Unit
Funded Positions							
157	ACCOUNTING TECHNICIAN I/II	2.00		2.00	4932/5232	2839-4025	24
159	ACCOUNTING TECHNICIAN III	0.00		0.00	5532	3830-4675	24
390	AIR POLLUTION CONTROL OFFICER	1.00		1.00	n/a	11,291	41
425	AIR POLLUTION INSPECTOR SUPV.	1.00		1.00	6348	5753-7023	29
435/436	AIR QUALITY ENGINEER I/II	5.50		5.50	5948/6148	4713-6357	28
437	AIR QUALITY ENGINEER III	3.00		3.00	6348	5753-7023	28
438	AIR QUALITY ENGINEERING SUPV.	3.00		3.00	6648	6682-8157	29
444	AIR QUALITY INFORMATION SPECIALIST	1.00		1.00	5968	4760-5811	28
442	AIR QUALITY SPECIALIST III	2.00		2.00	6198	5338-6517	28
1362	BUSINESS MANAGER	1.00		1.00	6788	7165-8747	43
2149	DATA PROCESS SUPERVISOR	1.00		1.00	6688	6816-8321	32
2174	DEPT. DP SPECIALIST SR.	1.75		1.75	6150	5212-6363	24
490	DIVISION MANAGER	2.00		2.00	6938	7721-9426	43
2553	EDP SYS. & PROG. ANALYST I/II	1.00		1.00	6222/6372	5403-7108	24
2555	EDP SYS. & PROG. ANALYST III	1.00		1.00	6522	6275-7660	24
442	EMISSIONS INVENTORY/PLANNING SPECIALIST III	2.00		2.00	6198	5338-6517	28
3421	EXECUTIVE SECRETARY/BOARD CLERK	1.00		1.00	5908	4619-5639	32
5740	HUMAN RESOURCES OFFICER	1.00		1.00	6328	5696-6954	43
417/418	INSPECTION SPECIALIST I/II	2.00		2.00	5638/5838	4037-5446	28
419	INSPECTION SPECIALIST III	5.00		5.00	6038	4929-6017	28
440/441	MONITORING SPECIALIST I/II	1.00		1.00	5768/5948	4308-5753	28
442	MONITORING SPECIALIST III	2.00		2.00	6198	5338-6517	28
1702	OFFICE TECHNICIAN	4.00		4.00	5036	2990-3651	23
155	PAYROLL TECHNICIAN I/II	1.00		1.00	4858/5158	2736-3880	24
439	PERMIT TECHNICIAN I/II	1.00		1.00	5312/5512	3432-4629	23
431	PLANNING & TECHNOLOGY SUPERVISOR	1.00		1.00	6658	6715-8198	29
421	PRINCIPAL INSPECTION SPECIALIST	1.00		1.00	6298	5611-6850	28
445	PRINCIPAL MONITORING SPECIALIST	1.00		1.00	6298	5611-6850	28
443	PUBLIC INFORMATION AND COMMUNITY PROGRAMS SUPV.	1.00		1.00	6488	6169-7531	29
16	SUPERVISING ACCOUNTANT	1.00		1.00	6276	5550-6776	32
TOTAL NUMBER OF FUNDED POSITIONS		51.25	0.00	51.25			
Position Number	Classification Title	Adopted FY 2007-08	Additions / Deletions	Proposed FY 2008-09	Range Number	Monthly Equivalent Salary Range	Representation Unit
Unfunded Positions							
435/436	AIR QUALITY ENGINEER I/II	2.00		2.00	5948/6148	4713-6357	28
437	AIR QUALITY ENGINEER III	1.00		1.00	6348	5753-7023	28
417/418	INSPECTION SPECIALIST I/II	1.00		1.00	5638/5838	4037-5446	28
TOTAL NUMBER OF UNFUNDED POSITIONS		4.00		4.00			
TOTAL NUMBER OF POSITIONS		55.25	0.00	55.25			

District Overview and Division Summaries

The Air Pollution Control District operates with 51.25 positions, from two locations, one in the South County (Casa Nueva) and one in the North County (Santa Maria), and is organized into three divisions, the Administration Division (ADM), the Engineering & Compliance Division (ECD), and the Technology & Environmental Assessment Division (TEA).

Administration

Administration includes the fiscal and executive services, human resources, and information technology support.

Fiscal and Executive Services

Fiscal and Executive Services is responsible for the proper accounting and reporting of resources, and the administration of APCD operations. In addition to payroll, payables and receivables, fiscal and executive services manages electronic time card submittals and provides fiscal reports by cost center, project activity, and permit number. Also under this section are the Air Pollution Control Officer and Clerk of the Board.

Human Resources

Human Resources is responsible for recruitment, employee and labor relations, benefits administration, classification and compensation, collaborative bargaining, Workers' Compensation, training, and compliance oversight for state and federal employment law requirements.

Information Technology Support

Information Technology Support is responsible for managing development, operation, training, and maintenance of information systems at APCD. The system includes a PC network providing engineering and office automation, an integrated database system, and a data acquisition system to manage real-time air monitoring data from monitoring stations operated by the APCD and industry-operated monitoring stations, as well as emission data from large facilities.

Engineering & Compliance

The Engineering and Compliance Division provides initial and ongoing permitting, compliance, and enforcement services to applicants and operators of stationary sources of air pollution. Permits are required for a broad range of activities, from small businesses such as dry cleaners to large petroleum production and mining operations. The division manages permits and inspections for approximately 756 stationary sources of small, medium, and large size, with a broad range of air pollution emitting activities, as well as 20 of the county's largest oil production and mining operations. The APCD

ensures that operators of such activities abide by federal, state, and local air pollution laws and regulations. Larger facilities also require federal (Part 70) operating permits in accordance with the federal Clean Air Act. In addition to permitting, compliance, and enforcement, the division also handles the air toxics program and source testing.

Permitting, Compliance, and Enforcement

The review of new sources of pollution entails detailed engineering analyses of APCD permit applications, evaluating applications for compliance with our rules and regulations, issuing the mandated authority to construct permits and, if compliance with applicable air regulations and permit conditions is met, issuing the permits to operate. Reevaluations of existing permits, as required by law, are performed every three years to review the project descriptions, equipment lists, and conditions and to bring the permits current with any new or revised rules and regulations. Larger sources require federal operating permits in addition to the APCD's permitting requirements. The permit compliance function provides project management for major energy (and a few non-energy) projects from the pre-application stage through the issuance of a permit to operate. Staff coordinates with other agencies to ensure that the permit holder complies with all of their APCD permit conditions, APCD rules and regulations, performance standards, and the California Health & Safety Code.

Once the permit to operate is issued, on-going tracking is provided of data submittals, source test and continuous emissions monitoring reports, and emissions offsets. The source testing and emissions modeling functions are associated with compliance and permitting. Source testing is the physical measurement of pollutants from emission points; it is used to determine compliance with APCD rules and permit conditions. Modeling analyzes potential air quality impacts of proposed projects using computer programs, which simulate the movement and dispersion of air pollutants, including the preparation of health risk analyses in certain cases. The enforcement function verifies compliance by conducting and documenting site inspections, reviewing records, accessing on-site monitoring data, and monitoring pollution levels. Consistent with state and federal guidance, our goal is to inspect all sources at least once per year, larger sources more often. Enforcement staff also respond to citizen complaints, prepare reports for variances and abatement orders heard before the APCD Hearing Board, manage the APCD's mutual settlement program, and manage the asbestos demolition and renovation compliance program.

Air Toxics

The air toxics function includes the Air Toxics “Hot Spots” (AB 2588) Program, the review of applications to ensure no sources of significant toxic risk are permitted, and tracking and implementing requirements of state and federal air toxic control measures. The “Hot Spots” Program requires businesses to develop and update an emission inventory of toxic air pollutants and some businesses are required to perform a health risk assessment. The Air Toxics staff reviews the submittals, prepares industry-wide inventories for certain small businesses, and, unlike other air districts, provides the service of preparing the required risk assessment, resulting in considerable cost savings to businesses. The state of California develops Air Toxic Control Measures for categories of sources that emit toxic air contaminants, and these measures are implemented locally by the APCD. Title III of the Clean Air Act requires certain sources to install control strategies and equipment pursuant to published Maximum Achievable Control Technology standards.

Technology & Environmental Assessment

The Technology & Environmental Assessment (TEA) Division includes Planning, Rule Development, Community Programs, and the Innovative Technology Group.

Planning

The Planning Section prepares clean air plans that map the path to improved air quality and form the basis for future rule development and permitting work. Clean air plans, required by state and federal laws, generally include an inventory of the county’s pollution sources, the status of the county’s air quality, detailed evaluation of proposed air pollution control measures, and forecasts of future air quality, including economic growth projections and complex computer modeling. The Planning Section is also responsible for establishing and maintaining detailed emission inventories for clean air planning and invoicing of emission based fees to support APCD programs.

Rule Development

The Rule Development section implements air pollution control measures identified in the Clean Air Plan or applicable regulations adopted by the California Air Resources Board (CARB) to protect human health and the environment of Santa Barbara County. Opportunities for public participation in the rule development process are extensive.

Community Programs

The Community Programs Section has several major functions.

Public Outreach and Business Assistance:

The APCD’s public outreach program includes production of newsletters, brochures, and other educational materials; presentations at business, education, and other community events, and development and maintenance of the APCD web site. Staff manages the Santa Barbara Car Free Program, maintains media relations and serves as the APCD Public Information Officer. Staff also coordinates the APCD Business Assistance Program and Information Line, and assists businesses and the public. Staff also monitors and evaluates proposed legislation and supports implementation of new legislative mandates.

Land Use:

Staff ensures that all permits, plans, rules, and programs of the APCD are in compliance with the California Environmental Quality Act. Staff reviews the larger land development and planning policy documents and provides comments and suggests mitigation measures on the air quality analyses in other agencies’ environmental documents and participates in statewide efforts to develop refinements to tools for calculating project air quality, health, and climate change impacts and mitigation measure benefits. In addition, staff coordinates with the Santa Barbara County Association of Governments on the development and implementation of transportation control measures and participates with SBCAG in regional transportation planning efforts and committees to evaluate transportation plans, projects, and funding proposals.

Air Monitoring:

Staff in this group are responsible for measuring and reporting air pollution levels throughout the county. This is done through two networks of air quality monitoring stations. The urban network is funded and operated by the APCD and the California Air Resources Board to monitor air quality in urban or populated areas throughout the county. The regional and facility-specific network is funded or operated by certain large sources to monitor background and regional pollutant levels and the air quality in the vicinity of those major facilities. The monitoring staff maintains the air monitoring network, performs quality assurance reviews on data, analyzes air quality levels, and submits required reports to the California Air Resources Board and the federal EPA. If any monitoring station shows pollution levels above a certain threshold, staff will notify schools, hospitals, convalescent homes, radio and TV stations, and alert people to curb their outdoor activities.

Innovative Technologies Group

The Innovative Technologies Group promotes the development, demonstration, and implementation of clean fuels and clean energy technologies to reduce air pollution through incentives to local businesses and industry. The group initiates projects through government-industry partnerships and through leveraged funding. APCD's portion of the funding comes primarily from the state Carl Moyer Program and funds from the clean air surcharge on motor vehicle registration fees. Permit fees are not used to fund these programs.

Impact Measures

Measure	Actual FY 2006-07	Goal FY 2007-08	Est. Act. FY 2007-08	Goal FY 2008-09
Number of days on which the state one-hour ozone standard is not met somewhere in Santa Barbara County.	2	1	2	1
Number of days on which the federal eight-hour ozone standard is not met somewhere in Santa Barbara County.	0	0	1	0
Number of days on which the state eight-hour ozone standard is not met somewhere in Santa Barbara County.	21	15	12	15
Fiscal year percent of permits issued in which permit holders are required to meet applicable regulations.	100% 430	100% of 400 (est.) applications	100% 399	100% of 400 (est.) applications
Number of industrial sources posing a significant air toxic risk.	5	1	2	1
Ozone forming emissions from industrial sources emitting more than 10 tons per year (in tons).	2470	2400	2551	2600

Fiscal Year 2007-08 Significant Accomplishments

Events and Highlights

- One exceedance of the federal eight-hour ozone standard.
- Two exceedances of the one-hour State ozone standard.
- Together with EPA, the California Air Resources Board, and other partners completed the first marine container vessel retrofit program.
- Developed and obtained Board of Directors approval of the 2007 Clean Air Plan to comply with federal and state planning requirements.
- Maintained cooperative working relationship with agricultural community to adopt registration program for agricultural engines.
- Coordinated with County Fire and Public Health Departments to advise the public during air quality episodes created by smoke from the Zaca Fire and following ash and dirt storms.
- 1,149 inspections and 260 permitting actions in calendar year 2007.
- Response to 187 air pollution complaints in calendar year 2007.
- Issued \$1,160,813 in clean air grants.

Air Quality

Santa Barbara County air quality continues to meet all but two ambient air quality standards. With the exception of the California eight-hour ozone standard and particulate matter (PM10) standard, the county meets all federal and state standards. 2007 presented unique challenges in monitoring and advising the public about Santa Barbara County's air quality. The Zaca Fire, the second largest fire in recent California history, blanketed various areas with smoke and ash during the summer months. In October and December 2007, two Santa Ana wind events brought ash and dirt from the Zaca burn area into southern Santa Barbara County. Monitored levels of particulate matter were higher than ever recorded in Santa Barbara County.

Marine Shipping

In order to maintain our hard-won accomplishment of attaining the federal ozone standard and to continue making progress toward the state eight-hour standard, we are continuing an initiative to work toward a reduction in emissions from what is now the number one source of ozone-forming pollution in our region: marine shipping. Ocean-going vessels passing along our coastline emit more oxides of nitrogen than all of the vehicles on our roadways combined. These ships are predominantly internationally flagged vessels, virtually unregulated and are rapidly growing in terms of vessel size and visits to California.

To address this major source of pollution, we continue our work with the CARB Maritime Working Group to obtain emission reductions by retrofitting an existing container ship. Our partners in this effort include the U.S. EPA, CARB, Port of Los Angeles, Port of Long Beach, the U.S. Maritime Administration, American President Lines and several coastal air districts in California. We have completed our first project to retrofit a vessel with emission control technologies. Two technologies, a fuel-water emulsion system and slide valves, have been installed on the APL Singapore to reduce NOx and PM emissions. Testing of these technologies will be ongoing through 2008.

We also filed suit against the U.S. Environmental Protection Agency over the EPA's failure to regulate pollution from large ship engines, as required under the federal Clean Air Act.

Reduction of Toxic Risk

Only 2 of the original 51 businesses presenting significant risk to the public continue to be considered significant risk facilities, a 96% reduction since 1991.

Innovative Emission Reductions

The Innovative Technologies Group (ITG), through its efforts to establish cooperative government-industry partnerships, has continued promoting the application of clean air technologies. During FY 2007-08, ITG activities have resulted in reducing over 24 tons of smog forming and particulate pollutants.

Projects included:

- replacing one off-road diesel engine,
- re-powering four fishing vessels,
- obtaining additional funding for Clean Air Projects under the Carl Moyer Program,
- purchasing over 300 vehicles through the Old Car Buyback Program, and
- tracking the implementation of emission reduction projects funded through Carl Moyer and DMV grants.

Regulation of Agriculture

The passage of Senate Bill 700 by the California Legislature requires certain large agricultural sources of air pollution to obtain permits to operate from local air districts. This requirement stems from Federal Clean Air Act provisions. The two large farms in Santa Barbara County affected by this legislation received permits from the APCD during the past fiscal year.



DIESEL ENGINE WATER PUMP

Additionally, the APCD worked closely with agricultural stakeholders and neighboring districts to create a registration and fee program to implement the requirements of diesel ATCMs on agricultural engines subject to regulation. This effort will carry into FY 2008-09.

Diesel Engine Air Toxic Control Measures

Since 2004, the state of California has approved Air Toxic Control Measures (ATCM) to reduce particle pollution from both stationary and portable diesel engines. By law, the requirements of these ATCMs are to be implemented and enforced by local air districts. The ATCMs apply to engines that provide prime power and to those that are used for emergency backup power, as well as to engines that are trailer-mounted and transported among job sites. In FY 2007-08, APCD continued implementing the stationary diesel engine ATCM using a streamlined permitting system and reduced fee approach.

Fiscal Year 2008-09 Operating Budgets by Division

Administration Division

EXPENDITURE PLAN

	Actual FY 2006-07	Adopted FY 2007-08	Est. Act. FY 2007-08	Proposed FY 2008-09
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 1,160,563	\$ 1,152,625	\$ 1,068,477	\$ 1,080,608
Fiscal and Executive	677,164	827,449	758,951	843,452
Human Resources	141,476	151,847	142,551	170,540
Information Technology	570,153	797,504	688,159	791,619
Operating Total	2,549,356	2,929,425	2,658,137	2,886,219
<i>Other Financing Uses</i>				
Designated Future Uses	276,973	67,125	254,118	77,877
Expenditure Plan Total	<u>\$ 2,826,329</u>	<u>\$ 2,996,550</u>	<u>\$ 2,912,255</u>	<u>\$ 2,964,096</u>

CHARACTER OF EXPENDITURES

	Actual FY 2006-07	Adopted FY 2007-08	Est. Act. FY 2007-08	Proposed FY 2008-09
<i>Operating Expenditures</i>				
Regular Salaries	\$ 897,266	\$ 1,169,195	\$ 1,086,132	\$ 1,164,523
Benefits	315,822	446,838	383,809	467,186
Salaries & Benefits Total	1,213,088	1,616,033	1,469,941	1,631,708
Services & Supplies	1,175,783	1,143,755	1,042,630	1,113,340
Other Charges	116,313	129,637	130,843	141,171
Fixed Assets	44,172	40,000	14,724	-
Operating Total	<u>\$ 2,549,356</u>	<u>\$ 2,929,425</u>	<u>\$ 2,658,137</u>	<u>\$ 2,886,219</u>

Division Overview

The Administrative Division expenses are allocated to the District's direct operating activities as an overhead allocation based upon direct billable salaries. The Administration Division includes a Fiscal and Executive section, Human Resources, and an Information Technology section, which have costs associated with specific goals and objectives; and, an Administrative Overhead section, which accumulates expenses that are not attributable to any specific district activity, such as insurance and utilities.

Significant Changes (FY 2007-08 Adopted to FY 2008-09 Proposed)

The Proposed FY 2008-09 Operating Total for the Administration Division will decrease by \$43,206 from the Adopted 2007-08 amount of \$2,929,425 to \$2,886,219. The approximately 1.5% decrease is primarily due to a reduction in County Cost Allocation charges, offset by COLAs, step increases, additional extra help to fill employee absences, as well as retirement, utility, and postage rate increases, among other inflation adjusted services and supplies.

Salaries and benefits increase \$15,675 (or approximately 1.0%) due to COLAs, step increases, health and retirement cost increases. Benefit cost increases due to retirement rate increases make up the majority of the cost. The anticipated increase would be higher, however, new employees, hired at lower steps are offsetting. Services and supplies decrease by \$30,415 primarily due to the reduction in County Cost Allocation charges for its services provided, offset by inflation on janitorial, landscaping, utilities, postage, and others. Other charges increase by \$11,534 due to inflation in liability insurance and telephone services as well as an increase in vehicle maintenance performed by the County. Fixed asset expenditures decrease \$40,000 reflecting the completion of the data loggers upgrade project, commenced in FY 2006-07 and completed in FY 2007-08.

Fiscal and Executive Services

Purpose Statement

Fiscal and Executive Services provide executive, clerical, fiscal, and facilities support to all APCD staff and fulfill the financial reporting needs of the public and the regulated community.

Fiscal Year 2007-08 Significant Accomplishments

- Completed the central HVAC control module installation to augment energy efficiency, enhance mechanical feedback, and ensure stability of all settings.
- Placed the District's pool cars in Outlook automating the reservation process and added a survey tool for better vehicle feedback.
- Updated Fiscal intranet web site improving budget preparation instructions and adding how-to videos for comprehensive safety and facility usage, such as lights and HVAC controls.
- Reprogrammed Heating Ventilation, and Air Conditioning (HVAC) systems for optimal energy efficiency.
- Implemented web based "Expense Expert" software for employee travel expenses.
- Maintained the momentum of the District's safety program.

Fiscal Year 2008-09 Goals and Objectives

1. Develop uncollectible account charge-off policy and procedures.
2. Augment the District Travel policy and procedures to provide additional guidance and best practices.
3. Study financial information system options for improved reporting.
4. Maintain the momentum of the District's employee safety program.
5. Install web based Payroll and Human Resource software.
6. Continue to improve and update the Fiscal intranet web pages.
7. Submit and track State and Federal Grants, ensuring the District meets Federal MOE requirements for expenditures.
8. Continue improvement of accounting staff knowledge of quality control for reports and software.

9. Review and update procedures for Payroll, Purchasing, Accounts Payable, Billing and Collections.
10. Continue improvement of the Timecard and Payroll programs to meet District, State, and Federal requirements, including adding electronic signatures, vehicle trip tracking, and other enhancements.
11. Continue coordination of Casa Nueva building maintenance requests with co-tenants and resolution of remaining construction defects.

Recurring Performance Measures

Measure	Actual FY 2006-07	Goal FY 2007-08	Est. Act. FY 2007-08	Goal FY 2008-09
Billing & Collections				
Invoices billed	2,727	2,250	2,300	2,400
Collection follow up:				
30 Days	228	250	235	240
60 Days	111	75	100	80
90 Days	48	30	40	35
Revenue/Purchasing/Travel				
Checks received and deposited	1,921	1,670	1,800	1,850
Purchase Requisitions	362	350	355	360
Training & Travel Requests	140	120	135	140
Accounts Payable				
Accounts Payable Invoices received and paid	1,321	1,500	1,390	1,400
Number of discounts taken	30	25	25	25
Amount of discounts taken	\$976	\$900	\$950	\$900
Petty Cash Requests	131	100	110	100
Payroll				
Payroll changes, in addition to normal payroll processing	280	100	220	200

Human Resources

Purpose Statement

Human Resources is responsible for recruitment and selection of employees, labor relations, benefits administration, classification and compensation, collaborative bargaining, workers' compensation, training, and compliance oversight for state and federal employment law requirements. These human resource, benefit and labor relations services ensure organizational equity to meet the changing needs of the District and its staff.

Fiscal Year 2007-08 Significant Accomplishments

- Implemented automation of harassment prevention training for general staff to ensure compliance with State regulations.
- Developed policy and procedure for benefit coordination of industrial and non-industrial injuries.
- Worked collaboratively with employee groups to develop a streamlined performance evaluation procedure.
- Conducted four recruitments to fill six vacant positions
- Revised two class specifications to better reflect actual duties.
- Worked collaboratively with employee groups to review District Health and Welfare plans.
- Coordinated and monitored District safety training program for both general and specialized staff resulting in 0 new injuries for 2007.
- Managed District workers' compensation program and worked with insurance carriers on managing three existing employee injuries.
- Continued to provide equitable Human Resource services to employees assigned to the Santa Maria office.
- Negotiated contracts with three employee groups.

Fiscal Year 2008-09 Goals and Objectives

1. Organize, direct, control, and review the day-to-day operations of the APCD's personnel program.
2. Analyze and make recommendations to APCD management regarding personnel policies and practices.

3. Participate in collaborative discussions with employee organizations.
4. Meet with employees and employee organizations to discuss and resolve grievances and problems.
5. Review management and employee requests for classification and pay changes, initiate studies, and make recommendations.
6. Plan and conduct recruitments and develop job related examinations.
7. Coordinate training and development programs for staff.
8. Administer employee benefit plans.
9. Review proposed legislation and new regulations and make appropriate recommendations for compliance.
10. Continue to provide a presence and services to employees permanently assigned to the Santa Maria office.

Recurring Performance Measures

	Actual	Goal	Est. Actual	Goal
<u>Measure</u>	<u>FY 2006-07</u>	<u>FY 2007-08</u>	<u>FY 2007-08</u>	<u>FY 2008-09</u>
Performance Evaluations	96%	90%	92%	90%
Completed on Time				

Information Technology Support

Purpose Statement

The Information Technology Support Section is responsible for the management, development, operation, training, and maintenance of information systems at the APCD. These systems include a network of computers providing engineering and office automation, an integrated database system, and a data acquisition system to manage real-time air monitoring data from monitoring stations operated by the APCD and industry-run monitoring stations, as well as emission data from large facilities.

Two programs make up Information Systems: the Data Acquisition System (DAS) and the Local Area Network (LAN.)

Fiscal Year 2007-08 Significant Accomplishments

Automated Data Acquisition (DAS) Program

- The Central Data Acquisition computer system replacement project was completed with many modifications made to streamline workflow.
- The Information Systems staff provided reliable operation of the Data Acquisition System in support of program goals.
- The DAS system uptime exceeded 97%, Backups 100%, Data Acquisition exceeded 90%.
- More broadband data services were installed in order to facilitate greater remote management capabilities helping to reduce travel to those sites.

Local Area Network (LAN)

- The Information Systems section provided a highly reliable computing system for the APCD in support of the District's business.
- Hardware and software systems were upgraded or replaced as necessary.
- Web sites were supported as the APCD's World Wide Web sites were maintained and enhanced.
- Windows Server 2008 and Vista testing and first installations.
- Ongoing support and enhancements for the payroll, human resources software, accounting, Integrated Database System, and the telecommuting program were provided.
- Some IDS application migration to .NET completed.
- Online interactive training enhanced.
- Provided IT services to meet the needs of Santa Barbara County Association of Governments staff.
- New web services and applications written and updated for APCD.

Fiscal Year 2008-09 Goals and Objectives

Automated Data Acquisition (DAS) Program

1. UP Time 97% / Data Acquisition 80+%.
2. Backups 100% reliable.
3. Hold the line and possibly decrease maintenance costs on the Data Acquisition System.
4. .NET development advanced training on going.
5. .NET applications developed for increased efficiency and provide more flexible and appropriate software reporting tools going forward.
6. Continue to enhance remote diagnostics and reduce telecommunication and travel costs.
7. Create archive of historical data in MS SQL Server 2008.
8. Replace aging hardware as needed
9. Update the backup and disk storage sub-systems.
10. Facilitate greater ease of use via web technology.

Local Area Network (LAN)

1. Backups. (Goal = 100% reliable.)
2. Reliably operate the LAN/WAN with minimal down time including hardware and software maintenance, backups and telecommunications. (Goal = 97% uptime.)
3. Continue Public Web site maintenance.
4. Software applications developed or enhanced for efficiency and accuracy.
5. Upgrade to Window Server 2008 and Vista.
6. Enhance network security (on-going.)
7. Telephone system maintenance.
8. Administer, Document and Maintain existing databases.
9. Complete the upgrade of the APCD's Intranet/Share Point Servers.

Recurring Performance Measures

	Actual	Goal	Est. Actual	Goal
Measure	FY 2006-07	FY 2007-08	FY 2007-08	FY 2008-09
LAN uptime	>97%	97%	>97%	97%
DAS uptime	>97%	97%	>97%	97%
Employees attending computer training	80%	100%	100%	100%

Engineering & Compliance Division

EXPENDITURE PLAN

	Actual FY 2006-07	Adopted FY 2007-08	Est. Act. FY 2007-08	Proposed FY 2008-09
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 339,744	\$ 364,873	\$ 325,543	\$ 437,757
Permitting, Compliance, and Enforcement	1,866,847	1,654,133	1,600,096	1,804,197
Air Toxics	54,308	146,731	39,193	69,229
Operating Total	<u>2,260,899</u>	<u>2,165,737</u>	<u>1,964,832</u>	<u>2,311,183</u>
<i>Other Financing Uses</i>				
Designated Future Uses	120,000	10,113	452,057	10,113
Expenditure Plan Total	<u>\$ 2,380,899</u>	<u>\$ 2,175,850</u>	<u>\$ 2,416,889</u>	<u>\$ 2,321,296</u>

CHARACTER OF EXPENDITURES

	Actual FY 2006-07	Adopted FY 2007-08	Est. Act. FY 2007-08	Proposed FY 2008-09
<i>Operating Expenditures</i>				
Regular Salaries	\$ 1,732,277	\$ 1,614,466	\$ 1,399,239	\$ 1,638,803
Benefits	418,054	429,163	371,950	517,517
Salaries & Benefits Total	<u>2,150,331</u>	<u>2,043,629</u>	<u>1,771,189</u>	<u>2,156,320</u>
Services & Supplies	83,754	100,768	169,048	112,643
Other Charges	17,958	21,340	24,595	22,220
Fixed Assets	8,856	-	-	20,000
Operating Total	<u>\$ 2,260,899</u>	<u>\$ 2,165,737</u>	<u>\$ 1,964,832</u>	<u>\$ 2,311,183</u>

Division Overview

The Engineering & Compliance Division includes Permitting, Compliance & Enforcement, Source Testing, and Air Toxics programs, and have costs associated with specific goals and objectives. The Division also includes an Administrative Overhead function that accumulates expenses not attributable to any specific division activity, such as management and supervision of staff, facilitating staff development and training opportunities, budget management and tracking, goal and policy implementation.

Significant Changes (FY 2007-08 Adopted to FY 2008-09 Proposed)

The Proposed FY 2008-09 Operating Total for the Engineering & Compliance Division will increase by \$145,446 from the Adopted 2007-08 amount of \$2,165,737 to \$2,311,183. The 6.7% increase is attributable to salary and benefits cost increases, training expenses for new employees, and the purchase of a vehicle.

Salaries and benefits increase \$112,643 (or 5.5%) due to COLAs, step increases, health and retirement cost increases. Benefit cost increases due to retirement rate increases make up the majority of the cost. Services and supplies increase \$11,875 (or 11.8%) due to the training needs of new engineers. A vehicle will be purchased in FY 2008-09 to replace an existing 10 year old vehicle, driven over 135,000 miles. Its funding will come from capital designations, saved for vehicle replacement.

Permitting, Compliance, and Enforcement

Purpose Statement

We issue technically rigorous and cost-effective permits to new and existing stationary sources to regulate the amount of air pollution they emit in Santa Barbara County. We strive to build into our analyses the ideals of pollution prevention and reduction. We equitably enforce all rules and regulations to ensure air pollution control requirements are being met, to motivate those we regulate to comply with air pollution laws, to protect human health and the environment, and to promote regulatory equity in the marketplace.

Fiscal Year 2007-08 Significant Accomplishments

- The APCD conducted 260 permitting actions during calendar year 2007. Permit processing times began to slow due to workload and lack of staffing.
- APCD staff continued implementation of the stationary diesel engine Air Toxic Control Measure and permitting requirements associated with prime engines and emergency standby engines.
- Issued 16 Part 70 federal operating permit renewals and revisions during calendar year 2007.
- Numerous application forms were improved for clarity and/or efficiency, and made available through the APCD website. The APCD's engineering and compliance website was continuously upgraded during the fiscal year.
- During calendar year 2007, inspectors performed 1,149 inspections and responded to and documented 187 air pollution complaints.
- Enforcement staff continued to pursue a rigorous compliance and enforcement role with an oil and gas operator for numerous violations of APCD rules and the Health & Safety Code. During this fiscal year, APCD coordinated closely with County, federal and state regulatory agencies and was an integral player in the effort to bring this operator into compliance with all applicable laws.
- APCD staff continued to work with the agricultural community and other air districts to implement the regulatory requirements for agricultural sources, including the issuance of APCD permits to two large farms, and the creation of a regional registration program for agricultural engines subject to regulation under the state's Air Toxic Control Measures.

- APCD staff continued to work with project proponents to educate and assist in the engineering and permitting of an ethanol fuel plant proposed to be built near Santa Maria.
- APCD staff continued to work with US Forest Service and County Fire representatives to minimize the air quality impacts of large prescribed burns.

Fiscal Year 2008-09 Goals and Objectives

1. Process and issue permits meeting all applicable timelines. Permit processing includes: application completeness review, meeting with applicants, written correspondence, permit drafting, engineering evaluation, site visits, public review (when applicable) and issuance. Implement the revisions to APCD rules 361, 202, and 333.
2. Provide engineering oversight and ensure ongoing compliance with APCD permits and rules. Track and review compliance data and reports.
3. Provide project management for permits and projects, and engineering support to other APCD programs.
4. Oversee administrative tracking of permits. Report all Best Available Control Technologies (BACT) and offsets actions to ARB, as required by state law.
5. Process applications of emission reduction certificates and maintain the source register database.
6. Administer the agency's source-testing program; review source test plans and reports, and schedule and observe source tests.
7. Screen permit applications to ensure that permits are not issued for projects which may present unacceptable toxic health risks to the community.
8. Maintain a rigorous inspection and enforcement program, including mutual settlement of violations and assessment of economic benefits of non-compliance, when warranted. Collect and report inspection statistics to ARB and EPA.

Fiscal Year 2008-09 Goals and Objectives (Cont'd)

9. Represent the agency in actions before the Hearing Board, and assist regulated facilities with the Hearing Board process.
10. Update and improve permit application forms, permit guidance documents and permitting and enforcement policies, and make available on the APCD's Web page.
11. Continue the automation of the permit process by updating our permit data entry and permit system automation programs.
12. Continue outreach on air quality regulatory requirements with the agricultural community. Continue implementation of the regional registration program for diesel engines used in agricultural operations, to ensure engines comply with applicable state-mandated Air Toxic Control Measures.

Recurring Performance Measures

Measure	Actual FY 2006-07	Goal FY 2007-08	Est. Actual FY 2007-08	Goal FY 2008-09
Permits processed				
- within 15 days after complete application (gas stations and other selected sources)	100%	90%	100%	90%
- within 90 days for medium sized sources	86%	80%	90%	80%
Scheduled inspections actually conducted	92% 689/749	80% 860/1075	80% 630/783	80% 630/783
High priority inspections conducted	96% 439/458	100% 756/756	90% 600/667	100% 667/667
Citizen Complaints about air pollution responded to	159	250	200	200
- within 3 hours	86%	90%	87%	90%
- within 24 hours	94%	95%	91%	95%

Air Toxics

Purpose Statement

We strive to protect the public from exposure to toxic air contaminants and inform and educate the public about emissions to which they may be exposed.

Fiscal Year 2007-08 Significant Accomplishments

- APCD staff continued to work with the remaining Significant Risk Sources to revise modeled risk information and update emissions inventories to accurately reflect the emissions from the facilities and ensure risk reduction plans are enacted timely.
- The Carpinteria Gas Plant and Oil Pipeline permit was revised to include emission limits that will remove the risk footprint from adjoining property, thus making the plant a non-significant risk source. APCD staff began evaluating with legal counsel whether emissions from vessels based at the plant's pier should be included in the plant's risk footprint.
- APCD staff worked with Greka representatives to ensure the removal of risk-causing equipment from Greka's Zaca Lease source. Modeling confirmed the equipment removal reduced the operation's risk footprint sufficiently to make it a non-significant risk source. Greka's operating permit adjusted to ensure emissions and risk do not re-occur.
- APCD staff worked with stakeholders, ARB and other districts to implement Statewide Airborne Toxic Control Measures to reduce particulate emissions from stationary and portable diesel engines. Staff worked with agricultural stakeholders and neighboring districts to develop a regional registration program for agricultural engines subject to the state's diesel Air Toxic Control Measure.
- To improve dissemination of information about the Significant Risk facilities in the County, the staff continued to maintain and update its toxics information on the APCD website, which includes facility information, risk isopleths and links to information sources on the pollutants that drive each facility's risk.
- A detailed emissions evaluation for a Goleta manufacturing facility led to the installation of pollution control equipment and re-design of the manufacturing processes. These changes reduce considerably the potential to release toxic pollutants to the air, sewer system and sanitary treatment plant.

Fiscal Year 2008-09 Goals and Objectives

1. Screen applications to ensure that permits are not issued for projects which may present unacceptable toxic health risks to the community. Implement the toxics New Source Review screening process.
2. Oversee implementation of risk reduction plans for significant risk facilities and confirm that necessary reductions have occurred.
3. Continue to address emerging health risk and permitting issues associated with diesel particulate exhaust and other Air Toxic Control Measures approved by the state.
4. Maintain the APCD's ability to perform health risk assessments of toxics sources.
5. Implement and administer the Air Toxic Hot Spots program, including risk notification and risk reduction requirements of significant risk sources, website maintenance, public meetings, and preparation of updated risk assessments.
6. Continue to monitor Title III program developments to address requirements of federal law and applicable control requirements and standards.

Recurring Performance Measures

Measure	Actual FY 2006-07	Goal FY 2007-08	Est. Actual FY 2007-08	Goal FY 2008-09
Number of Significant Risk Sources identified by refined Health Risk Assessment / Number of refined Health Risk Assessments performed.	one / two	three / six	zero / zero	three / six

Technology & Environmental Assessment Division

EXPENDITURE PLAN

	Actual FY 2006-07	Adopted FY 2007-08	Est. Act. FY 2007-08	Proposed FY 2008-09
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 171,438	\$ 199,632	\$ 186,000	\$ 219,385
Air Quality Planning	323,197	293,408	249,140	281,611
Rule Development	154,882	228,846	214,329	237,936
Community Programs	305,325	307,735	264,677	298,550
Land Use	146,423	189,975	141,641	217,053
Air Monitoring	572,551	578,484	566,912	597,797
Innovative Technologies	2,182,662	2,243,235	1,706,857	2,284,971
Operating Total	3,856,478	4,041,315	3,329,556	4,137,302
<i>Other Financing Uses</i>				
Designated Future Uses	603,693	28,044	221,169	43,823
Expenditure Plan Total	<u>\$ 4,460,171</u>	<u>\$ 4,069,359</u>	<u>\$ 3,550,725</u>	<u>\$ 4,181,125</u>

CHARACTER OF EXPENDITURES

	Actual FY 2006-07	Adopted FY 2007-08	Est. Act. FY 2007-08	Proposed FY 2008-09
<i>Operating Expenditures</i>				
Regular Salaries	\$ 1,274,808	\$ 1,233,851	\$ 1,145,205	\$ 1,238,061
Benefits	317,870	327,985	294,956	390,967
Salaries & Benefits Total	1,592,678	1,561,836	1,440,161	1,629,028
Services & Supplies	1,976,905	2,387,375	1,821,984	2,423,426
Other Charges	186,170	32,104	7,411	19,848
Fixed Assets	100,725	60,000	60,000	65,000
Operating Total	<u>\$ 3,856,478</u>	<u>\$ 4,041,315</u>	<u>\$ 3,329,556</u>	<u>\$ 4,137,302</u>

Division Overview

The Technology and Environmental Assessment Division includes the following program groups which have costs associated with specific goals and objectives: Air Quality Planning, Community Programs, Land Use, Air Monitoring, Innovative Technologies Group, and Rule Development. The Division also includes an Administrative Overhead function that accumulates expenses not attributable to any specific division activity, such as management and supervision of staff, facilitating staff development and training opportunities, budget management and tracking, goal and policy implementation.

Significant Changes (FY 2007-08 Adopted to FY 2008-09 Proposed)

The FY 2008-09 Operating Total for the Technology & Environmental Assessment Division will increase by \$95,987 from the Adopted 2007-08 amount of \$4,041,315 to \$4,137,302. The net 2.4% increase is primarily attributed to reductions in contributions to other governmental agencies, under the Air Quality Planning Program, offset by salary and benefits cost increases. Some staffing efforts were also moved from Community Programs to Land Use.

Salaries and benefits increase \$67,192 (or 4.3%) due to COLAs, step increases, health and retirement cost increases. Benefit cost increases due to retirement rate increases make up the majority of the cost. The services and supplies increase of \$36,051 is primarily attributed to an increase in grant outlays. The decrease of \$12,256 under other charges primarily reflects reductions to contributions made to other governments under the Air Quality Planning Program. Air quality instrumentation replacement purchases are relatively stable at \$65,000, with the \$5,000 increase attributed to Air Monitoring.

Air Quality Planning

Purpose Statement

We develop, implement, and track Clean Air Plans that comply with state and federal air quality planning mandates in order to protect the people and the environment of Santa Barbara County. We integrate the actions of the U.S. Environmental Protection Agency, the California Air Resources Board, and the Santa Barbara County Association of Governments with those of the APCD to facilitate a coordinated and efficient effort to clean the air. We promote local dialogue and consensus by meeting with our Community Advisory Council during the development of clean air plans in order to address local concerns of business, industry, environmental groups, and the public. We prepare emission inventory data that are required for air quality attainment planning and for the invoicing of emission-based fees that allow the APCD to continue programs that achieve clean air goals.

Fiscal Year 2007-08 Significant Accomplishments

- Developed and obtained Board of Directors approval of the 2007 Clean Air Plan to comply with federal and state planning requirements.
- Updated Point and Area source emissions for 2006 and submitted to the Air Resources Board.
- Issued all applicable emission-based fees for FY 2006-07 including OCS sources.
- Developed 2005 marine shipping emission inventory.
- Continued development and maintenance of the air toxics data base.
- Fulfilled all public data requests for planning or emission inventory information.

Fiscal Year 2008-09 Goals and Objectives

1. Obtain USEPA approval of the 2007 Clean Air Plan. Utilize Integrated Data System emission inventory module for collection and calculation of Greenhouse Gas emissions from stationary sources.
2. Track implementation of AB 32.
3. Submit information to EPA as required by EPA Section 105 Grant.

4. Prepare, distribute, collect, and analyze emission questionnaires and statements and continue to implement web-based applications.
5. Compile, mail out, and respond to inquiries on annual emission, AQAP, and air toxic program fee invoices.
6. Monitor EPA guidance on new standards and determine appropriate actions to comply with all planning requirements.
7. Monitor ARB guidance on the state ozone standard and determine appropriate actions to comply with all planning requirements.
8. Continue efforts to quantify the emissions from Marine Shipping.
9. Fulfill all public data requests for planning or emission inventory information.
10. Develop countywide emission inventory for the global climate change program.

Recurring Performance Measures

Measure	Actual	Goal	Est. Act.	Goal
	FY 2006-07	FY 2007-08	FY 2007-08	FY 2008-09
Update major industrial Facility process rates and submit to ARB.	100%	100%	100%	100%

Rule Development

Purpose Statement

In order to implement air pollution control measures identified in the Clean Air Plan and to protect human health and the environment of Santa Barbara County, we develop new and modified rules and regulations and prepare them for adoption by the APCD Board.

Fiscal Year 2007-08 Significant Accomplishments

- Developed and obtained Board of Directors approval of new Rule 361 and modified Rule 202 to control emissions from small boilers, water heaters and process heaters.
- Worked on revisions to Rule 333 (Internal Combustion Engines) to address EPA-identified deficiencies and make the rule consistent with statewide Reasonably Available Control Technology/Best Available Retrofit Control Technology (RACT/BARCT) guidance from Air Resources Board (ARB).
- Continued work on revisions to Rule 321 (Solvent Degreasers).
- Began work on revisions to Rule 339 (Motor Vehicle and Mobile Equipment Coating).

Fiscal Year 2008-09 Goals and Objectives

1. Develop and maintain a rule development schedule. Modify priorities as necessary to comply with federal and state requirements, public input, and to implement improvements in technical rigor.
2. Develop and adopt new and revised rules as required by the Clean Air Plan and SB 656 Mandates. These rules include, but are not limited to, Rule 333 (Internal Combustion Engines), Rule 321 (Solvent Degreasers) and particulate matter control rules identified in the SB 656 Process.
3. Develop and adopt rules as required by new state and federal mandates.
4. Develop and adopt rules to implement state air toxic control measures, federal New Source Performance Standards, National Emission Standards for Hazardous Air Pollutants, and federal Maximum Achievable Control Technology standards.
5. Present all rules to the APCD Community Advisory Council for their recommendation to the Board.
6. In order to promote statewide consistency in rule development, participate on the California Air Pollution Control Officers Association (CAPCOA) Rule Development subcommittee
7. Submit rule development information for access on the APCD home page on the World Wide Web.

Community Programs

Purpose Statement

We provide the community and permitted businesses with assistance and information about air pollution and the APCD's programs, rules, and services through our community outreach and business assistance programs. We encourage ways for the entire community to work together for clean air in Santa Barbara County.

Fiscal Year 2007-08 Significant Accomplishments

- Published four issues of newsletters, *On The Air* and *Business Focus*.
- Participated in 2007 "Green Award" program and 2008 Earth Day and Clean Air Month events and initiatives.
- Coordinated with the County Fire and Public Health Departments to notify the public about the air quality during the Zaca Fire and subsequent air quality particulate episodes.
- Developed 2008 promotional campaigns for the Santa Barbara Car Free project with Amtrak and other local partners. The Santa Barbara Car Free Program was highlighted in the December issue of United Airlines *Hemispheres* magazine.
- Operated Business Assistance Program and Business Assistance Line to help businesses comply with APCD requirements, including assisting sources in annual report record keeping requirements, compliance with air toxic control measures, and working with the agriculture community to understand requirements of the agricultural engine registration program.
- Reviewed public notices, continued to enhance the APCD website, revised the Santa Barbara Car Free and Greendifference web sites, and provided webmaster support to all staff.
- Participated in the CAPCOA Public Outreach committee and the National Association of Clean Air Agencies Outreach Committee.
- Established a partnership with the UCSB Carsey-Wolf Center for Film, Television and New Media and designed graduate student assignments for outreach evaluation tools.

Fiscal Year 2008-09 Goals and Objectives

1. Publish four issues of *On The Air* and *Business Focus* newsletters.
2. Work with local agencies to establish a Santa Barbara County Green Business Program.
3. Administer the Business Assistance Program including managing the Business Assistance Line, providing information and direction to businesses, compliance and permit assistance, and incentive information.
4. Coordinate media outreach efforts for all APCD programs.
5. Schedule and provide speakers at schools and other events and in response to community requests.
6. Maintain and improve APCD's Internet World Wide Web site.
7. Promote clean air goals through participation in events and initiatives around Earth Day and Clean Air Month.
8. Participate in CAPCOA Public Outreach Committee to promote statewide consistency in communicating air quality information, to share communication products, and to develop and implement joint outreach initiatives.
9. Participate in the National Association of Clean Air Agencies Public Outreach committee to maximize input on federal air quality communication programs, and to benefit from national communication initiatives.
10. Promote clean-air transportation choices, through implementation of the Santa Barbara Car Free project participation in community events and projects (e.g., Earth Day, Clean Air Month).
11. Expand programs to educate the public about global climate change.

Recurring Performance Measures

Measure	Actual FY 2006-07	Goal FY 2007-08	Est. Act. FY 2007-08	Goal FY 2008-09
Publish "On the Air" newsletter.	4	4	4	4

Land Use

Purpose Statement

We review major environmental and planning documents to ensure that air quality impacts of land development projects are correctly assessed and all feasible measures to reduce air pollution from these projects are considered. We review all APCD activities such as Clean Air Plans, rules and regulations, and permits to ensure that our activities do not result in adverse impacts to the environment. We participate in the federal, state, and local transportation planning process and review transportation projects to ensure that transportation policies and projects do not weaken air quality improvements.

Fiscal Year 2007-08 Significant Accomplishments

- Prepared California Environmental Quality Act (CEQA) documentation for the 2007 Clean Air Plan and all rules and permits where the APCD was the lead agency, and assisted other agencies in the preparation of air quality analyses for CEQA documents for oil and gas related projects.
- As a responsible agency, reviewed environmental documentation for major projects, and as a concerned agency, reviewed documents from agencies such as State Lands Commission, Caltrans, UCSB, Vandenberg Air Force Base, and local cities.
- Participated with other air districts to revise and improve the Urban Emission Model (URBEMIS) to enhance analysis capabilities for mitigation measures, risk assessment, and construction impacts.
- Co-authored CAPCOA's Climate Change and CEQA White Paper.
- Participated in the Subdivision/Development Review Committees of the County and Goleta, and SBCAG's Technical Transportation Advisory Committee and Technical Planning Advisory Committee.
- Co-chaired the CAPCOA Health Risk Assessment Sub-committee.

Fiscal Year 2008-09 Goals and Objectives

1. Implement CEQA on APCD rules, APCD permits, and plans.
2. Carry out responsible agency review requirements for major development projects in the county.
3. Work with other districts to improve the tools to assess Indirect Source emissions and mitigation measures.
4. Continue to provide training to planners and consultants on methodology and resources available for evaluating air quality impacts from development projects.
5. Track and evaluate motor vehicle Inspection and Maintenance programs and reports.
6. Continue to participate on CAPCOA Planning Managers subcommittees to develop statewide resolutions to dealing with land use related health risks and analysis tools (e.g. URBEMIS and CEQA Thresholds) for addressing global climate change impacts.

Recurring Performance Measures

<u>Measure</u>	<u>Actual FY 2006-07</u>	<u>Goal FY 2007-08</u>	<u>Est. Act. FY 2007-08</u>	<u>Goal FY 2008-09</u>
Complete CEQA review within 30 days for all initial studies and minor projects.	99%	100%	99%	100%

Air Monitoring

Purpose Statement

We operate an ambient air monitoring network throughout Santa Barbara County to determine the relationship between our air quality and the Federal and California air quality standards by comprehensively and accurately documenting the urban, regional, and source specific air quality impacts. We gather information to allow for sound decision making by policy-makers, the general public, and the APCD in our combined efforts to protect public health.

Fiscal Year 2007-08 Significant Accomplishments

- Operated or provided oversight for the collection of high quality ambient air monitoring data from 17 stations throughout the county.
- Published the Annual Air Quality Report on the APCD's web page.
- Continued implementing the equipment and parts replacement schedule.
- Coordinated the replacement of the monitoring station at Vandenberg Air Force Base.
- Implemented a new data acquisition system for ambient air and continuous emissions monitoring.
- Installed and operated a new real-time particulate (PM_{2.5}) monitor at the Lompoc H Street monitoring station.

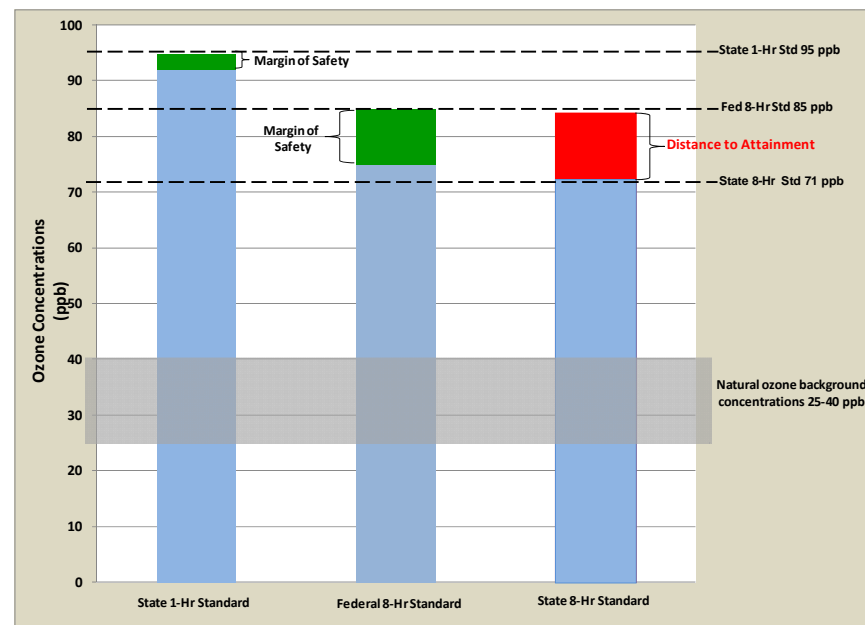
Fiscal Year 2008-09 Goals and Objectives

1. On-going operation of the APCD's State and Local Air Monitoring Stations (SLAMS) network and selected Prevention of Significant Deterioration (PSD) monitoring stations, and oversight of the remaining PSD monitoring network in accordance with federal and state requirements. Continue to review cost-effective advances in monitoring technology and daily monitoring procedures for incorporation into the monitoring program to increase program efficiencies.
2. Provide technical support to the California Air Resources Board in their operation of ambient air quality monitoring stations.
3. Publish the Annual Air Quality Report on the APCD's web page.
4. Continue to update and produce new charts and graphs to provide new and historical air quality data on the internet.

5. Install a real-time particulate matter (PM₁₀) monitor at the Lompoc H Street monitoring station.
6. Respond to ambient air quality data requests from the general public, outside agencies, and APCD staff. Continue daily Air Quality Index reporting to the APCD website.
7. Provide technical support to APCD project managers for major source continuous emissions monitoring programs.
8. Provide data to EPA's AirNow program to provide real-time ozone and particulate matter mapping on the internet.

Recurring Performance Measures

Measure	Actual FY 2006-07	Goal FY 2007-08	Est. Act. FY 2007-08	Goal FY 2008-09
Pass State performance audits.	100%	98%	100%	98%
Obtain valid data for air quality/meteorological measurements.	99%/100%	80% / 90%	80% / 90%	80% / 90%



Innovative Technologies Group

Purpose Statement

We demonstrate innovative, voluntary ways of reducing air pollution in Santa Barbara County in order to further the APCD's mission to protect the local environment and public health. We foster government and industry cooperation and create local business opportunities in clean air technologies by providing incentives to aid in the implementation of low-emissions technologies. We identify alternatives to the traditional regulatory approach that provide increased flexibility to local businesses in reducing pollution.

Fiscal Year 2007-08 Significant Accomplishments

- Retrofitted a large container ship that transits offshore Santa Barbara County with NOx and PM emission reduction devices.
- Funded the repowering of one diesel powered truck and four commercial fishing vessels.
- Continued implementation of the Carl Moyer Program, the agricultural water pump engine program, the marine re-power program, the water-based cleaner program and the on- and off-road heavy-duty diesel re-power program.
- Obtained additional state funding for emission reduction programs under the Carl Moyer Program Year 10 Funding cycle.
- Continued the Old Car Buyback Program.
- Developed a comprehensive grant funding document ("Call for Projects").

Fiscal Year 2008-09 Goals and Objectives

1. Evaluate grant applications submitted in response to APCD's "Call for Projects" and issue grant funding according to APCD Board, Carl Moyer Program and AB923 criteria.
2. Continue management of existing programs, e.g., the marine re-power program, agricultural water pump engine program, state Carl Moyer Program, on- and off-road heavy duty diesel re-power program and the Lower Emissions School Bus Program.

3. Administer and implement projects funded by AB 923 funds, Carl Moyer Program funds, and motor vehicle registration fees to reduce emissions from diesel engines (e.g., Agriculture Assistance Program, School Bus Replacement and Retrofit programs, etc.) and from an Old Car Buyback Program.
4. Continue efforts to build partnerships to reduce marine shipping emissions.
5. Continue efforts to "clean the fleet" by working with local fleet vehicle operators, transit and school districts to re-power, retrofit or replace diesel engines.
6. Identify and pursue partnerships to provide economic benefits to local industries through the demonstration of innovative technologies to reduce air pollution

Recurring Performance Measures

<u>Measure</u>	<u>Actual FY 2006-07</u>	<u>Goal FY 2007-08</u>	<u>Est. Act. FY 2007-08</u>	<u>Goal FY 2008-09</u>
NOx and ROC and PM reductions from grant funded ITG projects (in tons).	71	100	24	25

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