




Agenda Date: May 16, 2019  
Agenda Placement: Regular  
Estimated Time: 20 Minutes  
Continued Item: No

## Board Agenda Item

TO: Air Pollution Control District Board

FROM: Aeron Arlin Genet, Air Pollution Control Officer 

CONTACT: Kristina Aguilar, CPA, Administrative Manager (805-961-8813)

SUBJECT: Fiscal Year (FY) 2019-20 Proposed Budget

---

### RECOMMENDATION:

1. Receive the Proposed Budget for FY 2019-20;
2. Hold a public hearing to accept comments and provide direction to staff regarding changes desired by the Board; and
3. Schedule a budget adoption hearing for June 20, 2019.

### DISCUSSION:

#### Public Review and Board Adoption Process

Your Board is requested to hold a public hearing to review the attached proposed APCD budget for FY 2019-20 and to provide the public with the opportunity to comment. A second public hearing must be held to adopt the budget and it is requested to be set for the next regularly scheduled Board meeting on June 20, 2019.

As required, the proposed budget was made available to all fee payers and to the general public at least 30 days in advance of this hearing. The proposed budget was posted on the internet on April 7, 2019 and notices were mailed to all permit holders on April 5, 2019. Notice was also published in local newspapers on April 7, 2019. In addition, staff conducted a public workshop on April 16, 2019 to explain the budget, answer questions, and receive input.

Aeron Arlin Genet, Air Pollution Control Officer

## Proposed Budget Overview

### ➤ *FY 2019-20 District Budget at a Glance*

The Proposed FY 2019-20 budget of \$12,520,651 is \$1,405,614 higher than the Adopted FY 2018-19 budget of \$11,115,037, which is an increase of 12.6%. This increase is largely attributed to an increase of pass-through funds that equate to 35.1% (i.e., \$4,400,367). Pass-through funds are received by a recipient government (District) and distributed to a third party such as emission reduction grant projects through our Carl Moyer Program. Pass-through funds are grant funds with legislatively specified uses, and are not eligible to cover District operations. To best illustrate the budget that falls within the District's purview to allocate (i.e., a total operating budget of \$8,120,284), tables were included in the budget document for revenues and expenses with the exclusion of pass-through funds.

### Budgetary Highlights and Major Factors Affecting the FY 2019-20 Budget

The state Legislature, through the budget adoption process, continues to place a strong emphasis on the use of funding for voluntary emission reduction programs through the network of local air districts. This action resulted in a total of over \$2.7 million for Santa Barbara County projects in FY 2019-20, a 21.1% increase in grant funds received in the current year. These funds will be used to continue expanding the reach of the grant programs that were initiated in FY 2018-19, including the Carl Moyer, Community Air Protection, FARMER, and Wood Smoke Reduction programs. These one-time revenue sources will provide \$308,573 in administration funds to implement the grant program.

No fee increases are proposed for FY 2019-20 other than a 3.6% Consumer Price Index (CPI) adjustment in fees that is authorized by APCD Rule 210.

### ➤ *Operating Revenues*

The proposed operating revenues of \$8,120,284 represents an increase of \$262,686 compared to the FY 2018-19 total of \$7,857,599. This is primarily attributed to the increase in use of fund balance to allocate monies towards the Clean Air Fund (\$100,000) and an increase in the use of fund balance in the District's air monitoring program (\$139,420). The District will take over ownership of two California Air Resources Board (CARB) monitoring sites and additional equipment is budgeted to bring those stations up to the District's normal operating specifications.

### ➤ *Operating Expenditures*

The FY 2019-20 operating budget of \$8,120,284 represents an increase of \$262,686 compared to FY 2018-19 of \$7,857,599, which is primarily attributed to pension costs, which have increased substantially from the previous fiscal year. Although the number of full time District staff has decreased, the pension costs have continued to increase. The overall increase for pension costs for the District is 15%. Cost of living adjustments were negotiated in Fiscal Year 2018-19; staff received a 2% adjustment in September 2018 along with a 3% cost of living adjustment that is scheduled for July 1, 2019. Lastly, merit increases during the fiscal year will contribute to the increase.

➤ *Major Efforts during FY 2019-20:*

- Continue to improve District efficiency and automate permit application forms, input of facility information into emissions inventory, and online complaint system.
- Use the District's communication tools to increase agency brand awareness and encourage county residents to sign up to receive news and air quality alerts.
- Develop an air quality emergency response plan for local natural disasters.
- Work with CARB to transfer the ownership and operation of the Santa Barbara and Santa Maria monitoring stations to the District.
- Implement a new cycle of grant funding awarded by the state legislature in 2018 (i.e. State Wood Smoke Reduction program, FARMER, AB617, and State Reserve).

In addition, other important activities will continue. Such activities include efforts to reduce emissions and educating the public through extensive outreach programs. Examples of these efforts include issuing permits, conducting inspections of permitted equipment, publishing newsletters, improving computer automation services, and enhancing our web site.

Finally, to ensure that the District is working effectively, we monitor success through impact and performance measures and use the information to improve the District's effectiveness and efficiency. These impact measures are included in the attached budget document.

Anticipated Adjustments to the Proposed Budget for June

The proposed budget will be modified based on your Board's direction at the May hearing. Once the proposed budget is adopted, an adopted budget document will be published.

**ATTACHMENT:**

A. Fiscal Year 2019-20 Proposed Budget

**air pollution control district**  
SANTA BARBARA COUNTY



**Proposed Budget**  
**Fiscal Year 2019-20**

**Aeron Arlin Genet**, Air Pollution Control Officer

805.961.8800

260 N. San Antonio Rd., Ste. A Santa Barbara, CA 93110

[ourair.org](http://ourair.org)

[@OurAirSBC](https://twitter.com/OurAirSBC)

## TABLE OF CONTENTS

---

<b>TABLE OF CONTENTS .....</b>	<b>2</b>
<b>Santa Barbara County Air Pollution Control District Board of Directors.....</b>	<b>3</b>
<b>Air Pollution Control Officer's Budget Memorandum .....</b>	<b>4</b>
<b>Santa Barbara County Historical Air Quality .....</b>	<b>9</b>
Ozone .....	9
Particulate Matter.....	10
<b>About the District .....</b>	<b>11</b>
What is the District? .....	11
The District's Mission.....	11
Organizational Chart .....	12
FY 2019-20 Job Class Table (Effective June 20, 2019) .....	13
<b>Strategic Plan .....</b>	<b>14</b>
<b>Fiscal Year 2019-20 District Budget .....</b>	<b>16</b>
Revenue Plan .....	16
Expenditure Plan.....	17
Character of Expenditures .....	17
Revenue Breakout by Category .....	18
Expenditure Breakout by Category.....	19
<b>District Division Summaries .....</b>	<b>20</b>
Administrative Division .....	20
Engineering Division.....	21
Compliance Division.....	22
Planning Division .....	23
Impact Measures .....	26
FY 2018-19 Significant Accomplishments.....	26
<b>Fiscal Year 2019-20 Operating Budgets by Division .....</b>	<b>28</b>
Administrative Division .....	28
Fiscal and Executive Services .....	30
Human Resources .....	31
Public Information .....	32
Information Technology Services.....	33
Engineering Division.....	35
Permitting, Air Toxics, and Permit Compliance .....	37
Compliance Division.....	39
Compliance and Enforcement .....	40
Planning Division.....	42
Air Quality Planning .....	44
Rule Development.....	45
Community Programs .....	46
Land Use.....	47
Grants and Incentives Program .....	48
Air Monitoring.....	49

# SANTA BARBARA COUNTY AIR POLLUTION CONTROL DISTRICT BOARD OF DIRECTORS

---

**Supervisor Das Williams, Vice-Chair**

*First District*

*Santa Barbara County Board of Supervisors*

**Mayor Holly Sierra**

Alternate – Vice Mayor Ed Andrisek

*City of Buellton*

**Supervisor Gregg Hart**

*Second District*

*Santa Barbara County Board of Supervisors*

**Vice Mayor Al Clark**

Alternate – Mayor Wade Nomura

*City of Carpinteria*

**Supervisor Joan Hartmann**

*Third District*

*Santa Barbara County Board of Supervisors*

**Mayor Paula Perotte**

Alternate – Councilmember Stuart Kasdin

*City of Goleta*

**Supervisor Peter Adam**

*Fourth District*

*Santa Barbara County Board of Supervisors*

**Mayor Ariston Julian**

Alternate – Mayor Pro Tem Gina Rubalcaba

*City of Guadalupe*

**Supervisor Steve Lavagnino**

*Fifth District*

*Santa Barbara County Board of Supervisors*

**Councilmember James Mosby**

Alternate – Mayor Jenelle Osborne

*City of Lompoc*

**Mayor Cathy Murillo, Chair**

Alternate – Councilmember Jason

Dominguez

*City of Santa Barbara*

**Mayor Alice Patino**

Alternate – Councilmember Etta Waterfield

*City of Santa Maria*

**Mayor Ryan Toussaint**

Alternate – Councilmember Karen Waite

*City of Solvang*

# AIR POLLUTION CONTROL OFFICER'S BUDGET MEMORANDUM

---

May 16, 2019

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

Dear Chair Murillo and Board Members:

The Fiscal Year (FY) 2019-20 Proposed Budget was prepared according to the policy framework and direction provided by the Board and the Air Pollution Control District Strategic Plan.

## *Budget Overview*

This budget is planned for FY 2019-20, which runs from July 1, 2019 through June 30, 2020. The budget adoption process is specified in California Health and Safety Code Section 40131 and includes requirements for two public hearings and notification to all fee payers. In addition, the District conforms to the provisions of the County Budget Act of 2010, Revision 1, effective January 1, 2013 and starting with Government Code Section 29000.

Every year our budget process begins with the programming of revenues. The District projects total revenue from the previous years' actual revenues after making any known or anticipated adjustments. After revenues are forecasted, expenses (including salaries and benefits) are programmed to match revenues, thus making a balanced budget. Therefore, planned revenues cover all operational expenses. Periodic expenses (e.g., capital improvements) are paid through fund balance accounts (i.e., savings) specifically designated for those items.

The majority of the FY 2019-20 revenues will be generated by two sources: 1) funds earned by employees (predominately engineers, specialists, and technicians) who complete work products such as permits, inspections, evaluations, planning, and reviews for regulated sources, and 2) federal and state grants with uses prescribed by the agency providing the funds. The work products generated by grant funding are air quality monitoring, data acquisition, clean air plans, environmental planning documents, incentive programs, and public outreach. Expense line items are thoroughly reviewed each year in an effort to keep costs down.

## *FY 2019-20 Budget at a Glance*

The District's balanced proposed budget for FY 2019-20 totals \$12,520,651, a 12.6% increase from the current year's adopted budget. This increase is largely attributed to an increase of pass-through funds which equate to 35.1% (i.e., \$4,400,367). Pass-through funds are received by a recipient government (District) and distributed to a third party such as emission reduction grant

---

*The District's mission is to protect the people and environment of Santa Barbara County from the effects of air pollution.*

*The FY 2019-20 budget was built to ensure continued mission success and progress toward our vision: Clean Air.*

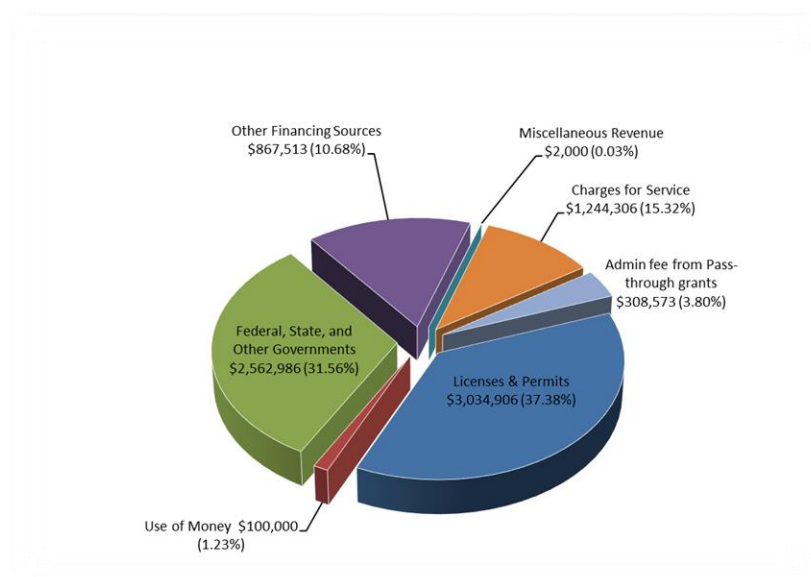
---



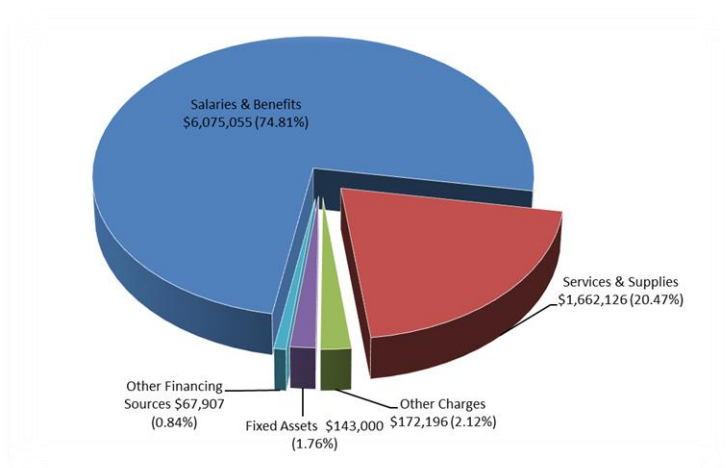
projects through our Carl Moyer Program with specified uses, and are not eligible to cover District operations. To best illustrate the budget that falls within the District’s purview to allocate, the summary figures below depict the District Revenues and Expenditures with the exclusion of pass-through funds — a total operating revenue of \$8,120,284. Expenditures continue to be dominated by salaries and benefits, which total \$6,075,055. The requested funding level will provide the resources needed by the District to maintain core and mandated air quality programs.

The District is well prepared for unforeseen expenses in that our fund balances provide an adequate reserve. Our fund balance total is forecasted to be \$5,853,190, and of that total, \$1,500,000 (approximately 12.0% of total budget) has been set aside by our Board as strategic reserve to be used during a fiscal emergency.

### *Total Operating Revenue \$8,120,284*



### *Total Operating Expenditures \$8,120,284*





## *Revenue & Expenditure Changes*

Overall revenue is estimated to increase 12.1% in FY 2019-20 compared to FY 2018-19. The main factor for this increase is the pass-through monies received from the California Air Resources Board (CARB) for multiple state grant projects. The operating revenue increased 3.2% when compared to the current year by \$262,686. The following outlines significant factors influencing the FY 2019-20 budget:

- **Increase in Pass-Through Grant Fund Revenues:**

The state Legislature, through the budget adoption process, continues to place a strong emphasis on the use of funding for voluntary emission reduction programs through the network of local air districts. This action resulted in a total of over \$2.7 million for Santa Barbara County projects in FY 2019-20, a 21.1% increase in grant funds received in the current year. These funds will be used to continue expanding the reach of the grant programs that were initiated in FY 2018-19, including the Carl Moyer, Community Air Protection, FARMER, and Wood Smoke Reduction programs. These one-time revenue sources will provide \$308,573 in administrative funds to implement the grant programs.

- **Clean Air Fund Program:**

With our newly created Clean Air Fund Program, the District has earmarked \$100,000 of excess Notice of Violation funds from FY 2018-19 to allow the District to implement projects that do not meet the traditional grant program guidelines as defined by the state. In this year's budget, the District is developing a voluntary incentive program to replace gas-powered landscape equipment with zero emission technologies.

- **Fee Revenues:**

The District has not proposed an increase in the Rule 210 fee schedule for regulated sources since 1991 other than the annual adjustment for Consumer Price Index (CPI) change allowed in our rules, which, for FY 2019-20, is 3.6%. CPI fee adjustments are made July 1 to our permit application and evaluation fees, source testing fees, annual emission fees, as well as other fees prescribed in Rule 210.

- **One-time Expenditures Included in this Year's Budget:**

For FY 2019-20, the District budget includes three large one-time projects. The first one-time budget item is associated with expanding agency awareness to better serve the community, including increased efforts to expand on the underserved individuals in the county. Upgrades of our website will enable the District to more efficiently gather information from permit holders using online forms, respond to public complaints, and provide real-time air quality information in a user-friendly fashion. The development of an Air Quality Emergency Response Plan will ensure that District resources are aligned and prepared to respond during unexpected air quality events. Lastly, as the District is taking over ownership of two CARB monitoring sites, additional equipment is budgeted to bring those stations up to the District's normal operating specifications.

## *Fund Balances*

The District designates two categories of fund balances. Each category has "savings" accounts with monies set aside for specific purposes.

- **Restricted Funds:**

Restricted fund balances are those where law prescribes use. These savings accounts are created by grant allocations received from federal and state agencies. Monies in these accounts are for multi-year grant programs that are managed by our Planning Division and pass-through the District for qualified projects. Each year the District strives to spend all of these monies, however it is common for residual funds to be left over and carried into the next year's budget if some of the clean air projects are encumbered but have not yet been paid. An example of a restricted fund balance is the state's Carl Moyer Program. For FY 2019-20, restricted fund balances total \$189,897.

- **Committed Funds:**

Committed fund balances are monies set aside for specific categorized expenditures, such as capital replacement, retiree health subsidy, and the data acquisition system (DAS), which feeds hourly air quality information to the District website. In addition, within committed fund balances there are discretionary dollars available for spending at planned intervals or when unforeseen circumstances arise requiring a withdrawal. Discretionary fund balances consist of our strategic reserve, reevaluation fee cycle, and an account for unforeseen operational requirements. For FY 2019-20, committed fund balances total \$5,648,807, with \$4,357,632 designated as discretionary.

### *Long-Range Fiscal Outlook*

Santa Barbara County continues to experience a significant change in oil and gas activity that has direct impacts to the District's revenue streams. This trend started in May 2015 with the Plains All American 901 Pipeline rupture, which continues to cause the shutdown of oil and gas facilities that were dependent on the onshore pipeline to distribute product. In turn, the District has seen reduced annual emission fees, source testing, monitoring fees, and reimbursable labor fees. Compounding this situation further, in April 2016, Venoco quitclaimed two state land leases and filed bankruptcy to liquidate existing assets. In addition, in 2018, the District was notified of Point Arguello Pipeline Company's decision to permanently shut down Platforms Harvest, Hermosa and Hidalgo located off Santa Barbara County's coastline. Platform decommissioning is an extensive process that is expected to occur over the next five to ten years.

During this transition, workload will remain at a steady or even at a slightly elevated level when assisting with decommissioning of oil and gas activities. However, in the long-term, workload associated with these sources — such as source testing, air monitoring, permit re-evaluations, inspections, and compliance tasks — will decrease. Recognizing that this

---

*Each budget cycle, the District conducts a five-year forecast to identify changes to the revenue and expenditures to ensure the agency is well positioned to move into in a new era, beyond traditional revenue streams. The goal of this proactive approach is to safeguard the District's long-term stability and necessary resources to implement our mission and mandates.*

---

decrease in oil and gas activity would have significant implications to revenues, the District proactively initiated a reorganization in 2018 to better operate within our parameters while maintaining highly skilled staff to carry out the agency's mission and mandates. That effort resulted in the realignment of management-to-staff ratio, reduced the number of total full-time employees to 36, and provided equity adjustments to ensure all staff are compensated at a rate competitive with that of surrounding air districts.

On the expenditure side, the District's contribution to the pension system has increased substantially from the previous fiscal year. Although the number of full time District staff have decreased, the pension costs have continued to increase. The overall increase for pension costs for the District is 15% in the upcoming fiscal year, resulting in an additional expenditure of approximately \$225,000. This increase is due to the Santa Barbara County Employee Retirement System (SBCERS) having the need to fulfill the retirement obligations. The District was notified last fiscal year that contributions will increase annually for the next five years. The FY 2019-20 proposed budget includes the increase for the second year of that five-year window.

### *Conclusion*

The FY 2019-20 proposed budget represents thoughtful consideration of impacts, consequences, alternatives, and workforce levels. The District was optimistically cautious in generating a revenue forecast, and balanced total expenses by carefully deliberating the need for each expenditure. I believe that the District can execute this budget with the confidence that our mission requirements will continue to be met throughout the year. Ongoing tracking of the District's performance metrics and assessments made with each annual budget process is critical to assessing the effectiveness of the reorganization.

Very Respectfully,



Aeron Arlin Genet  
Air Pollution Control Officer

# SANTA BARBARA COUNTY HISTORICAL AIR QUALITY

---

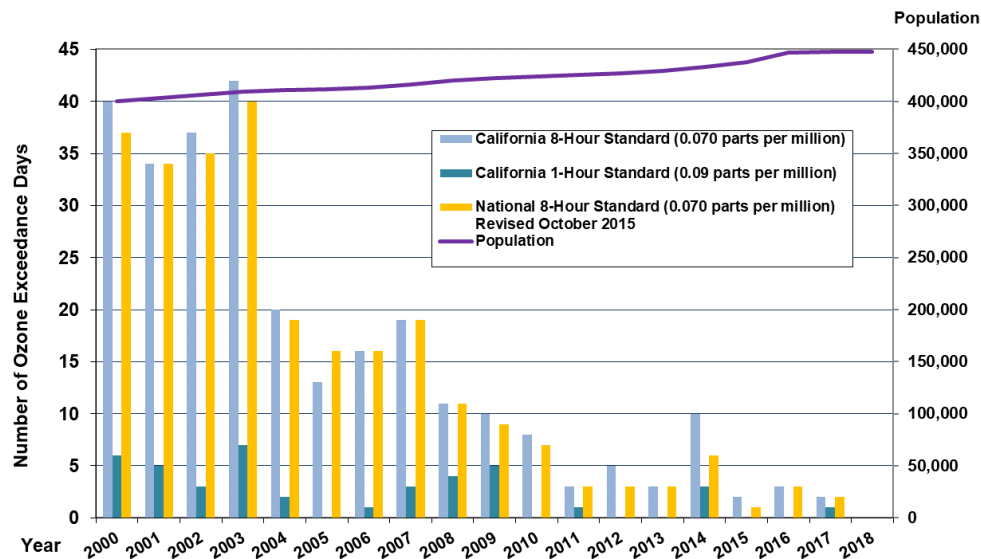
## *Ozone*

Ozone forms in the atmosphere when precursor pollutants such as nitrogen oxides (NOx) and reactive organic compounds (ROCs) undergo complex chemical reactions in the presence of sunlight. Other factors that contribute to high ozone levels include intense and prolonged heat, and stagnant air. Santa Barbara County's air quality has historically violated ambient air quality standards for ozone that were established by the state and federal Clean Air Acts. 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 District was formed, the air in Santa Barbara County did not meet the federal one-hour ozone standard. For 30 years, our efforts focused on attaining that standard. On August 8, 2003, Santa Barbara County was officially designated attainment for the federal one-hour ozone standard. Furthermore, United States Environmental Protection Agency (USEPA) has designated Santa Barbara County as attainment for the 2008 federal eight-hour ozone standard (0.075 parts per million). The eight-hour standard replaced the previous federal one-hour standard. On December 28, 2015, the USEPA strengthened the federal eight-hour ozone standard to 0.070 ppm; Santa Barbara County was designated unclassifiable/attainment for the 2015 revised standard on April 30, 2018.

The District currently meets the California one-hour ozone standard; however, the District does not meet the California eight-hour ozone standard of 70 parts per billion that was implemented in June 2006. In order to be designated attainment for the state ozone standard, air quality measurements must show that both the one-hour and the eight-hour standards are not violated. As shown in the chart, the number of ozone exceedance days has decreased while population has increased. Because the number of ozone exceedance days has decreased and the county is closer to meeting the California eight-hour standard, the attainment status for this standard was changed from nonattainment to nonattainment-transitional in April 2017.

## Santa Barbara County Ozone Exceedance Days 2000-2018



### Particulate Matter

The state and federal particulate matter (PM) air quality standards fall under two different size ranges - PM<sub>10</sub>, which represents particles less than 10 microns in diameter, and PM<sub>2.5</sub>, which represents particles less than 2.5 microns in diameter. Both PM<sub>10</sub> and PM<sub>2.5</sub> are small enough to be inhaled; however, PM<sub>2.5</sub> particles can be inhaled more deeply into the lungs and can also enter the bloodstream, with more serious health effects.

Historically, the county has experienced regular exceedances of the state 24-hr PM<sub>10</sub> standard. Santa Barbara County is nonattainment for the state PM<sub>10</sub> standard (50ug/m<sup>3</sup>), but attainment for the federal standard (150 ug/m<sup>3</sup>). Exceedances to the state standard typically occur during windy and/or dry conditions, and occur more frequently in the northern portion of the county. During regional wind events, such as Santa Ana or Sundowner wind conditions, the entire county may experience elevated PM<sub>10</sub> levels.

Santa Barbara County has historically experienced wildfires that cause high particle measurements in the form of both PM<sub>2.5</sub> (primarily related to smoke) and PM<sub>10</sub> (primarily related to ash and post-fire re-entrainment of ash). In recent history, wildfires have occurred more frequently, leading to increased levels of exposure to PM more frequently and for longer periods of time. Wildfire events in other areas of California have also contributed to high PM levels here in Santa Barbara County. While these events affect local air quality and impact public health, through the Exceptional Events process they do not impact the region's official attainment status for either state or federal standards.

## ABOUT THE DISTRICT

---

### *What is the District?*

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

The 13-member governing board of the District consists of the five County Board of Supervisors and one elected representative (a mayor or city councilperson) from each of the eight cities within the county.

### *The District's Mission*

---

*The District'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. In striving toward our goal, the District embraces the attributes of accessibility, accountability, and transparency.

## Organizational Chart





## FY 2019-20 Job Class Table (Effective June 20, 2019)

Position Number	Classification Title	Adopted FY 2018-19	Additions / Deletions	Proposed FY 2019-20	Monthly Equivalent Salary Range (A-E)	Representation Unit
<b>Funded Positions</b>						
170	OFFICE TECHNICIAN	3.00	-1.00	2.00	3980-4763	23
179	EXECUTIVE ASSISTANT/BOARD CLERK	1.00		1.00	6458-7755	32
180/181	ACCOUNTING TECHNICIAN I/II	1.00		1.00	3931-5405	24
182	ACCOUNTING TECHNICIAN III	1.00		1.00	5181-6222	24
400/401	PERMIT TECHNICIAN I/II	1.00		1.00	4619-6069	28
435/436	AIR QUALITY ENGINEER I/II	2.00		2.00	6305-8333	28
437	AIR QUALITY ENGINEER III	4.00		4.00	7722-9302	28
438	DIVISION SUPERVISOR	3.00		3.00	8704-10473	29
439	DIVISION SUPERVISOR - CONFIDENTIAL	1.00		1.00	8652-10422	32
453/454	AIR QUALITY SPECIALIST I/II	2.00		2.00	5273-6882	28
443	AIR QUALITY SPECIALIST III	10.00		10.00	6442-7745	28
445	PRINCIPAL MONITORING SPECIALIST	1.00		1.00	8113-9776	28
446	PUBLIC INFORMATION OFFICER	1.00		1.00	6476-7777	32
600	DIVISION MANAGER	4.00		4.00	9920-11947	43
502	HUMAN RESOURCES TECHNICIAN III	1.00		1.00	5556-6805	32
670	AIR POLLUTION CONTROL OFFICER	1.00		1.00	16,537	41
<b>TOTAL NUMBER OF FUNDED POSITIONS</b>		<b>37.00</b>	<b>-1.00</b>	<b>36.00</b>		
<b>TOTAL NUMBER OF UNFUNDED POSITIONS</b>		<b>9.00</b>		<b>9.00</b>		
<b>TOTAL NUMBER OF POSITIONS</b>		<b>46.00</b>	<b>-1.00</b>	<b>45.00</b>		

The Job Classification Table (above) depicts the positions needed to meet the District's mission requirements. The 36 individuals who fill these positions are organized into our four Divisions making up a dedicated District team of professionals. The District Staff Directory listing the employees filling these positions can be found at [www.ourair.org/apcd-staff-directory-info/](http://www.ourair.org/apcd-staff-directory-info/).

## STRATEGIC PLAN

---

This section presents a strategic vision of the District for the future, including the programs and services to be provided, goals and objectives, the resources needed to achieve these goals, and metrics for success. Below are the priorities, goals, and objectives of the District.

### *Priority 1: Protection of Public Health through Air Quality Improvement*

**Goal:** Continue to implement programs that directly reduce emissions.

**Objectives:**

- As necessary, adopt new rules and regulations that cost-effectively reduce emissions.
- Emphasize alternatives to “command-and-control” regulations, such as pollution prevention, incentives, and social responsibility.
- Develop partnership initiatives to introduce innovative or other low-polluting technologies 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 consistent compliance program, with emphasis on educating the regulated community.
- Ensure a contribution by all emission sources toward emission reductions.
- Use penalties to act as a deterrent and to place emphasis on compliance.

**Goal:** Maintain a strong, science-based program.

**Objectives:**

- Place a high priority on staff training and professional advancement.
- Base decisions on well-documented data that has been subject to critical and open review.
- Maintain a sound and robust emission inventory and air quality monitoring system.
- Maintain and update the Clean Air Plans using the latest data and control techniques. Use the best available resources in developing programs, rules, and permit analyses.

**Goal:** Ensure that the District’s mission and actions are aligned and routinely reviewed.

**Objectives:**

- Maintain and periodically update the Strategic Plan.
- Develop and adopt annual goals and track progress.

**Goal:** Ensure adequacy of resources.

**Objectives:**

- Improve efficiency by taking advantage of technological advances and improving District systems and processes for improvements.
- Broaden the District funding base by actively pursuing additional sources of revenue.
- Review our financial status to ensure financial stability.

*Priority 2: Community Involvement*

**Goal:** Involve the community in air quality protection.

**Objectives:**

- Initiate collaborative efforts and partnerships with the community around shared air quality and environmental goals.
- Offer timely information on air quality issues and upcoming events via the District's website, social media, and public information process.
- Provide the public with additional informational resources, including presentations and publications.
- Support the District Community Advisory Council to provide input on rules and clean air plans and to foster open communication and a collaborative approach to air quality planning.
- Conduct workshops on new rules, plans, and the budget to obtain community input.
- Reach out to community partners and the media for additional opportunities to inform the public.
- Participate in community events.
- Support students and teachers in efforts to learn about air quality and the environment.

*Priority 3: Continuously Improve Service*

**Goal:** Maintain and improve relationships with all constituents.

**Objectives:**

- Keep the Board well informed.
- Provide opportunities for public input on decisions affecting 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 2019-20 DISTRICT BUDGET

## Revenue Plan

	Actual FY 2017-18	Adopted FY 2018-19	Est Act FY 2018-19	Proposed FY 2019-20
<i>Licenses &amp; Permits</i>				
Evaluation Fees	\$ 396,165	\$ 320,000	\$ 303,614	\$ 320,000
Asbestos Notification Fees	61,013	62,000	87,114	67,000
Reevaluation Fees	1,034,390	870,869	916,795	668,783
Air Toxics (AB 2588)	5,145	5,700	5,182	5,285
Application Fees	110,804	115,000	91,421	100,000
Annual Emission Fees	878,137	849,623	810,638	839,821
Notice of Violation	245,130	225,000	370,000	225,000
Inspection Fees	20,281	21,000	20,500	20,500
Source Test Fees	91,866	103,962	108,042	102,473
DAS	317,841	299,045	299,045	267,415
Monitoring	612,889	485,673	485,674	418,629
<i>Use of Money</i>				
Interest	47,654	75,000	75,000	100,000
<i>Federal, State, and Other Governments</i>				
Federal - EPA Grant	495,000	489,000	489,000	489,000
Motor Vehicle \$4	1,512,259	1,516,441	1,500,000	1,516,441
Motor Vehicle \$2	744,844	761,159	750,000	761,159
State-PERP	52,156	52,000	52,358	50,000
State-ARB	197,331	204,378	257,599	337,100
Other Governments	148,926	164,400	155,800	170,445
<i>Charges for Services</i>				
Environmental Review	3,880	5,000	5,000	5,000
AQAP Fees	408,919	420,559	421,047	430,057
Carl Moyer Program	1,162,730	2,169,780	2,268,676	2,742,168
Reimbursable Charges	830,339	656,732	563,968	809,249
<i>Miscellaneous Revenue</i>	12,421	2,000	2,000	2,000
Revenue Total	9,390,120	9,874,321	10,038,473	10,447,525
<i>Other Financing Sources</i>				
Decrease in Fund Balance	682,629	1,240,716	659,731	2,073,126
Revenue Plan Total	<u>\$ 10,072,749</u>	<u>\$ 11,115,037</u>	<u>\$ 10,698,204</u>	<u>\$ 12,520,651</u>

## Expenditure Plan

	Actual FY 2017-18	Adopted FY 2018-19	Est. Act FY 2018-19	Proposed FY 2019-20
<i>Operating Expenditures</i>				
Administration	\$ 3,186,556	\$ 3,443,295	\$ 3,542,053	\$ 3,672,095
Engineering	1,345,852	1,350,591	1,340,044	1,483,270
Compliance	994,556	1,069,245	1,049,233	1,155,291
Planning	3,676,621	5,140,367	4,655,335	6,142,088
Operating Total	9,203,585	11,003,498	10,586,665	12,452,744
<i>Other Financing Uses</i>				
Increase in Fund Balance	869,164	111,539	111,539	67,907
Expenditure Plan Total	<u>\$ 10,072,749</u>	<u>\$ 11,115,037</u>	<u>\$ 10,698,204</u>	<u>\$ 12,520,651</u>

## Character of Expenditures

	Actual FY 2017-18	Adopted FY 2018-19	Est. Act FY 2018-19	Proposed FY 2019-20
<i>Operating Expenditures</i>				
Regular Salaries	\$ 3,303,908	\$ 3,614,300	\$ 3,729,300	\$ 3,853,154
Overtime	661	-	93	-
Benefits	1,938,394	1,996,422	1,996,422	2,221,901
Salaries & Benefits Total	5,242,963	5,610,722	5,725,815	6,075,055
Services & Supplies	3,595,573	5,084,057	4,566,690	6,062,493
Other Charges	153,029	171,719	157,160	172,196
Fixed Assets	212,020	137,000	137,000	143,000
Operating Total	9,203,585	11,003,498	10,586,665	12,452,744
<i>Other Financing Uses</i>				
Increase in Fund Balance	869,164	111,539	111,539	67,907
Expenditure Plan Total	<u>\$ 10,072,749</u>	<u>\$ 11,115,037</u>	<u>\$ 10,698,204</u>	<u>\$ 12,520,651</u>

## Revenue Breakout by Category

### TOTAL REVENUE

	Adopted FY 2018-19	Proposed FY 2019-20	Budget to Budget Var.	% Budget to Budget Var.
Revenue Total	\$ 9,874,321	\$ 10,447,525	\$ 573,204	5.8%
Use of Fund Balance	1,240,716	2,073,126	832,410	67.1%
Revenue Plan Total	<u>\$ 11,115,037</u>	<u>\$ 12,520,651</u>	<u>\$ 1,405,614</u>	<u>12.6%</u>

### GRANTS/PASS THROUGH REVENUE

	Adopted FY 2018-19	Proposed FY 2019-20	Budget to Budget Var.	% Budget to Budget Var.
<i>Grant Revenues</i>				
CARB Grants (Moyer and Other)	\$ 2,169,780	\$ 2,742,168	\$ 572,388	26.4%
Motor Vehicle \$2	761,159	761,159	-	0.0%
	2,930,939	3,503,327	572,388	19.5%
<i>Administrative portion of Grant</i>				
Admin Fee- General Fund	(271,795)	(308,573)	(36,779)	13.5%
<i>Use of Grant Fund Balances</i>	598,294	1,205,613	607,319	101.5%
Revenue Plan Total	<u>\$ 3,257,438</u>	<u>\$ 4,400,367</u>	<u>\$ 1,142,928</u>	<u>35.1%</u>

### OPERATING REVENUE

	Adopted FY 2018-19	Proposed FY 2019-20	Budget to Budget Var.	% Budget to Budget Var.
Operating Revenue	\$ 6,943,382	\$ 6,944,198	\$ 816	0.0%
Pass-through Admin Fee	271,795	308,573	36,779	13.5%
Use of operating fund balances	642,422	867,513	225,091	35.0%
Total Operating Budget	<u>\$ 7,857,599</u>	<u>\$ 8,120,284</u>	<u>\$ 262,686</u>	<u>3.3%</u>

## Expenditure Breakout by Category

### TOTAL EXPENDITURES

	Adopted FY 2018-19	Proposed FY 2019-20	Budget to Budget Var.	% Budget to Budget Var.
Salaries and Benefits	\$ 5,610,722	\$ 6,075,055	\$ 464,333	8.3%
Services and Supplies	5,084,057	6,062,493	978,436	19.2%
Other Charges	171,719	172,196	477	0.3%
Capital Assets	137,000	143,000	6,000	4.4%
Increase to Fund Balance	111,539	67,907	(43,632)	-39.1%
Expenditure Total	<u>\$ 11,115,037</u>	<u>\$ 12,520,651</u>	<u>\$ 1,405,614</u>	<u>12.6%</u>

### GRANTS/PASS THROUGH EXPENDITURES

	Adopted FY 2018-19	Proposed FY 2019-20	Budget to Budget Var.	% Budget to Budget Var.
<u>Grant Expenditures</u>				
Salaries and Benefits	\$ -	\$ -	\$ -	
Services and Supplies	3,257,438	4,400,367	1,142,929	35.1%
Other Charges	-	-	-	
Capital Assets	-	-	-	
Increase to Fund Balance	-	-	-	
Grant Expenditure Total	<u>\$ 3,257,438</u>	<u>\$ 4,400,367</u>	<u>\$ 1,142,929</u>	<u>35.1%</u>

### OPERATING EXPENDITURES

	Adopted FY 2018-19	Proposed FY 2019-20	Budget to Budget Var.	% Budget to Budget Var.
<u>Operating Expenditures</u>				
Salaries and Benefits	\$ 5,610,722	\$ 6,075,055	\$ 464,333	8.3%
Services and Supplies	1,826,619	1,662,126	(164,493)	-9.0%
Other Charges	171,719	172,196	477	0.3%
Capital Assets	137,000	143,000	6,000	4.4%
Increase to Fund Balance	111,539	67,907	(43,632)	-39.1%
Total Operating Expenditures Budget	<u>\$ 7,857,599</u>	<u>\$ 8,120,284</u>	<u>\$ 262,685</u>	<u>3.3%</u>



## DISTRICT DIVISION SUMMARIES

---

The District operates with 36 positions from two locations (one in the Santa Barbara and one in Santa Maria) and is organized into four Divisions: Administrative Division, Engineering Division, Compliance Division, and Planning Division.

### *Administrative Division*

Administrative includes administrative overhead, fiscal and executive services, human resources, and information technology services.

#### ***Administrative Overhead***

Administrative Overhead represents agency-wide operational costs not attributable to any one program, such as building maintenance, janitorial services, lease costs, insurance, and the vehicle pool.

#### ***Fiscal and Executive Services***

Fiscal and Executive Services is responsible for the proper accounting and reporting of resources, and the administration of District facilities and 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, Executive Assistant, and Public Information Officer.

#### ***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.

#### ***Public Information***

The Public Information Program includes production and distribution of brochures, videos, an electronic newsletter, and other educational materials; and development and maintenance of the District website. During wildfires and other events that affect air quality, staff coordinates with local agencies to inform the public of air quality impacts. Our Public Information Officer maintains media relations, oversees the District's social media accounts, and promotes awareness of District programs.

#### ***Information Technology Services***

Information Technology (IT) Services is responsible for managing, developing, operating, training, and maintaining information systems at the District. Our systems include a computing 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 District and industry-operated monitoring stations, as well as data collection and verification of continuous emission monitoring of large facilities. Additionally, we program IT solutions that streamline our processes, creating cost reductions, timesaving efficiencies, and increased productivity.

## *Engineering Division*

The Engineering Division provides initial and ongoing permitting, air toxics, and permit compliance services to applicants and operators of stationary sources of air pollution. We also coordinate all Public Records Act requests and support lead agency requests for technical review of new projects. 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 for approximately 1,200 permitted or registered stationary facilities of small, medium, and large size, with a broad range of air pollution emitting activities. We also oversee the emission offsets program, including the Emission Reduction Credit Source Register.

The District 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 and Prevention of Significant Deterioration (PSD) permits in accordance with the federal Clean Air Act. The technical staff from the Engineering Division also review detailed Plans and Reports from our larger sources, including the review of semi-annual Compliance Verification Reports from the Part 70 Sources.

### ***Public Records Act Requests***

The Engineering Division is responsible for coordinating the agency's response to all Public Records Act requests. We do so in a timely and transparent manner, often responding to the request the same day. We routinely respond to approximately 200 requests per year.

### ***Permitting***

The review of new sources of pollution entails detailed engineering analyses of permit applications, evaluating applications for compliance with local, state, and federal 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 District's permitting requirements. We also regulate and permit 15 federal Outer Continental Shelf (OCS) oil and gas offshore platforms under a delegation agreement with the USEPA. Engineering staff coordinates with other agencies to ensure that the permit holder complies with all permit conditions, applicable rules and regulations, performance standards, the California Health & Safety Code, and the federal Clean Air Act.

### ***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 the tracking and implementing of requirements of state and federal air toxic control measures. Computer air quality modeling analyzes potential air quality impacts of proposed projects using highly specialized software, which simulate the movement and dispersion of air pollutants, including the preparation of health risk analyses in certain cases. This modeling is also used in our larger permit applications to ensure compliance with state and national Ambient Air Quality Standards and Increments. 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 State of California develops Air Toxic Control Measures for categories of sources that emit toxic air contaminants, and the District implements these measures locally. The USEPA also develops air toxic control requirements, known as Maximum Achievable Control Technology standards, and these are implemented locally by the District via a delegation agreement. We utilize GIS tools in our permitting and air toxics programs to ensure sensitive receptors (e.g., schools) are properly notified.

### ***Permit Compliance***

Once we issue the permit to operate, technical staff from the Engineering Division provide ongoing support for the more detailed and complex data submittals, source test plans/reports, and continuous emissions monitoring plans/reports. This may also include site assessments in the field. The source testing function is the physical measurement of pollutants from emission points at a facility and we use this data to determine compliance with applicable rules and permit conditions. We also prepare compliance reports for input into USEPA’s Integrated Compliance Information System, participate in the County’s System Safety and Reliability Review Committee, review Breakdown Reports, oversee the District’s Leak Detection and Repair (LDAR) program, develop tools to implement new and existing permit compliance programs, and review Part 70 Semi-Annual Compliance Verification Reports.

## ***Compliance Division***

The Compliance Division provides initial and ongoing inspection and enforcement services to applicants and operators of stationary sources of air pollution. Inspectors perform inspections at a broad range of operations, from small businesses such as dry cleaners to large petroleum production and mining operations. The Division also performs random surveillance inspections; replies to public nuisance complaints regarding odors, smoke, and dust; implements the federal asbestos program; inspects equipment under the Statewide Portable Equipment Registration Program (PERP); inspects local agricultural engine registrations; and in coordination with the Santa Barbara County Fire Department, implements our open burning programs (e.g., agricultural burns, prescribed burns). Compliance staff annually inspect approximately 600 permitted or

registered stationary facilities of small, medium, and large size, with a broad range of air pollution emitting activities.

### ***Inspector Duties***

The field inspectors verify compliance by conducting and documenting site inspections, reviewing records, accessing on-site monitoring data, and evaluating pollution levels. In addition, a large part of the inspector's role is to educate the sources on what is required and expected of them; inspectors provide in-the-field compliance assistance and instruction. Compliance staff also respond to citizen complaints, prepare reports for variances and abatement orders heard before the District Hearing Board, manage the District's mutual settlement program, manage the asbestos renovation and demolition compliance program, and manage the open burning and agricultural/prescribed burning programs (including direct coordination with the County/City Fire Departments). Compliance staff coordinate with the Engineering Division on the more technically complex sources, with the Planning Division on telemetered monitoring data from in-plant monitors as well as ambient monitoring stations, and on clean air funding programs and when new or revised rules are being written. We also coordinate with other agencies on topics that cover multiple jurisdictions, such as air quality complaints.

### ***Enforcement and Mutual Settlement***

Our enforcement function includes documenting non-compliance with the air quality requirements by writing Notices of Violation (NOV). The primary goal is to get a source back into compliance with the applicable permit and rule requirements. The District typically attempts to settle violations directly with the source. The District will occasionally refer cases to the District Attorney's office.

### ***Variance Program***

The District's Hearing Board issues abatement orders and variances to stationary sources that currently are, or likely may become, out of compliance with their local air district rules, regulations, or the Health and Safety Code. District inspectors perform some of the administrative functions of processing a variance, including providing the petition application; appearing as a party to the variance proceeding; preparing staff reports, when applicable; and following up to ensure that the increments of progress, emission limits and final compliance dates contained within the Variance order are met.

## ***Planning Division***

The Planning Division is responsible for planning and rule development, as well as coordinating with planning departments around the county. Planning also conducts outreach throughout the county, which includes grant and incentive programs to promote clean air technologies, presentations for schools and community groups, and partnerships with local agencies and organizations. The Division reviews discretionary actions by the County and cities, provides

comments on air quality issues, and is responsible for ensuring compliance with the California Environmental Quality Act (CEQA). Grants administered by the Division include incentives for replacing higher-emitting cars, school buses, on-road vehicles, agricultural engines, off-road equipment, and marine diesel engines with newer, cleaner engines. In addition, the Planning Division initiates and supports collaborative efforts to reduce emissions from unregulated sources, such as voluntary programs to reduce emissions from marine shipping (Protecting Blue Whales and Blue Skies) and from residential wood-burning fireplaces or woodstoves (Wood Smoke Reduction Program). The Division is implementing legislative requirements and incentive programs associated with the state's AB 617 Community Air Protection program. Lastly, the Planning Division oversees the District's air monitoring network.

### ***Planning***

The Planning Division 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. The Planning Section also establishes and maintains detailed emission inventories for clean air planning and invoicing of emission-based fees to support District programs.

### ***Rule Development***

Air quality-related rules are developed to protect human health and the environment of Santa Barbara County. Rules may be prescribed by the Clean Air Plan to meet state and federal air pollution requirements, or by other legislative mandates. New and amended rules are analyzed for cost-effectiveness. Opportunities for public participation in the rule development process are extensive, involving public workshops, Community Advisory Council reviews, and public hearings at the District's Board.

### ***Community Programs***

The Planning Division initiates and supports collaborative efforts to reduce emissions from sources outside the District's regulatory purview, such as mobile sources. Staff participates in planning efforts for the use of zero emission vehicles and alternative fuels, and provides input on other community efforts to improve air quality and educate the public. Staff provides presentations at schools, business and community events; development and support partnerships around common interests with a range of organizations and agencies; and implementation of special outreach and initiatives.

### ***Land Use***

District staff ensure that all permits, plans, rules, and programs of the District are in compliance with CEQA. As a CEQA "responsible agency," we review the larger land development and planning policy documents and provide comments and suggestions for mitigation measures on the air quality analyses in other local agencies' environmental

documents. District staff support planning agencies around the county with technical assistance evaluating air quality impacts of proposed development. Staff also participate in statewide efforts to refine project-level tools for calculating air quality, health, and climate change impacts and mitigation measures. In addition, staff coordinate with the Santa Barbara County Association of Governments (SBCAG) on the development and implementation of transportation control measures and regional transportation plans. Staff participate on SBCAG committees to evaluate transportation plans, projects, and funding proposals.

### ***Grant and Incentive Programs***

District grant and incentive programs promote the development, demonstration, and implementation of clean fuels and clean energy technologies to reduce air pollution through incentives to local businesses and industry. Staff initiates projects through government-industry partnerships and through leveraged funding. One example is an incentive program to reduce speeds of ocean-going vessels, through our Blue Skies - Blue Whales initiative. The District's portion of the funding generally comes from CARB under a variety of funding programs (e.g., Carl Moyer, FARMER, AB 617 Community Air Protection, Woodsmoke Reduction) and funds from the clean air surcharge on motor vehicle registration fees. Permit fees are not used to fund these programs.

### ***Air Monitoring***

The Air Monitoring Section is responsible for measuring and reporting air pollution levels throughout the county. This is done via two networks of air quality monitoring stations. The urban network is funded and operated by the District and CARB to monitor air quality in urban or populated areas throughout the county. The regional and facility-specific network is funded and/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 CARB and the USEPA. This section also works to provide air quality information to the public, including real-time air quality data and forecasts. If any monitoring station shows pollution levels above certain thresholds, staff will notify schools, hospitals, convalescent homes, and radio and television stations, and will alert people to curb their outdoor activities.

## Impact Measures

Measure	Actual CY 2018	Goal CY 2019	Est. Actual CY 2019	Goal CY 2020
Number of days on which the state one-hour ozone standard is not met somewhere in Santa Barbara County	0	0	0	0
Number of days on which the federal eight-hour ozone standard is not met somewhere in Santa Barbara County	0	0	0	0
Number of days on which the state eight-hour ozone standard is not met somewhere in Santa Barbara County	0	0	0	0
Number of days on which the state PM <sub>10</sub> standards are not met somewhere in Santa Barbara County	27	≤ 15	15	≤ 15
Number of days on which the federal PM <sub>2.5</sub> standard is not met somewhere in Santa Barbara County	0	0	0	0

CY = Calendar Year

## FY 2018-19 Significant Accomplishments

- No exceedances of the state and federal 8-hour 0.070 ppm ozone standard in CY 2018.
- Deployed temporary particulate monitors to inform the public about air quality impacts from prescribed burns.
- Developed and received approval of the air monitoring network modification plan with USEPA and CARB to maximize district resources and enhance the overall efficiency of the network.
- Performed 588 permitting actions in CY 2018.
- Performed 557 inspections in CY 2018.
- Responded to 359 air pollution complaints in CY 2018.
- Maintained the number of people exposed to a cancer risk of 10 in a million or greater from permitted sources at zero.
- Issued \$1,867,204 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 state eight-hour ozone standard and the state particulate matter (PM<sub>10</sub>) standards, the county meets all federal and state standards.

### **2018 Ozone Measurements**

- During the 2018 calendar year, there were no exceedances of the state and federal 8-hour ozone standards, a decrease from two days in 2017.
- The state 1-hour ozone standard was not exceeded in 2018, a decrease from one day in 2017.

### **2018 Particulate Matter Measurements**

- During the 2018 calendar year, the state 24-hour PM<sub>10</sub> standard was exceeded on 27 days, a decrease from 49 days in 2017.
- The federal 24-hour PM<sub>10</sub> standard was not exceeded in 2018, down from nine days in 2017.<sup>1</sup>
- The federal 24-hour PM<sub>2.5</sub> standard was exceeded on two days in 2018, down from 13 days in 2017.<sup>2</sup> The 2018 PM<sub>2.5</sub> standard exceedance days were influenced by wildfires burning in Northern California.

---

<sup>1</sup> Of the nine exceedances of the federal 24-hr PM<sub>10</sub> standard in 2017, two were a result of re-entrainment of residual ash from the Canyon Fire at Vandenberg Air Force Base and seven occurred during the Thomas Fire.

<sup>2</sup> The 13 exceedances of the federal 24-hr PM<sub>2.5</sub> standard in 2017 occurred during the Thomas Fire.

## FISCAL YEAR 2019-20

### OPERATING BUDGETS BY DIVISION

#### *Administrative Division*

The Administrative Division expenses are allocated to the District's direct operating activities as an overhead allocation based upon direct billable salaries and benefits. The Administrative Division includes a Fiscal and Executive section, Human Resources, Public Information, and an Information Technology Section, which includes information technology services and data acquisition. Each section has 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 rent, landscaping, janitorial, insurance, and utilities.

#### **EXPENDITURE PLAN**

	Actual FY 2017-18	Adopted FY 2018-19	Est Act FY 2018-19	Proposed FY 2019-20
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 1,871,429	\$ 1,562,913	\$ 1,695,429	\$ 1,820,587
Fiscal & Executive	628,849	1,045,809	910,727	726,454
Human Resources	26,364	148,351	150,374	142,509
Public Information	-	-	-	296,057
Information Technology	659,914	686,222	785,523	686,488
Operating Total	3,186,556	3,443,295	3,542,053	3,672,095
<i>Other Financing Uses</i>				
Increase in Fund Balance	661,152	-	-	-
Expenditure Plan Total	<u>\$ 3,847,708</u>	<u>\$ 3,443,295</u>	<u>\$ 3,542,053</u>	<u>\$ 3,672,095</u>

#### **CHARACTER OF EXPENDITURES**

	Actual FY 2017-18	Adopted FY 2018-19	Est Act FY 2018-19	Proposed FY 2019-20
<i>Operating Expenditures</i>				
Regular Salaries	\$ 933,046	\$ 1,102,137	\$ 1,217,137	\$ 1,151,991
Overtime	43	-	-	-
Benefits	766,110	772,706	772,706	847,979
Salaries & Benefits Total	1,699,199	1,874,843	1,989,843	1,999,970
Services & Supplies	1,256,324	1,413,233	1,400,466	1,516,429
Other Charges	133,816	140,219	136,744	140,696
Fixed Assets	97,217	15,000	15,000	15,000
Operating Total	<u>\$ 3,186,556</u>	<u>\$ 3,443,295</u>	<u>\$ 3,542,053</u>	<u>\$ 3,672,095</u>

## **Significant Changes (FY 2018-19 Adopted to FY 2019-20 Proposed)**

The FY 2019-20 operating total for the Administrative Division will increase by \$228,800 from the adopted 2018-19 budget to \$3,672,095.

Salaries and benefits increased \$125,127 primarily due to cost of living adjustments that were negotiated in Fiscal Year 2018-19. Staff received a 2% adjustment in September 2018 along with a 3% cost of living adjustment that is scheduled for July 1, 2019. Pension costs have increased substantially from the previous fiscal year as well. Although the number of full time District staff has decreased, the pension costs have continued to increase. The overall increase for pension costs for the District is 15%. Another reason for the increase is an intern in our Public Outreach Section was previously budgeted in the Planning Division but due to the reorganization that took place in FY 2018-19 the costs have now moved over to the Administrative Division. Lastly, merit increases during the fiscal year will also contribute to the increase.

Services and supplies increased by \$103,196. The main reason for this increase is one-time District projects. These projects include: District website upgrades (\$20,000), office furniture/office space reconfiguration study (\$25,000), new District booth materials for events and outreach (\$10,000), and an air quality emergency response plan (\$25,000). Also affecting this category is the costs associated with legal fees, which the District anticipates will increase by approximately \$15,000 next fiscal year.

Other charges increased by \$477, primarily due to a small increase to the District's property and liability insurance premiums.

Fixed assets remains the same from the previous fiscal year. The IT section plans to continue replacing aging computer equipment, as the District has done in previous years, which will continue the District's effort to maintain and use the best technology available.

## ***FY 2019-20 Goals and Objectives***

1. Assess, develop, and implement paperless systems for the Administrative Division.

### *Fiscal and Executive Section*

2. Research a new payroll system.
3. Create a new emergency response document for natural disasters.
4. Successfully train two new Accounting Technicians

### *Human Resources Section*

5. Revamp the Employee Performance Review process.

### *Public Information*

6. Use the District's communication tools to increase agency brand awareness and encourage county residents to sign up to receive news and air quality alerts from the District.
7. Increase Spanish outreach to best serve all community members.
8. Continue to stay updated on new methods and venues to provide timely information to community members.

### *Information Technology Section*

9. Implement Microsoft Office 365 District-wide.
10. Continue paperless project by moving forward with active/current documents. Also, develop and implement tools and a training program on electronic file searches.
11. Assist other Divisions with software: Compliance with the Compliance Database and Planning with Inventory Database modifications.

---

## *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.*

---

### ***FY 2018-19 Significant Accomplishments***

- Implemented new accounting software.
- Successfully met our Maintenance of Effort (MOE) requirement with the USEPA, which allowed the District to continue to receive federal grant funding.
- Successfully applied for and received new funding through the USEPA 103 federal grant.
- Successfully completed the financial audit for FY 2017-18 with no audit findings.
- Successful implementation of the budget – exceeding revenue and lower than budgeted expenditures.
- Successfully hired one Office Technician and two Accounting Technicians.
- Successfully built out a new office space that is available for use in the Santa Maria Office.

### ***Recurring Performance Measures***

<b>Measure</b>	<b>Actual FY 2017-18</b>	<b>Goal FY 2018-19</b>	<b>Est. Actual FY 2018-19</b>	<b>Goal FY 2019-20</b>
Percent of actual revenue received to revenue budgeted	107.7%	100%	101.7%	100%
Percent of actual expenditures to expenditures budgeted	88.7%	100%	96.2%	100%
Total federal maintenance of effort (MOE) above/(below) previous year MOE + \$1	\$34,940	≤ \$1	≤ \$1	≤ \$1

---

### ***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.*

---

### ***FY 2018-19 Significant Accomplishments***

- Conducted seven recruitments.
- Successfully completed the reporting requirements for the health care reform mandates.
- Administered District safety training program in compliance with OSHA regulations.
- Managed District workers' compensation program.
- Managed and provided comprehensive Human Resource programs and services for the District and its employees.
- Successfully entered into new Memorandum of Understanding agreements with all three bargaining groups during the negotiation process.
- Successfully updated all District job specifications.
- Successfully updated five administrative policy and procedure documents.

---

## Public Information

*Purpose Statement: In order for meaningful public participation to occur, outreach to the media and community members is key. We are committed to maintaining multiple communication channels for the exchange of easy-to-understand air quality information on issues occurring throughout Santa Barbara County.*

---

### **FY 2018-19 Significant Accomplishments**

- Issued 29 press releases regarding District news, air quality alerts, and prescribed burn notifications, and promoted media coverage of District issues and news.
- Participated in more than 15 media interviews on local air quality issues.
- Implemented multiple efforts to inform the community of air quality impacts from the Holiday Fire, as well as smoke impacts from fires occurring elsewhere in California, and about how people can protect themselves. Coordinating with County Public Health and other agencies, issued air quality alerts, created materials and webpages, and participated in responder calls and meetings.
- Took steps to increase agency brand awareness and enhance community outreach via an improved District website, new logo, and expanded social media presence.
- Reviewed public notices, made presentations to the public and industry, and provided website support to staff, as well as support in development of documents, materials, and Board presentations.

### **Recurring Performance Measures**

<b>Measure</b>	<b>Actual FY 2017-18</b>	<b>Goal FY 2018-19</b>	<b>Est. Actual FY 2018-19</b>	<b>Goal FY 2019-20</b>
Publish quarterly e-newsletter (formerly hard copy newsletter until 19-20)	2	2	2	4
Schools outreach/ class visits (including CAA)	N/A	16	16	30
Community events	N/A	5	5	6
Number of air quality alert subscribers	N/A	2,100	2,100	3,100

---

## Information Technology Services

---

*Purpose Statement: The Information Technology Services (ITS) 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 District and industry-run monitoring stations, as well as emission data from large facilities. The ITS staff develop innovative IT solutions to create operational efficiencies that reduce costs and increases productivity.*

---

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

### ***FY 2018-19 Significant Accomplishments***

#### Automated Data Acquisition (DAS) Program

- Provided reliable operation of the Data Acquisition System in support of program goals.
- The DAS system uptime exceeded 97%, Backups were 100%, and Data Acquisition exceeded 90%.
- Ongoing improvements of function and efficiencies of the DAS system and the support of the monitoring sites.

#### Local Area Network (LAN)

- Provided a highly reliable computing system for the District in support of the District's business.
- Hardware and software systems were upgraded or replaced as necessary keeping in line with our goal of providing reliable and cost-effective information systems.
- The District's bandwidth was successfully upgraded to faster speeds to allow employees to be more efficient and to prepare to implement Microsoft Office 365.
- Provided ongoing support and enhancements for the payroll, accounting, Integrated Database System, and the telecommuting program.
- In the process of a large overhaul to the Compliance database to meet the needs of the Compliance Division.
- Provided IT service to meet the needs of SBCAG staff.



***Recurring Performance Measures***

<b>Measure</b>	Actual FY 2017-18	Goal FY 2018-19	Est. Actual FY 2018-19	Goal FY 2019-20
Network uptime	>97%	97%	>97%	97%
APCD website uptime	>99%	100%	>99%	100%
Data Acquisition System (DAS) valid data acquisition rate	>97%	97%	>97%	97%

## Engineering Division

The Engineering Division is composed of the Permitting Section, Air Toxics Section, and Permit Compliance Section. The programs that these Sections operate 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, and goal and policy implementation.

### EXPENDITURE PLAN

	Actual FY 2017-18	Adopted FY 2018-19	Est. Act FY 2018-19	Proposed FY 2019-20
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 396,165	\$ 210,354	\$ 437,000	\$ 393,686
Permitting & Air Toxics	949,687	1,140,237	903,044	1,089,584
Operating Total	1,345,852	1,350,591	1,340,044	1,483,270
<i>Other Financing Uses</i>				
Increase in Fund Balance	-	111,539	111,539	67,907
Expenditure Plan Total	<u>\$ 1,345,852</u>	<u>\$ 1,462,130</u>	<u>\$ 1,451,583</u>	<u>\$ 1,551,177</u>

### CHARACTER OF EXPENDITURES

	Actual FY 2017-18	Adopted FY 2018-19	Est. Act FY 2018-19	Proposed FY 2019-20
<i>Operating Expenditures</i>				
Regular Salaries	\$ 897,133	\$ 848,746	\$ 848,746	\$ 967,877
Overtime	-	-	93	-
Benefits	420,329	413,195	413,195	482,243
Salaries & Benefits Total	1,317,462	1,261,941	1,262,034	1,450,120
Services & Supplies	27,496	87,400	77,110	32,150
Other Charges	894	1,250	900	1,000
Fixed Assets	-	-	-	-
Operating Total	<u>\$ 1,345,852</u>	<u>\$ 1,350,591</u>	<u>\$ 1,340,044</u>	<u>\$ 1,483,270</u>

### Significant Changes (FY 2018-19 Adopted to FY 2019-20 Proposed)

The FY 2019-20 Operating Total for the Engineering Division increased by \$132,679 from the adopted FY 2018-19 budget to \$1,483,270.

Salaries and benefits increased \$188,179, primarily due to cost of living adjustments that were negotiated in Fiscal Year 2018-19. Staff received a 2% adjustment in September 2018 along with a 3% cost of living adjustment that is scheduled for July 1, 2019. Pension costs have increased substantially from the previous fiscal year as well. Although the number of full time District staff

has decreased the pension costs have continued to increase. The overall increase for pension costs for the District is 15%. Lastly, merit increases during the fiscal year will also contribute to the increase.

Services and Supplies decreased \$55,250 due to the completion of a one-time project within the Engineering Division to scan all active permits into a paperless system.

Other charges decreased \$250 from the previous year to align the budget to actuals.

Fixed assets had no change from the previous year; there are no anticipated fixed asset purchases planned for FY 2019-20.

### ***FY 2019-20 Goals and Objectives***

1. Assess, develop, and implement paperless systems for Engineering Division. Finish digitizing task for the Air Toxics Section files. Develop and implement tools and a training program on electronic file searches.

#### *Permitting Section*

2. Integrate standardized emission calculations into the District's database systems for executing and retaining project data at the device level.
3. Automate the permit application forms to streamline the transfer of data in the District's permitting database.

#### *Permit Compliance Section*

4. Automate the process for uploading permit compliance data for our USEPA-mandated reporting requirements.

#### *Air Toxics Section*

5. Implement the AB 2588 Toxics "Hot Spots" process for high-priority sources.

---

## *Permitting, Air Toxics, and Permit Compliance*

---

*Purpose Statement: We issue technically rigorous and effective permits to new and existing stationary sources and ensure each project complies with all applicable local, state, and federal air quality requirements. We strive to protect the public from the exposure to significant levels of air toxics and inform and educate the public about emissions to which they may be exposed. We operate technically sound and thorough Permit Compliance programs. In addition, we provide transparent and timely responses to Public Records Act requests for information.*

---

### ***FY 2018-19 Significant Accomplishments***

- Completed 588 permitting actions during CY 2018.
- Issued 36 Part 70 federal operating permit renewals during CY 2018.
- Reviewed 124 emissions source tests during CY 2018.
- Replied to 103 requests for information under the Public Records Act during CY 2018.
- Completed transition to paperless electronic systems for our permitting and permit compliance programs.
- Implemented timesaving revisions to the Part 70 program.
- Automated the CARB GHG Oil & Gas Regulation reporting process.
- Issued an operating permit to Central Coast Wine Services for a winery fermentation emissions control system that meets achieved-in-practice Best Available Control Technology standards.
- Issued an Authority to Construct permit to the County for the Tajiguas TRRP project.
- Provided substantive air quality health risk and ambient standards review and analyses to the County for multiple proposed oil and gas development projects.

### ***Recurring Performance Measures***

<b>Measure</b>	Actual FY 2017-18	Goal FY 2018-19	Est. Actual FY 2018-19	Goal FY 2019-20
<b>Permit Processing</b>				
Percent of Authority to construct permit applications reviewed for completeness within 30 days of receipt	98%	100%	98%	100%
Percent of authority to construct permits issued within 180 days of application completeness	91%	100%	93%	100%
Percent of permit to operate annual scheduled reevaluation renewals completed within the year	90%	90%	85%	90%
<b>Compliance</b>				
Percent of complete review of all Part 70 major source compliance verification reports within 120 days	59%	50%	59%	50%
<b>Source Testing</b>				
Percent of source test reports reviewed within 60 days	90%	50%	90%	50%
<b>Public Records Act Information Request Response</b>				
Percent of requests initially responded to within 10 days of receipt	98%	98%	98%	98%

## Compliance Division

The Compliance Division includes Inspection and Enforcement programs, and has costs associated with specific goals and objectives for these programs. 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, and goal and policy implementation.

<b>EXPENDITURE PLAN</b>				
	Actual FY 2017-18	Adopted FY 2018-19	Est. Act FY 2018-19	Proposed FY 2019-20
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 259,639	\$ 116,885	\$ 227,307	\$ 311,717
Compliance & Enforcement	734,917	952,360	821,926	843,574
Operating Total	994,556	1,069,245	1,049,233	1,155,291
<i>Other Financing Uses</i>				
Increase in Fund Balance	-	-	-	-
Expenditure Plan Total	<u>\$ 994,556</u>	<u>\$ 1,069,245</u>	<u>\$ 1,049,233</u>	<u>\$ 1,155,291</u>

<b>CHARACTER OF EXPENDITURES</b>				
	Actual FY 2017-18	Adopted FY 2018-19	Est. Act FY 2018-19	Proposed FY 2019-20
<i>Operating Expenditures</i>				
Regular Salaries	\$ 583,812	\$ 655,334	\$ 655,334	\$ 697,324
Overtime	-	-	-	-
Benefits	346,129	334,761	334,761	367,467
Salaries & Benefits Total	929,941	990,095	990,095	1,064,791
Services & Supplies	18,574	30,150	18,622	51,500
Other Charges	11,544	19,000	10,516	19,000
Fixed Assets	34,497	30,000	30,000	20,000
Operating Total	<u>\$ 994,556</u>	<u>\$ 1,069,245</u>	<u>\$ 1,049,233</u>	<u>\$ 1,155,291</u>

### ***Significant Changes (FY 2018-19 Adopted to FY 2019-20 Proposed)***

The FY 2019-20 Operating Total for the Compliance Division increased by \$86,046 from the adopted FY 2018-19 budget to \$1,155,291.

Salaries and benefits increased \$74,696 primarily due to cost of living adjustments that were negotiated in Fiscal Year 2018-19. Staff received a 2% adjustment in September 2018 along with a 3% cost of living adjustment that is scheduled for July 1, 2019. Pension costs have increased substantially from the previous fiscal year as well. Although the number of full time District staff has decreased the pension costs have continued to increase. The overall increase for pension

costs for the District is 15%. Lastly, merit increases during the fiscal year will also contribute to the increase.

Services and Supplies increased \$21,350 primarily due to one-time equipment purchases including tablet computers, portable modems, and portable radios to streamline inspections and inspection report writing.

Other charges had no change from the previous year.

Fixed assets decreased \$10,000 from the previous year. One Toxic Vapor Analyzer is budgeted for purchase in FY 2019-20.

### ***FY 2019-20 Goals and Objectives***

1. Assess, develop, and implement paperless systems for the Compliance Division.
2. Automate the Variance Form ENF-74 to streamline the transfer of data into the Compliance database.
3. Initiate development of the 2<sup>nd</sup> version of the updated Compliance database program including automation of the inspection checklists.
4. Initiate development of an online complaint system.
5. Develop a Guidance Document for using the AirPointer portable monitor for complaint response.
6. Update 10% of the Compliance Policy and Procedures.
7. Coordinate with Land Managers to improve the Prescribed Burning process.
8. Update the Hearing Board Policy and Procedure.

---

## ***Compliance and Enforcement***

---

*Purpose Statement: We equitably enforce all rules and regulations to ensure air pollution control requirements are being met, to motivate and educate those we regulate to comply with air pollution laws, to protect human health and the environment, and to promote regulatory equity in the marketplace. We strive to protect the public from air quality nuisance situations and inform and educate the public about emissions to which they may be exposed.*

---

### ***FY 2018-19 Significant Accomplishments***

- Performed 557 inspections during CY 2018.
- Responded to and documented 359 air pollution complaints during CY 2018.
- Received and reviewed 111 asbestos renovation/demolition notifications during CY 2018.
- Performed the administrative functions for 12 variance petitions during CY 2018.

- Finalized seven automated inspection checklists to streamline inspection report writing.
- Updated the Variance Petition Form ENF-74.
- Initiated updating the Hearing Board Policy and Procedure.
- Completed the improvements to the Open Burn Program in coordination with the Santa Barbara County Fire Department.
- Eliminated the NOV Mutual Settlement Backlog: Completed the mutual settlement process for NOVs issued before January 1, 2018.
- Reviewed and updated 10% of the Compliance Policies & Procedures.

### ***Recurring Performance Measures***

<b>Measure</b>	<b>Actual FY 2017-18</b>	<b>Goal FY 2018-19</b>	<b>Est. Actual FY 2018-19</b>	<b>Goal FY 2019-20</b>
<b>Inspections</b>				
Percent of citizen complaints about air pollution responded to				
- within 3 hours	86%	90%	84%	90%
- within 24 hours	93%	95%	95%	95%
Percent of Part 70 facilities inspected	100%	N/A	100%	100%
Percent of permitted facilities inspected within the last 3 fiscal years	92%	N/A	71%	100%
Percent of initial settlement letters sent within 90 days of NOV issuance	57%	50%	63%	75%
Percent of settlement agreements finalized within 1 year of NOV issuance for NOVs issued in the prior fiscal year	37%	N/A	58%	75%



## Planning Division

The Planning Division includes the following program groups, which have costs associated with specific goals and objectives: Air Quality Planning, Community Programs, Land Use, Grants and Incentives, Rule Development, and Air Monitoring. 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, and goal and policy implementation.

### EXPENDITURE PLAN

	Actual FY 2017-18	Adopted FY 2018-19	Est. Act FY 2018-19	Proposed FY 2019-20
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 335,882	\$ 128,391	\$ 290,381	\$ 427,392
Air Monitoring	431,168	671,894	671,894	755,897
Air Quality Planning	246,356	163,593	163,593	154,585
Rule Development	61,211	120,365	120,365	82,877
Community Programs	257,876	499,432	337,442	216,871
Land Use	147,325	210,551	210,551	195,429
Grants and Incentives				
Program	2,196,803	3,346,141	2,861,109	4,309,037
Operating Total	3,676,621	5,140,367	4,655,335	6,142,088
<i>Other Financing Uses</i>				
Increase in Fund Balance	208,012	-	-	-
Expenditure Plan Total	<u>\$ 3,884,633</u>	<u>\$ 5,140,367</u>	<u>\$ 4,655,335</u>	<u>\$ 6,142,088</u>

### CHARACTER OF EXPENDITURES

	Actual FY 2017-18	Adopted FY 2018-19	Est. Act FY 2018-19	Proposed FY 2019-20
<i>Operating Expenditures</i>				
Regular Salaries	\$ 889,917	\$ 1,008,083	\$ 1,008,083	\$ 1,035,962
Overtime	618	-	-	-
Benefits	405,826	475,760	475,760	524,212
Salaries & Benefits Total	1,296,361	1,483,843	1,483,843	1,560,174
Services & Supplies	2,293,179	3,553,274	3,070,492	4,462,414
Other Charges	6,775	11,250	9,000	11,500
Fixed Assets	80,306	92,000	92,000	108,000
Operating Total	<u>\$ 3,676,621</u>	<u>\$ 5,140,367</u>	<u>\$ 4,655,335</u>	<u>\$ 6,142,088</u>

### Significant Changes (FY 2018-19 Adopted to FY 2019-20 Proposed)

The FY 2019-20 Operating Total for the Planning Division will increase by \$1,001,721 from the adopted FY 2018-19 budget to \$6,142,088.

Salaries and benefits increased \$76,331 primarily due to cost of living adjustments that were negotiated in Fiscal Year 2018-19. Staff received a 2% adjustment in September 2018 along with a 3% cost of living adjustment that is scheduled for July 1, 2019. Pension costs have increased substantially from the previous fiscal year as well. Although the number of full time District staff has decreased the pension costs have continued to increase. The overall increase for pension costs for the District is 15%. Lastly, merit increases during the fiscal year will contribute to the increase.

Services and supplies increased by \$909,140 due to an increase in grant funding. These grant funds are to be used as pass-through funds for grants similar to the Moyer program. Also included are funds for the continued effort of implementing Assembly Bill 617. Another grant program the District is planning to continue is the state residential Wood Smoke Reduction program within Santa Barbara County. Lastly, a large expenditure that is not considered pass-through but is an important project to the District is the creation of the Clean Air Fund Program. This program is designed to assist with projects that provide positive air quality impacts for communities throughout Santa Barbara County. The program will allow the District to implement and/or support projects that do not meet traditional grant program guidelines, such as the Carl Moyer program guidelines. The District has set aside \$100,000 for this project in FY 2019-20.

Other charges increased \$250 due to increased motor pool charges.

Fixed Assets for monitoring equipment increased by \$16,000 to continue to replace analyzers and monitoring equipment, and to stay up to date and use the best technology available. The District will also take over ownership of two CARB monitoring sites and additional equipment is budgeted to bring those stations up to the District's normal operating specifications.

### ***FY 2019-20 Goals and Objectives***

1. Continue to implement requirements of AB 617 including Community Air Protection Program, grant incentives, emission reporting requirements, and Best Available Retrofit Control Technology rule development and revisions.

#### ***Air Quality Planning***

2. Streamline and automate input of facility information into the District's database for emission inventory reporting.
3. Work on a 2019 Ozone Plan.
4. Begin efforts to assess countywide trends of particulate matter exceedances and develop recommendations to reach the state PM<sub>10</sub> standard.

#### ***Rule Development***

5. Develop and adopt rules as required by the District's adopted Ozone Plan and other state and federal mandates.

### *Community Programs*

6. Grow the District's Clean Air Ambassador Program.
7. Continue to implement the residential wood smoke reduction program to reduce smoke emissions through voluntary incentives and conduct outreach to support program participation.
8. Assess use of portable air sensors in Santa Barbara County.

### *Grants and Incentives Program*

9. Implement a new cycle of grant funding awarded by the state legislature in 2018 (e.g., FARMER, AB 617 Community Air Protection, and Carl Moyer State Reserve).
10. Continue participation in the Tri-County Zero Emission Vehicle Implementation project and Central Coast Clean Cities Coalition's projects to expand alternative fuels.

### *Air Monitoring Section*

11. Implement the changes from the USEPA-approved network modification plan, including the closing of three monitoring stations.
12. Develop a transition plan with CARB to transfer the ownership and operation of the Santa Barbara and Santa Maria monitoring stations to the District.

---

## *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 District 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 District to continue programs that achieve clean air goals.*

---

### **FY 2018-19 Significant Accomplishments**

- Updated Point and Area source emissions for 2017 and submitted to CARB.

- Reviewed and updated facility information and emissions data for 2008-2016 and submitted to CARB for inclusion on their Pollution Mapping Tool, as outlined in the AB 197 Emission Inventory District Grant.
- Worked with District Engineering Division staff to update/revise emission factors for toxic air pollutants.
- Participated in a CARB-CAPCOA-air district working group for the development of a reporting regulation for criteria and toxic air contaminant emissions, pursuant to AB 617.

### **Recurring Performance Measures**

<b>Measure</b>	<b>Actual FY 2017-18</b>	<b>Goal FY 2018-19</b>	<b>Est. Actual FY 2018-19</b>	<b>Goal FY 2019-20</b>
Submit emissions inventory data to the California Air Resources Board each year	8/1/2018	8/1/2019	8/1/2019	8/1/2020
Process emissions inventory data submitted by sources for fee invoices each year	6/4/2018	5/31/2019	5/31/2019	5/31/2020

---

## **Rule Development**

*Purpose Statement: In order to implement air quality-related measures identified in the Clean Air Plan and other legislative mandates, 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 District Board.*

---

### **FY 2018-19 Significant Accomplishments**

- Presented amendments to Rule 1304 to the Board of Directors for adoption. These amendments updated the public noticing provisions for federal Part 70 Operating Permits.
- Participated in a working group of California air districts to help design and populate the statewide Best Available Retrofit Control Technology (BARCT) Clearinghouse, per AB 617.
- Presented the AB 617 BARCT Rule Development Schedule to the Community Advisory Council and to the Board of Directors. This rule schedule contains six rule development activities that will be worked on between 2019 and 2021.
- Held a public workshop on the proposed amendments to District Rule 361: Boilers, Steam Generators, and Process Heaters (Between 2-5 MMBtu/hr) and Rule 342: Boilers, Steam Generators, and Process Heaters (5 MMBtu/hr and greater).

### ***Recurring Performance Measures***

	Actual	Goal	Est. Actual	Goal
<b>Measure</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>
Number of draft rules released for public review	1	2	3	1

---

## ***Community Programs***

*Purpose Statement: We provide the community with assistance and information about air pollution and the District's programs, rules, and services through our community outreach programs. We encourage the entire community to work together for clean air in Santa Barbara County, and provide information related to air quality and health.*

---

### ***FY 2018-19 Significant Accomplishments***

- Worked with partners to conduct a Vessel Speed Reduction (VSR) incentive program for emission-reduction and whale-protection benefits in the Santa Barbara Channel Region and the San Francisco Bay Area. This year's program transitioned to enrolling an entire company's fleet of ships, as opposed to previous programs that incentivized the slowing of individual transits. The expanded program resulted in the slowing of 389 transits in the Channel region and the reduction of approximately 266 tons of NOx emissions. Worked with partners to host an event near the Port of Los Angeles recognizing the 12 shipping companies that participated in the 2018 VSR program.
- In July 2018, worked with U.S. Congressman Lowenthal's office, and other congressional co-sponsors, to discuss ongoing efforts to support the Blue Whales and Blue Skies Act (HR 3682). Legislative efforts are expected to continue in 2019.
- Continued to promote alternatives to driving to tourists visiting the area, via the District's Santa Barbara Car Free project.
- Deployed low-cost air quality sensors at District monitoring stations and other locations to gain a better understanding of the technology and how it compares to the District's federal reference method monitors; worked with teachers to explore educational uses.
- Partnered with the Santa Barbara County Education Office, Santa Barbara County Water Agency, and utility companies on an environmental grants program, including the "Care for Our Earth" program to award mini-grants for 27 projects at 26 county schools, a Curriculum Project grant on air sensors, and a team-coaching project on air sensors.
- Developed a new educational program called the Clean Air Ambassadors that involves college undergraduate students educating elementary school students on the importance of clean air and air quality improvement programs.

---

## 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 District 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 local transportation planning process and review transportation projects to ensure that transportation policies and projects do not weaken air quality improvements.*

---

### **FY 2018-19 Significant Accomplishments**

- Prepared CEQA documentation for all rules and permits where the District was the lead agency, and assisted other agencies in the preparation of air quality analyses for CEQA documents for a variety of land use project types.
- Continued to work with land use agencies and interested parties on options for local mitigation of greenhouse gas emissions.
- As a CEQA responsible agency, reviewed environmental documents for major oil and gas projects and, as a concerned agency, reviewed documents from CEQA lead agencies such as Caltrans, California State Land Commission, local cities, Santa Barbara County and other special districts.
- Assisted planners from the County and cities with the evaluation of air quality impacts from projects.
- Participated in the Subdivision/Development Review Committees of Santa Barbara County and Goleta, and SBCAG's Technical Transportation Advisory Committee and Technical Planning Advisory Committee, and Joint Technical Advisory Committee.

### **Recurring Performance Measures**

	Actual	Goal	Est. Actual	Goal
Measure	FY 2017-18	FY 2018-19	FY 2018-19	FY 2019-20
Percent of CEQA reviews completed within 30 days for all environmental documents and land use projects	73% of 108	100% of 140	91% of 140	100% of 140

---

## Grants and Incentives Program

*Purpose Statement: We demonstrate innovative, voluntary ways of reducing air pollution in Santa Barbara County in order to further the District'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 and benefits to the community and public health, while reducing pollution.*

---

### **FY 2018-19 Significant Accomplishments**

- Applied for and received grant funds from CARB for Carl Moyer Program Year 20 regular and State Reserve, FARMER, AB 617 Community Air Protection, and Voluntary NOx Remediation funding.
- Replaced 17 old agricultural tractors with seventeen new agricultural tractors.
- Repowered a marine vessel's two 2009 diesel main engines with 2018 diesel main engines.
- Repowered a marine vessel's 1997 diesel auxiliary engine with a 2018 diesel auxiliary engine.
- Issued grants to assist in the purchase/installation of two electric vehicle charging stations with Level 2 charging capability (one station in North County and one station in South County).
- Replaced one 1993 diesel-fueled school bus with a model year 2018 electric-powered school bus.
- Replaced a model year 1990 diesel-fueled school bus with a model year 2018 diesel-fueled school bus.
- Purchased and scrapped 213 vehicles under the Old Car Buy Back Program.
- Issued 61 vouchers for the Wood Smoke Reduction Program.
- Worked on the Central Coast Go Zero project, a California Energy Commission grant to implement a Zero Emission Vehicle readiness implementation plan for San Luis Obispo, Santa Barbara, and Ventura counties.

### **Recurring Performance Measures<sup>3</sup>**

<b>Measure</b>	<b>Actual FY 2017-18</b>	<b>Goal FY 2018-19</b>	<b>Est. Actual FY 2018-19</b>	<b>Goal FY 2019-20</b>
NO <sub>x</sub> , ROC, and PM emissions reduced from signed grant agreement projects (tons).	63	50	107	100
Average cost effectiveness for all grant program funded projects (\$/ton)	\$70,916	\$13,500	\$40,057	\$30,000

---

## **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 concentrations. We gather information to allow for sound decisions by policy-makers, the general public, and the District in our combined efforts to protect public health.*

---

### **FY 2018-19 Significant Accomplishments**

- Operated or provided oversight for the collection of high-quality ambient air quality data from monitoring stations throughout the county.
- Deployed temporary particulate monitors to inform the public about air quality impacts from prescribed burns.
- Published the 2017 Annual Air Quality Report on the District's website.
- Continued equipment and parts replacement according to schedule.
- Passed all performance audits and met minimum data collection rates.
- Submitted and received USEPA approval of our 2018 Annual Air Monitoring Network Plan.
- Submitted and received approval for a network modification plan to maximize District resources and enhance the overall efficiency of the air monitoring network, and presented the information to the District Board.
- 

---

<sup>3</sup> The 2017-18 increased cost effectiveness is due to funding of six school bus replacements, with higher cost effectiveness limits. Cost effectiveness with school buses excluded is \$13,673.



***Recurring Performance Measures***

<b>Measure</b>	Actual	Goal	Est. Actual	Goal
	FY 2017-18	FY 2018-19	FY 2018-19	FY 2019-20
Collect 80%/90% valid data for air quality/meteorological measurements.	100%/100%	100%/100%	100%/100%	100%/100%