



Our Vision  Clean Air

Santa Barbara County Air Pollution Control District

Fiscal Year 2009-10 Comprehensive Program Summary and Proposed Budget



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Air Pollution Control Officer

Front Cover:

SKYWARD VIEW FROM SOUTH OF CASA NUEVA'S COURTYARD OAK TREE

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Air Pollution Control Officer's Message

April 10, 2009

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

Dear Chair Janet Wolf and Board Members:

The fiscal year (FY) 2009-10 Comprehensive Program Summary and Budget has been prepared according to the policy framework and direction provided by the Board and the Air Pollution Control District Strategic Plan.

This summary discussion includes the District budget at a glance, major factors affecting the budget, and budget highlights.

This summary is followed by the District's operating budgets by Division, which provide division overviews, significant financial changes, purpose statements, FY 2008-09 significant accomplishments, FY 2009-10 goals and objectives, and recurring performance measures.

Fiscal Year 2009-10 District Budget at a Glance

	Adopted FY 2008-09	Proposed FY 2009-10
Revenues	\$ 9,460,583	\$ 10,138,331
Expenditures	\$ 9,460,583	\$ 10,138,331
Staffing (positions)	51.25	50.25

We are proposing to reduce staffing levels by 1.0 (or 2.0%) and the Proposed FY 2009-10 budget is \$677,748 (or 7.2%) higher than the Adopted FY 2008-09 budget. *(Please see page nine for a complete APCD Budget schedule.)*

Major Factors Affecting the Fiscal Year 2009-10 Budget

No fee increases are proposed for FY 2009-10 other than an estimated Consumer Price Index (CPI) adjustment in fees that is authorized by APCD Rule 210. While we have estimated a CPI of 3% for this budget, due to volatile economic conditions, it may change considerably.

The latest data available shows an April 2008 to December 2008 negative CPI of 2.2%. In light of this, we anticipate reporting a very low to negative CPI change for our June proposal.

For the FY 2009-10 budget, we propose unfunding a vacant Air Quality Engineer I/II position due to a reduction in our reimbursable workload. As it is difficult to anticipate whether an entire position's worth of reimbursable work will cease, a contractor on payroll budget is proposed not to exceed \$40,000.

Retirement rates have increased modestly from 24.4% of pensionable earnings to 25.4% at a cost of approximately \$39,000; however, it is important to note that retirement costs are an additional 25.4% on top of every percentage point of salaries. The forecasted 3% COLA cost is approximately \$119,000 and the additional retirement cost is \$30,000 above the \$39,000, totaling approximately \$69,000 for retirement cost increases. If CPI comes in lower than 3%, retirement costs will decrease proportionately.

Looking at last year's adopted budget, retirement rates were budgeted at 26.7%; however, a midyear change occurred in how retiree health care was funded resulting in a reduction in the rate to 24.4% at a savings of approximately \$100,000. Of this savings, half was applied toward the payment of retiree health benefit costs on a pay as you go basis. This change in funding was made, as part of your Board's adoption of a 401(h) retiree health trust in order to comply with Internal Revenue Service regulations.

Paying retiree health benefits on a pay as you go basis is not the most cost effective option, so we are proposing an earmarking and gradual transfer of discretionary designations to the 401(h) trust in order to fully fund the retiree health benefits and eliminate the APCD's need to pay the benefits annually (currently approximately \$50,000 a year). While prefunding will eliminate this ongoing expenditure, making the transfers will temporarily inflate the operating budget by over \$326,000 for the next four to five years and is not considered an operational deficit, as it is simply moving assets from one savings account to another.

In addition to eliminating annual retiree health benefit costs by prefunding them, we also propose prefunding administrative capital replacement costs by earmarking and transferring discretionary designations into Accumulated Capital Outlay designation. This will reduce annual overhead savings requirements of approximately \$55,000 while ensuring we will have the funds to replace our furniture, vehicles, and equipment when they wear out. Both transfers from discretionary designations into specific designations are proposed to occur within FY 2008-09 resulting in an ongoing annual operational savings of \$105,000 starting in FY 2009-10.

The peak in the three year reevaluation cycle is behind us and we are entering the first of two “trough” years during which we will use savings that we accumulated in the peak year. Also, while the state and federal budgets have passed without reductions in subventions, this source of funding remains precarious.

Due to the instability of the economy, we ask, as part of the budget resolution, that the Board authorize the Air Pollution Control Officer (APCO) to release discretionary designations during the fiscal year, if necessary, to offset any unforeseen reductions in projected revenues. We received this authorization last year and did not have to exercise it.

Discussed below are major expenditure and revenue changes that affect the FY 2009-10 Budget.

Revenue Changes

The proposed revenue total of \$8,299,666 represents a decrease of \$279,488 (or 3.3%) compared to FY 2008-09 of \$8,579,154, even though we have estimated a 3% CPI adjustment in APCD Rule 210 fees.

Projected decreases include evaluation fees at \$64,978 (or 27.1%), reevaluation fees at \$134,400 (or 15.4%), inspection fees at \$22,584 (or 54.7%), source test fees at 7,600 (or 12.1%), interest at \$41,000 (or 15.8%) due to reduced interest rate expectations, reimbursable charges at \$131,373 (or 8.6%) due to the reduction in reimbursable workload, and miscellaneous revenue at \$7,144 (or 37.1%) due to the scheduled reduction of increment fees. The decreases are offset by increases in annual emission fees at \$39,779 (or 3.9%), DAS fees at \$10,460 (or 3%), monitoring fees at \$31,829 (or 6.1%), due to the addition of a new meteorological station installed by Venoco, and state portable equipment registration (PERP) fees at \$51,750, which are passed through to the District.

Expenditure Changes

The FY 2009-10 Operating Total of \$10,092,524 represents an increase of \$757,820 (or 8.1%) compared to FY 2008-09 of \$9,334,704, which is primarily attributed to COLAs of approximately \$119,000, step increases, retirement rate increases of approximately \$69,000, prefunding retiree health benefits at \$326,000, increased Innovative Technology Group grants at approximately \$115,000, fixed asset purchases of \$136,950, and contractors on payroll not to exceed \$50,000, which is offset by unfunding an Air Quality engineer I/II saving approximately \$100,000, a reduction in County cost allocation charges of approximately \$26,000, and lower liability insurance cost forecasts saving approximately \$10,000.

The \$391,985 (or 13.6%) net increase in Administration is due to prefunding retiree health benefits at \$326,000, fixed asset purchases for the Data Acquisition System at \$40,000, and savings from the County Cost Allocation charges reduction of \$26,000.

The \$139,001 (or 6.0%) net increase in Engineering & Compliance (ECD) is due to fixed asset purchase of three inspector vehicles totaling a \$70,000 increase, which will be purchased from Accumulated Capital Outlay designation comprised of funds that were saved for this purpose, contractor on payroll services of no more than \$40,000, and the savings of \$100,000 from unfunding an Air Quality Engineer I/II.

The \$226,833 (2.4%) net increase in Technology and Environmental Assessment (TEA) is due to increase of \$115,000 in Carl Moyer grants, the fixed asset increase of \$26,950 for the Santa Ynez air monitoring station relocation, and extra help of not more than \$10,000.

The \$75,738 (or 2.1%) net services and supplies increase is due to \$115,000 of additional Innovative Technology Group grants.

Clean Air Planning Requirements

During FY 2009-10, staff effort will be focused on obtaining EPA approval of our 2007 Clean Air Plan and initiating the development of the 2010 Clean Air Plan for the state 8-hour ozone standard. EPA has also revised its eight-hour ozone standard and staff will be working closely with EPA to determine if there will be any specific planning requirements for the revised health standard.

Motor Vehicle Registration Surcharge Program

An existing annual surcharge of \$6 per registered vehicle is charged by the California Department of Motor Vehicles (DMV) to reduce air pollution from motor vehicles. Use of DMV funds for APCD programs reduces the fee burden on local businesses. In the FY 2009-10 budget, approximately \$20,000 is to be used for outside programs, while the remaining funding is to be used to fund District programs and grants. Included in the \$6 surcharge is a \$2 allocation to fund four programs specified in AB 923 legislation. Programs allowed under AB 923 include the Carl Moyer Program eligible projects, the School Bus Replacement/Retrofit Program, the Agricultural Assistance Program, and an Old Car Buyback Program. The legislation mandates that only 5% of the revenues can be applied to the administration of the grant programs with 95% directly funding grants. We also use AB 923 funding as a match to obtain our annual Carl Moyer funding allocation.

Innovative Technologies Group

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

EPA Grant

The EPA Federal FY 2008-09 (October 1, 2008 - September 30, 2009) \$105 Grant for the APCD is estimated to be \$494,737. As the federal fiscal year is not the same as our fiscal year, we have budgeted \$495,000 in this budget. Competition for these grant funds is stiff and there are always threats to reduce overall EPA grant funds.

Revenue Enhancement

An important objective in the APCD Strategic Plan is to “Broaden the APCD funding base by actively pursuing additional sources of revenue.” The APCD has not increased its fixed fees, beyond CPI adjustments, in 17 years.

Since autumn of 2006, District staff have been working with a group of stakeholders regarding the alignment of the District’s revenues and expenditures. In March of 2008 the stakeholders made recommendations to the Air Pollution Control Officer, which included recommendations for further streamlining.

The District has significantly reduced its staff levels over the last six budget cycles in order to align our expenditures with our revenues. Last year, and again this year, we are proposing a balanced budget without a structural deficit.

Streamlining and Efficiency Improvements

Continuous efficiency improvements, and maintenance of previously implemented improvements, are imperative for the APCD to maintain the minimum level of effectiveness and customer service with reduced staffing levels. It is important to note that, while we believe we can continue to achieve our mandated goals with the proposed staffing levels, we are staffed very thinly. Any prolonged absence of an employee due to illness or family leave will prevent us from achieving our mandated activities timely. In summary, we are currently operating below optimal staffing levels.

Fiscal Year 2009-10 Budget Highlights

Overview

This budget is for APCD’s FY 2009-10, which runs from July 1, 2009 through June 30, 2010. The budget adoption process is specified in Health and Safety Code Section 40131 and includes requirements for two public hearings and notification of all fee payers.

The APCD budget is divided into three units to differentiate:

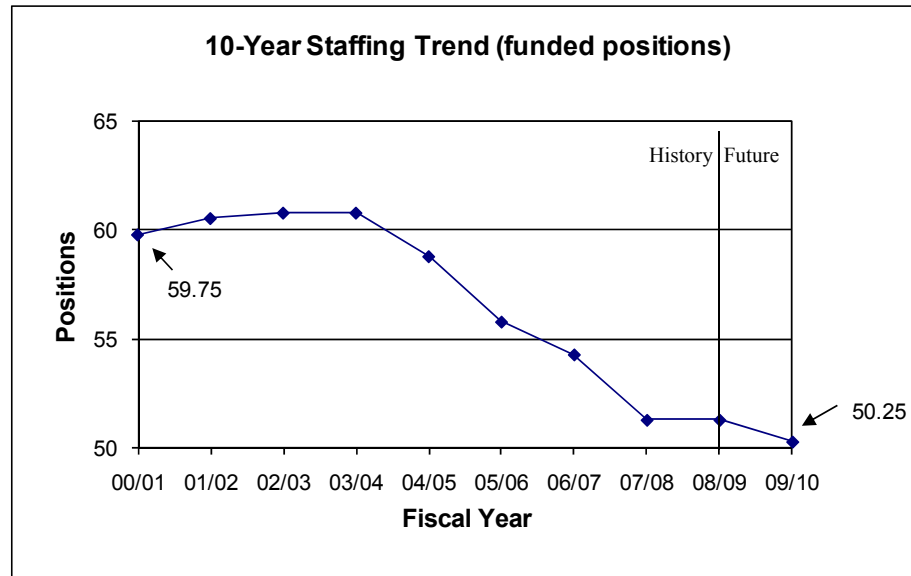
- the costs of controlling pollution from onshore sources typical of the responsibilities of any air district, and from offshore oil and gas development and associated onshore facilities essentially unique to Santa Barbara County, and
- the costs associated with the Innovative Technologies Program. The Innovative Technologies Program consists of voluntary public and private partnerships funded by offshore oil mitigation funds, the Carl Moyer Program and AB 923 funding, and
- the district-wide costs associated with APCD administration.

The APCD budget is financed primarily through fees paid by regulated businesses, motor vehicle registration fees, and federal and state grants. The Strategic Plan adopted by the APCD Board in October 1997 forecast that overall fee revenue would continue to decrease substantially for several years. Sizable revenue reductions occurred shortly after they were predicted. The fee revenue outlook has stabilized and while it is predicted that revenues will grow, the current economic conditions could slow or reverse that growth.

We have not proposed an increase in the Rule 210 fee schedule for regulated sources since 1991 other than the annual adjustment for Consumer Price Index change provided in our rules, estimated to be 3.0% for FY 2009-10. In addition, the APCD did not raise fees by the CPI July 1, 1990 and the end of fiscal year 1999-2000, thereby foregoing a 14.79% increase in revenue as of fiscal year 2009-10.

Staffing Trend

Since FY 2000-01 we have reduced staffing by 9.5 Full Time Equivalent (FTE) positions (or 14.1%) to 50.25 FTE. 50.25 FTE represent a 55.5% reduction from the FY 1992-93 staffing peak of 113.0 positions. The current staffing levels present a significant challenge of continuing to comply with existing and new state and federal mandates while maintaining a high level of service in major program areas such as rule development, planning, permitting and compliance, inspection, air monitoring, air toxics, interagency review, and financial reporting.



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

The use of savings appears as use of prior year fund balance. The use of fund balance has the following history:

Fiscal Year	Use	Deposit
2002-2003	(\$473,158)	
2003-2004	(\$540,397)	
2004-2005	(\$351,972)	
2005-2006		\$1,000,666
2006-2007		\$220,747
2007-2008		\$950,367
2008-2009 (estimated)		\$935,245
2009-2010 (budgeted)	(\$1,792,858)	

The most recent deposits have been due to unpredictable Notice of Violation revenue, delays in anticipated emission reductions, and unanticipated staffing

vacancies. We are estimating a net savings of \$935,245 for FY 2008-09 and proposing net use of \$1,792,858 for FY 2009-10.

There are several components to the proposed use of fund balance:

- *Use of ITG Projects & Carl Moyer designation - \$250,144.*
Established from a large penalty settlement, to fund grant programs to reduce emissions, received over a decade ago, and periodically funded by additional mitigation agreements.
- *Use of Accumulated Capital Outlay designation - \$45,781.*
 - \$90,000 will be used for the purchase of three inspector vehicles. The use of \$90,000 is the first from our plan to prefund all administrative fixed assets, so they can be replaced without affecting the operational budget. A proposed transfer of \$721,013 in FY 2008-09 fully prefunds administrative fixed assets such as office furniture, shared vehicles, and other shared equipment.
 - \$44,219 will be deposited by direct programs for direct program fixed asset replacement in future years
- *Use of Reevaluation Cycle designation - \$404,819.*
Permit reevaluations and associated fees are on a three year cycle. FY 2008-09 was a peak year for reevaluations and we estimate putting \$216,071 into it and additional funds into Strategic Reserve.
- *Use of Data Acquisition System designation - \$107,082 for upgrades.*
- *Use of Retiree Health Subsidy - \$326,000.*
We propose establishing a Retiree Health Subsidy designation of \$1,180,900 during FY 2008-09 in order to prefund the retiree health benefit over the next 4 to 5 years. We will fund ongoing retiree health benefits of \$50,000 plus an additional transfer of 25% of our normal retirement contribution amount into our newly established 401(h) trust account. 25% is the maximum amount the Internal Revenue Service will allow in any given year and is budgeted to be \$276,000 for FY 2009-10. At the end of the 4 to 5 years, the entire balance will be transferred funding the retiree health benefit at 100% and allowing the trust to assume payment of the annual retiree health benefit costs in perpetuity.
- *Use of DMV 2\$ - \$616,060* due to grant disbursement cycles.
- *Use of DMV 4\$ - \$44,560* accumulated in prior fiscal years, which will be replaced with other funding in future fiscal years.

Designation Summary

Description	Actual 7/1/2008 Amounts	Est. Act. FY 2008-09 Incr./(Decr.)	Est. Act. 6/30/2009 Amounts	Proposed FY 2009-10 Incr./(Decr.)	Proposed 6/30/2010 Amounts
Reserves:					
Imprest Cash	\$ 550	\$ -	\$ 550	\$ -	\$ 550
Reserved Receivables	14,486	-	14,486	-	14,486
Total Reserves	15,036		15,036		15,036
Designations:					
ITG Projects & Carl Moyer	1,308,479	(46,793)	1,261,686	(250,144)	1,011,542
Accumulated Capital Outlay	448,702	721,013	1,169,715	(45,781)	1,123,934
Strategic Reserve	450,000	1,050,000	1,500,000	-	1,500,000
Monitoring	146,545	(13,984)	132,561	1,588	134,149
Reevaluation Cycle	883,929	216,071	1,100,000	(404,819)	695,181
FMV Adjustment	7,955	-	7,955	-	7,955
Contingency	66,453	(66,453)	-	-	-
Data Acquisition System	558,010	(39,917)	518,093	(107,082)	411,011
Insurance Deductible	40,000	(40,000)	-	-	-
Special Investigations	20,000	(20,000)	-	-	-
Retiree Health Subsidy	-	1,180,900	1,180,900	(326,000)	854,900
DMV 2\$	997,998	43,140	1,041,138	(616,060)	425,078
DMV 4\$	297,595	-	297,595	(44,560)	253,035
Operational Activities	2,383,198	(2,048,732)	334,466	-	334,466
Total Designations	7,608,864		8,544,109		\$ 6,751,251
Total Res. and Des.	\$ 7,623,900		\$ 8,559,145		\$ 6,766,287
Net Adjustments		\$ 935,245		\$ (1,792,858)	

In addition to the uses of savings described earlier, there is a small increase in Monitoring designation of \$1,588 that will be used in a future FY.

Discretionary designations, not funded by categorical revenues, are further outlined in the following table under the discretionary designation detail heading. Following it, we outline a FY 2008-09 designation reorganization, reclassification, and consolidation shown in the numbers above.

Discretionary Designation Detail

Discretionary Designations:	Actual 7/1/2008 Amounts	Est. Act. FY 2008-09 Incr./(Decr.)	Est. Act. 6/30/2009 Amounts	Proposed FY 2009-10 Incr./(Decr.)	Proposed 6/30/2010 Amounts
Strategic Reserve	450,000	1,050,000	1,500,000	-	1,500,000
Reevaluation Cycle	883,929	216,071	1,100,000	(404,819)	695,181
Operational Activities	2,383,198	(2,048,732)	334,466	-	334,466
Contingency	66,453	(66,453)	-	-	-
Insurance Deductible	40,000	(40,000)	-	-	-
Special Investigations	20,000	(20,000)	-	-	-
Total	\$ 3,843,580	\$ (909,114)	\$ 2,934,466	\$ (404,819)	\$ 2,529,647

The Government Finance Officers Association (GFOA) recommends a minimum of 15% of revenues be set aside in designations (or \$1,244,950 for FY 2009-10). Based on the combined discretionary designations of \$2,529,647, the APCD has discretionary designations of \$1,284,697 above the 15% recommended level. Given APCD's funding sources, we believe 25% would be a more prudent reserve target, which would be \$2,074,917. The APCD has discretionary designations of \$454,730 above that target.

As part of the recommended budget resolution, we are requesting that the Board authorize the APCD to release discretionary designations, up to an amount not to exceed \$150,000, in case one or more revenue sources does not meet the projected level.

2008-09 Designation Reorganization, Reclassification and Consolidation

As mentioned previously, we propose transferring Operational Activities designation to prefund Accumulated Capital Outlay at \$1,169,715 for shared fixed assets and Retiree Health Subsidy at \$1,180,900 for retiree health benefit costs.

We also propose transferring a portion of Operational Activities designation to fully fund the Strategic Reserve at \$1,500,000 roughly the 15% GFOA recommended level.

We propose reclassifying Dry Period Reserve as Reevaluation Cycle designation to better describe the purpose of the savings.

Lastly, we propose consolidating Contingency, Insurance Deductible, and Special Investigations into Strategic Reserve.

As a result, Operational Activities is greatly reduced to reflect an amount we believe should adequately cover year over year fluctuations in our District operations.

The Reporting of Impact and Performance Measures


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

Recurring *Performance Measures* quantify the efficiency of divisions and programs in meeting specific quantifiable performance goals (e.g., number of permits processed within a certain timeframe), while other annual objectives (e.g., completion of a study or adoption of a specific rule) are listed in the FY 2009-10 goals section for each program. Recurring performance measures may also be affected by factors outside the agency's control, but still serve an important accountability purpose.

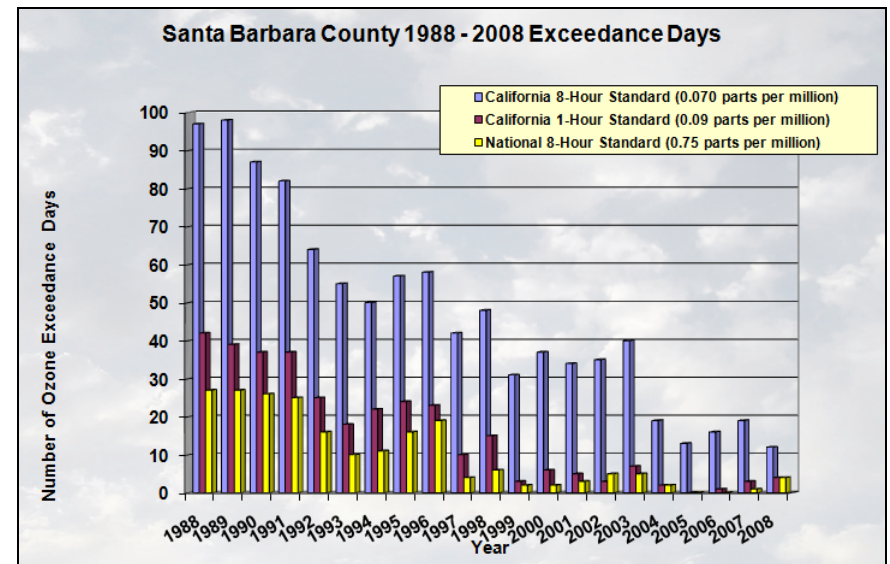
The APCD utilizes both impact and recurring performance measures to enhance the budget review and adoption process.

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

Respectfully,


Terry Dressler
Air Pollution Control Officer

Santa Barbara County Historical Air Quality



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

About the APCD

What is the APCD?

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

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

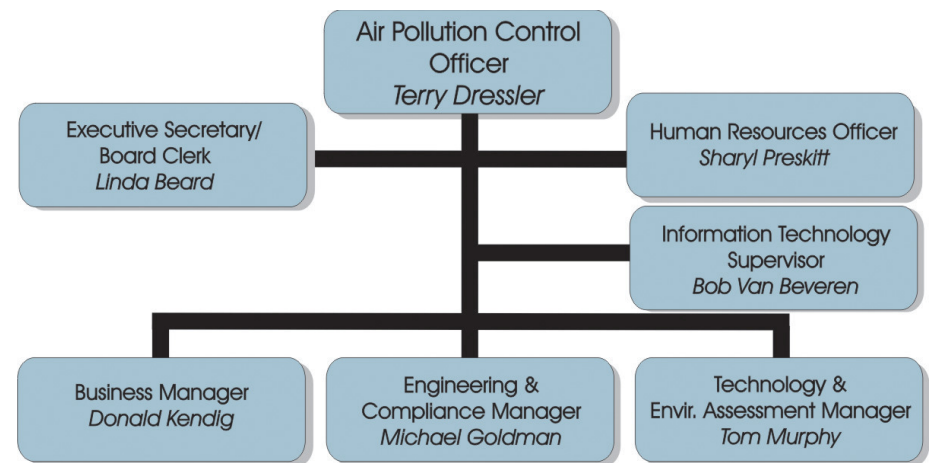
APCD's Mission

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



TAKEN FROM WEST CAMINO CIELO

Organizational Chart



Strategic Plan

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

Priority 1: Protection of Public Health Through Air Quality Improvement

Goal: Continue to implement programs which directly reduce emissions.

Objectives:

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

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

Goal: Maintain a strong, science-based program.

Objectives:

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

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

Objectives:

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

Goal: Ensure adequacy of resources.

Objectives:

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

Priority 2: Community Involvement

Goal: Involve the community in air quality protection.

Objectives:

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

Priority 3: Continuously Improve Service

Goal: Maintain and improve relationships with all constituents.

Objectives:

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

Fiscal Year 2009-10 District Budget

REVENUE PLAN

	Actual FY 2007-08	Adopted FY 2008-09	Est. Act. FY 2008-09	Proposed FY 2009-10
<i>Licenses & Permits</i>				
Evaluation Fees	\$ 184,815	\$ 239,978	\$ 316,394	\$ 175,000
Asbestos Notification Fees	131,527	80,000	88,000	80,000
Reevaluation Fees	378,456	874,400	834,000	740,000
Air Toxics (AB 2588)	3,908	6,439	6,324	6,324
Application Fees	182,907	125,000	116,413	125,000
Annual Emission Fees	1,068,178	1,010,221	1,121,130	1,050,000
Notice of Violation	403,388	175,000	409,407	175,000
Inspection Fees	62,410	41,291	21,131	18,707
Source Test Fees	66,903	62,600	54,703	55,000
DAS	336,726	348,665	348,180	359,125
Monitoring	508,847	523,900	531,721	555,729
<i>Use of Money</i>				
Interest	279,247	260,000	260,000	219,000
<i>Federal, State, and Other Governments</i>				
Federal - EPA Grant	512,080	495,000	495,000	495,000
Motor Vehicle \$4	1,378,302	1,400,000	1,400,000	1,400,000
Motor Vehicle \$2	689,151	700,000	700,000	700,000
State-PERP	-	-	30,600	51,750
State-ARB	103,429	100,000	100,000	100,000
Other Governments	155,892	163,220	151,100	159,923
<i>Charges for Services</i>				
Environmental Review	14,263	20,163	8,000	18,000
AQAP Fees	369,709	400,000	391,972	401,348
Reimbursement Charges- Air Pollution	1,551,885	1,534,000	1,211,552	1,402,627
<i>Miscellaneous Revenue</i>	42,677	19,277	9,000	12,133
Revenue Total	8,424,699	8,579,154	8,604,627	8,299,666
<i>Other Financing Sources</i>				
Release of Designations	20,850	881,429	2,275,879	1,838,665
Revenue Plan Total	<u>\$ 8,445,549</u>	<u>\$ 9,460,583</u>	<u>\$ 10,880,506</u>	<u>\$ 10,138,331</u>

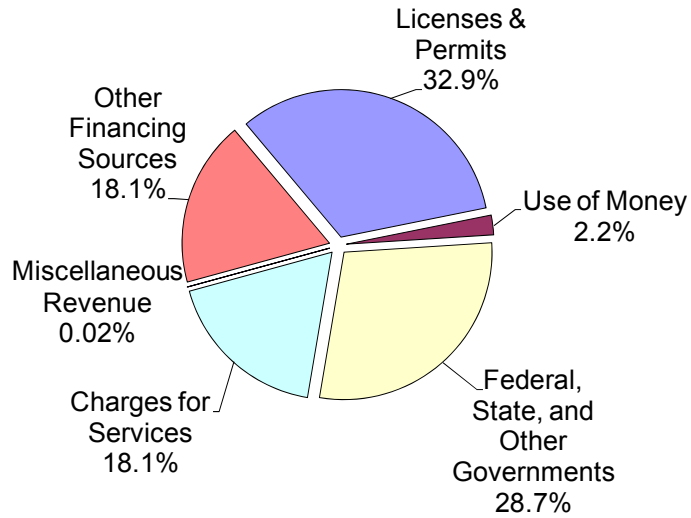
EXPENDITURE PLAN

	Actual FY 2007-08	Adopted FY 2008-09	Est. Act. FY 2008-09	Proposed FY 2009-10
<i>Operating Expenditures</i>				
Administration	\$ 2,773,283	\$ 2,886,219	\$ 2,757,509	\$ 3,278,204
Engineering & Compliance	2,128,507	2,311,183	1,960,465	2,450,184
Technology & Environmental Assessment	2,593,392	4,137,302	2,941,335	4,364,135
Operating Total	7,495,182	9,334,704	7,659,309	10,092,524
<i>Other Financing Uses</i>				
Designated for Future Uses	950,367	125,879	3,221,197	45,807
Expenditure Plan Total	<u>\$ 8,445,549</u>	<u>\$ 9,460,583</u>	<u>\$ 10,880,506</u>	<u>\$ 10,138,331</u>

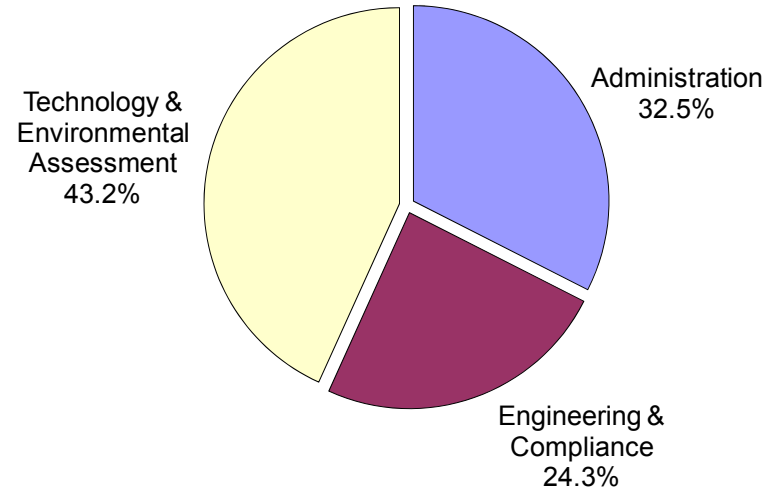
CHARACTER OF EXPENDITURES

	Actual FY 2007-08	Adopted FY 2008-09	Est. Act. FY 2008-09	Proposed FY 2009-10
<i>Operating Expenditures</i>				
Regular Salaries	\$ 3,551,469	\$ 4,041,386	\$ 3,720,548	\$ 3,857,105
Benefits	1,417,058	1,375,670	1,148,240	2,097,814
Salaries & Benefits Total	4,968,527	5,417,056	4,868,788	5,954,917
Services & Supplies	2,301,481	3,649,409	2,534,268	3,725,147
Other Charges	158,307	183,239	166,420	190,509
Fixed Assets	66,867	85,000	89,833	221,950
Operating Total	<u>\$ 7,495,182</u>	<u>\$ 9,334,704</u>	<u>\$ 7,659,309</u>	<u>\$ 10,092,524</u>

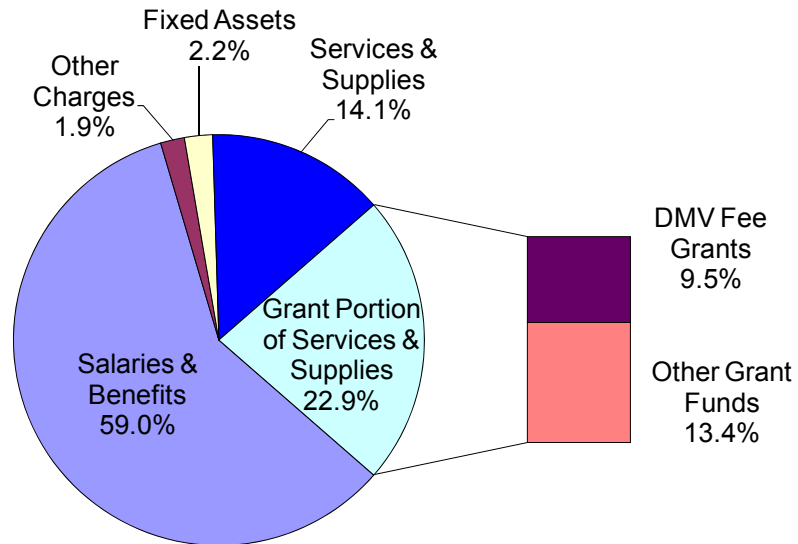
Fiscal Year 2009-10 District Budget Charts



Revenue Plan



Expenditure Plan



Character of Expenditures

Projects Funded with Motor Vehicle Registration Fees

Fiscal Year 2009-10 Programs Funded with \$4 DMV	Funding
SBCAG Planning Work for 2010 Plan	\$20,000
Total \$4 DMV FY 2009-10 Program Funds	\$20,000
Fiscal Year 2009-10 Programs Funded with \$2 DMV	Funding
Goleta and Santa Maria school bus replacement	\$445,000
Agricultural Assistance Program	\$220,000
Other school bus replacement/retrofit program	\$280,000
Old Car Buy Back Program	\$336,000
Total \$2 DMV FY 2009-10 Program Funds	\$1,281,000
Total DMV FY 2009-10 Program Funds	\$1,301,000

Projects Funded with Other Grant Funds

Fiscal Year 2009-10 Innovative Technologies Program Expenditures	Funding
Moyer Year 11 projects	\$619,443
Moyer Outreach Funds	\$6,800
Marine Shipping Retrofit Program (Innovative Technology Group and other agency funds)	\$60,000
Guadalupe Oil Field Air Quality Mitigation Program	\$6,000
Exxon Cable Laying Mitigation Fund program	\$143,000
Red Lion Inn Mitigation Fund program	\$54,000
ITG Programs Funded in FY 2009-10	\$889,243

Fiscal Year 2009-10 Job Class Table (Effective June 29, 2009)

Position Number	Classification Title	Adopted FY 2008-09	Additions / Deletions	Proposed FY 2009-10	Range Number	Monthly Equivalent Salary Range (A-E)	Representation Unit
Funded Positions							
157	ACCOUNTING TECHNICIAN I/II	2.00		2.00	4998/5298	2937-4147	24
159	ACCOUNTING TECHNICIAN III	0.00		0.00	5598	3964-4818	24
390	AIR POLLUTION CONTROL OFFICER	1.00		1.00	n/a	11,573	41
425	AIR POLLUTION INSPECTOR SUPV.	1.00		1.00	6414	5960-7244	29
435/436	AIR QUALITY ENGINEER I/II	5.50	-1.00	4.50	6014/6214	4880-6555	28
437	AIR QUALITY ENGINEER III	4.00		4.00	6414	5960-7244	28
438	AIR QUALITY ENGINEERING SUPV.	2.00		2.00	6714	6924-8416	29
444	AIR QUALITY INFORMATION SPECIALIST	1.00		1.00	6034	4929-5991	28
442	AIR QUALITY SPECIALIST III	2.00		2.00	6264	5529-6721	28
1362	BUSINESS MANAGER	1.00		1.00	6852	7418-9017	43
2149	DATA PROCESS SUPERVISOR	1.00		1.00	6752	7057-8577	32
2174	DEPT. DP SPECIALIST SR.	1.75		1.75	6216	5398-6562	24
490	DIVISION MANAGER	2.00		2.00	7002	7996-9719	43
2553	EDP SYS. & PROG. ANALYST I/II	1.00		1.00	6288/6438	5596-7332	24
2555	EDP SYS. & PROG. ANALYST III	1.00		1.00	6588	6501-7902	24
442	EMISSIONS INVENTORY/PLANNING SPECIALIST III	2.00		2.00	6264	5529-6721	28
3421	EXECUTIVE SECRETARY/BOARD CLERK	1.00		1.00	5974	4783-5814	32
5740	HUMAN RESOURCES OFFICER	1.00		1.00	6392	5895-7165	43
417/418	INSPECTION SPECIALIST I/II	2.00		2.00	5704/5904	4180-5614	28
419	INSPECTION SPECIALIST III	5.00		5.00	6104	5104-6205	28
440/441	MONITORING SPECIALIST I/II	1.00		1.00	5834/6014	4460-5932	28
442	MONITORING SPECIALIST III	2.00		2.00	6264	5529-6721	28
1702	OFFICE TECHNICIAN	4.00		4.00	5104	3097-3764	23
155	PAYROLL TECHNICIAN I/II	1.00		1.00	4928/5228	2836-4005	24
439	PERMIT TECHNICIAN I/II	1.00		1.00	5380/5580	3555-4775	23
431	PLANNING & TECHNOLOGY SUPERVISOR	1.00		1.00	6724	6958-8458	29
421	PRINCIPAL INSPECTION SPECIALIST	1.00		1.00	6364	5813-7065	28
445	PRINCIPAL MONITORING SPECIALIST	1.00		1.00	6364	5813-7065	28
443	PUBLIC INFORMATION AND COMMUNITY PROGRAMS SUPV.	1.00		1.00	6554	6392-7769	29
16	SUPERVISING ACCOUNTANT	1.00		1.00	6342	5749-6988	32
TOTAL NUMBER OF FUNDED POSITIONS		51.25	-1.00	50.25			
Position Number	Classification Title	Adopted FY 2008-09	Additions / Deletions	Proposed FY 2009-10	Range Number	Monthly Equivalent Salary Range	Representation Unit
Unfunded Positions							
438	AIR QUALITY ENGINEERING SUPERVISOR	1.00		1.00	6714	6924-8416	29
435/436	AIR QUALITY ENGINEER I/II	2.00	1.00	3.00	6014/6214	4880-6555	28
417/418	INSPECTION SPECIALIST I/II	1.00		1.00	5704/5904	4180-5614	28
TOTAL NUMBER OF UNFUNDED POSITIONS		4.00	1.00	5.00			
TOTAL NUMBER OF POSITIONS		55.25	0.00	55.25			

District Overview and Division Summaries

The Air Pollution Control District operates with 50.25 positions, from two locations, one in the South County (Casa Nueva) and one in the North County (Santa Maria), and is organized into three divisions, the Administration Division (ADM), the Engineering & Compliance Division (ECD), and the Technology & Environmental Assessment Division (TEA).

Administration

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

Fiscal and Executive Services

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

Human Resources

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

Information Technology Support

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

Engineering & Compliance

The Engineering and Compliance Division provides initial and ongoing permitting, compliance, and enforcement services to applicants and operators of stationary sources of air pollution. Permits are required for a broad range of activities, from small businesses such as dry cleaners to large petroleum production and mining operations. The division manages permits and inspections for approximately 800 stationary sources of small, medium, and large size, with a broad range of air pollution emitting activities, as well as 20 of the county's largest oil production and mining operations. The APCD

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

Permitting, Compliance, Enforcement, and Air Toxics

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

Once the permit to operate is issued, on-going tracking is provided of data submittals, source test and continuous emissions monitoring reports, and field inspections. The source testing and emissions modeling functions are associated with compliance and permitting. Source testing is the physical measurement of pollutants from emission points; it is used to determine compliance with APCD rules and permit conditions. Modeling analyzes potential air quality impacts of proposed projects using computer programs, which simulate the movement and dispersion of air pollutants, including the preparation of health risk analyses in certain cases. The enforcement function verifies compliance by conducting and documenting site inspections, reviewing records, accessing on-site monitoring data, and monitoring pollution levels. Enforcement staff also responds to citizen complaints, prepare reports for variances and abatement orders heard before the APCD Hearing Board, manage the APCD's mutual settlement program, manage the asbestos demolition and renovation compliance program, and manage the open fires and agricultural/prescribed burning programs, including direct coordination with the County Fire Department.

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

Technology & Environmental Assessment

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

Planning

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

Rule Development

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

Community Programs

The Community Programs Section has several major functions under three main categories titled Public Outreach and Business Assistance, Land Use, and Air Monitoring.

Public Outreach and Business Assistance:

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

Land Use:

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

Air Monitoring:

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

Innovative Technologies Group

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

Impact Measures

Measure	Actual FY 2007-08	Goal FY 2008-09	Est. Act. FY 2008-09	Goal FY 2009-10
Number of days on which the state one-hour ozone standard is not met somewhere in Santa Barbara County.	2	1	3	2
Number of days on which the federal eight-hour ozone standard is not met somewhere in Santa Barbara County.	1	0	4	3
Number of days on which the state eight-hour ozone standard is not met somewhere in Santa Barbara County.	18	15	10	12
Fiscal year percent of permits issued in which permit holders are required to meet applicable regulations.	100% 407	100% of 400 (est.) applications	100% 636	100% of 400 (est.) applications
Number of industrial sources posing a significant air toxic risk.	3	1	3	0
Ozone forming emissions from industrial sources emitting more than 10 tons per year (in tons).	2392	2600	2487	2500

Fiscal Year 2008-09 Significant Accomplishments

Events and Highlights

- Four exceedances of the new federal 8-hour ozone standard in 2008.
- Four exceedances of the state one-hour ozone standard and
- 12 exceedances of the new state 8-hour ozone standard in 2008.
- Completed the second round of emissions testing for the marine container vessel retrofit program.
- Maintained a cooperative working relationship with agricultural community during implementation of an APCD registration program for agricultural engines.
- Coordinated with County Fire and Public Health Departments to advise the public during air quality episodes created by smoke and ash from the Gap and Tea Fires.
- Performed 1,562 inspections and 588 permitting actions in calendar year 2008.
- Responded to 223 air pollution complaints in calendar year 2008.
- Issued \$1,284,456 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 new State eight-hour ozone standard and the State particulate matter (PM₁₀) standard, the county meets all federal and state standards. 2008 presented unique challenges in monitoring and advising the public about Santa Barbara County's air quality. The Gap Fire blanketed the Goleta area with smoke and ash during July. In November, the TEA Fire affected the Santa Barbara and Montecito areas of the County.

Marine Shipping

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

To address this major source of pollution, we continue to work with the CARB Maritime Working Group to obtain emission reductions by retrofitting an existing container ship. Our partners in this effort include the U.S. EPA, CARB, Port of Los Angeles, Port of Long Beach, the U.S. Maritime Administration, American President Lines and several coastal air districts in California. We have completed our first project to retrofit a vessel with emission control technologies. Two technologies, a fuel-water emulsion system and slide valves, have been installed on the APL Singapore to reduce NOx and PM emissions. Preliminary test results are encouraging and indicate that NOx emission reductions of up to 30% are achievable.

The APCD is also a party in two lawsuits challenging EPA's failure to adopt standards for the control of air pollution from large marine vessels pursuant to Section 213 of the federal Clean Air Act.

Reduction of Toxic Risk

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

Innovative Emission Reductions

The Innovative Technologies Group (ITG), through its efforts to establish cooperative government-industry partnerships, has continued promoting the application of clean air technologies. During FY 2008-09, ITG activities have resulted in reducing over 30 tons of smog forming and particulate pollutants.

Projects included:

- purchasing four new school buses,
- re-powering five marine vessels,
- co-funding the purchase of four compressed natural gas on-road solid waste collection vehicles,
- retrofitting three on-road vehicles with diesel particulate filters,
- re-powering six agricultural water pump engines
- obtaining additional funding for Clean Air Projects under the Carl Moyer Program,
- purchasing over 354 vehicles through the Old Car Buyback Program, and,
- tracking the implementation of emission reduction projects funded through Carl Moyer and DMV grants.



OLD CAR BUYBACK ADVERTISEMENT

Regulation of Agriculture

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

Additionally, the APCD worked closely with agricultural stakeholders and neighboring districts to create a registration and fee program to implement the requirements of diesel ATCMs on agricultural engines subject to regulation. To date, the District has either registered or permitted a total of 249 agricultural engines. This effort will carry into FY 2009-10.

Diesel Engine Air Toxic Control Measures

Since 2004, the state of California has approved Air Toxic Control Measures (ATCM) to reduce particle pollution from both stationary and portable diesel engines. By law, the requirements of these ATCMs are to be implemented and enforced by local air districts. The ATCMs apply to engines that provide prime power and to those that are used for emergency backup power, as well as to engines that are trailer-mounted and transported among job sites. In FY 2008-09, APCD continued implementing the stationary diesel engine ATCM using a streamlined permitting system.

Fiscal Year 2009-10 Operating Budgets by Division

Administration Division

EXPENDITURE PLAN

	Actual FY 2007-08	Adopted FY 2008-09	Est. Act. FY 2008-09	Proposed FY 2009-10
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 1,160,243	\$ 1,080,608	\$ 1,019,599	\$ 1,313,996
Fiscal and Executive	790,896	843,452	842,070	887,489
Human Resources	142,551	170,540	131,871	222,819
Information Technology	679,594	791,619	763,969	853,900
Operating Total	<u>2,773,283</u>	<u>2,886,219</u>	<u>2,757,509</u>	<u>3,278,204</u>
<i>Other Financing Uses</i>				
Designated Future Uses	648,452	77,877	2,843,468	18,265
Expenditure Plan Total	<u>\$ 3,421,735</u>	<u>\$ 2,964,096</u>	<u>\$ 5,600,977</u>	<u>\$ 3,296,469</u>

CHARACTER OF EXPENDITURES

	Actual FY 2007-08	Adopted FY 2008-09	Est. Act. FY 2008-09	Proposed FY 2009-10
<i>Operating Expenditures</i>				
Regular Salaries	\$ 1,006,515	\$ 1,164,522	\$ 1,072,695	\$ 1,133,721
Benefits	474,839	467,186	437,437	883,182
Salaries & Benefits Total	<u>1,481,354</u>	<u>1,631,708</u>	<u>1,510,132</u>	<u>2,016,903</u>
Services & Supplies	1,149,071	1,113,340	1,113,020	1,086,818
Other Charges	128,947	141,171	134,357	134,483
Fixed Assets	13,911	-	-	40,000
Operating Total	<u>\$ 2,773,283</u>	<u>\$ 2,886,219</u>	<u>\$ 2,757,509</u>	<u>\$ 3,278,204</u>

Division Overview

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

Significant Changes (FY 2008-09 Adopted to FY 2009-10 Proposed)

The Proposed FY 2009-10 Operating Total for the Administration Division will increase by \$391,985 from the Adopted 2008-09 budget to \$3,278,204. The approximately 13.6% increase is primarily due to COLAs (matching estimated CPI), step increases, retirement rate increases, fixed asset purchases, and a transfer of Retiree Health Subsidy savings to the Santa Barbara County Employees' Retirement System as part of a plan to prefund retiree health benefits.

Salaries and benefits increase \$385,195 (or 23.6%) due to the plan to prefund retiree health benefits (\$326,000), estimated COLAs, step increases, and retirement cost increases.

Services and supplies decrease by \$26,522 (or 2.4%) primarily due to a further reduction in County Cost Allocation charges for its services provided (currently less than \$1,000).

Other charges decrease by a net \$6,688 (or 4.7%) due to an adjustment in the anticipated liability insurance cost and a decrease in telephone services charges, offset by an increase in vehicle maintenance performed by the County.

Fixed assets increase \$40,000 reflecting the endeavor by Information Technology to enhance the Data Acquisition System (DAS) in FY 2009-10.

Fiscal and Executive Services

Purpose Statement

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

Fiscal Year 2008-09 Significant Accomplishments

- Implemented electronic timecard signatures and paperless reporting, as well as paperless leave approvals for a substantially paperless payroll process.
- Implemented electronic earnings statements.
- Implemented a paperless travel request and reimbursement process eliminating the need for the *Training and Travel Requests* recurring performance measure.
- Studied the APCD's 457 supplemental and voluntary defined contribution retirement plan reviewing its cost effectiveness and investment options.
- Studied district designations, reorganized them for clarity, and established the prefunding of administrative capital equipment replacement and retiree health.
- Branded District vehicles with the APCD logo for better visibility and recognition.
- Vigilantly eradicated graffiti around the Casa Nueva campus.

Fiscal Year 2009-10 Goals and Objectives

1. Develop uncollectible account charge-off policy and procedures.
2. Study financial information system options for improved reporting.
3. Maintain the momentum of the District's employee safety program.
4. Continue to improve and update the Fiscal intranet web pages.
5. Submit and track State and Federal Grants, ensuring the District meets Federal MOE requirements for expenditures.
6. Continue improvement of accounting staff knowledge of quality control for reports and software.
7. Continue coordination of Casa Nueva building maintenance requests with co-tenants.

Recurring Performance Measures

Measure	Actual FY 2007-08	Goal FY 2008-09	Est. Act. FY 2008-09	Goal FY 2009-10
Billing & Collections				
Invoices billed	2,324	2,400	2,450	2,400
Collection follow up:				
30 Days	227	240	180	240
60 Days	94	80	70	80
90 Days	35	35	20	35
Revenue/Purchasing/Travel				
Checks received and deposited	2,240	1,850	2,300	2,350
Purchase Requisitions	312	360	324	350
Training & Travel Requests	N/A	140	N/A	N/A
Accounts Payable				
Accounts Payable Invoices received and paid	1,288	1,400	1,320	1,350
Number of discounts taken	33	25	50	50
Amount of discounts taken	\$1,857	\$900	\$2,601	\$2,500
Petty Cash Requests	98	100	86	100
Payroll				
Payroll changes, in addition to normal payroll processing	220	200	210	200

Human Resources

Purpose Statement

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

Fiscal Year 2008-09 Significant Accomplishments

- Implemented automation of mandatory safety training for staff to ensure compliance with State and Federal regulations.
- Negotiated and implemented policy and procedure for reasonable suspicion drug testing.
- Negotiated and implemented new work place violence prevention policy.
- Conducted three recruitments to fill four vacant positions.
- Worked collaboratively with employee groups to review District Health and Welfare plans.
- Coordinated and monitored District safety training program for both general and specialized staff resulting in only one new injury for 2008.
- Managed District workers' compensation program and worked with insurance carriers on managing one new and three existing employee injuries.
- Continued to provide equitable Human Resource services to employees assigned to the Santa Maria office.
- Negotiated 1-year contracts with three employee groups.

Fiscal Year 2009-10 Goals and Objectives

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

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

Recurring Performance Measures

<u>Measure</u>	<u>Actual FY 2007-08</u>	<u>Goal FY 2008-09</u>	<u>Est. Actual FY 2008-09</u>	<u>Goal FY 2009-10</u>
Performance Evaluations Completed on Time	87%	90%	80%	90%

Information Technology Support

Purpose Statement

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

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

Fiscal Year 2008-09 Significant Accomplishments

Automated Data Acquisition (DAS) Program

- The Information Systems staff provided reliable operation of the Data Acquisition System in support of program goals.
- The DAS system uptime exceeded 97%, Backups 100%, Data Acquisition exceeded 90%.
- Conversion from older telephone company data lines to broadband data services were completed and facilitate greater remote management capabilities helping to reduce travel to those sites.

Local Area Network (LAN)

- The Information Systems section provided a highly reliable computing system for the APCD in support of the District's business.
- Hardware and software systems were upgraded or replaced as necessary in keeping in line with our goal of providing reliable and cost effective information systems.
- APCD's web sites were supported and enhanced.
- Ongoing support and enhancements for the payroll, human resources software, accounting, Integrated Database System, and the telecommuting program were provided.
- Provided IT services to meet the needs of Santa Barbara County Association of Governments staff.

Fiscal Year 2009-10 Goals and Objectives

Automated Data Acquisition (DAS) Program

1. Up Time >97% / Data Acquisition >80%.
2. Backups 100% reliable.
3. Hold the line and possibly decrease maintenance costs on the Data Acquisition System.
4. Continue to enhance remote diagnostics and reduce travel and telecommunication costs.
5. Upgrade the DAS by migrating to AirVision (the replacement for the current ATX data acquisition software).

Local Area Network (LAN)

1. Backups 100% reliable.
2. Reliably operate the LAN/WAN with minimal down time (Up Time >97%) including hardware and software maintenance, backups and telecommunications.
3. Public Web site maintenance.
4. Software applications developed or enhanced for efficiency and accuracy.
5. Maintain and enhance network security.

Recurring Performance Measures

Measure	Actual FY 2007-08	Goal FY 2008-09	Est. Actual FY 2008-09	Goal FY 2009-10
LAN uptime	>97%	97%	>97%	97%
DAS uptime	>97%	97%	>97%	97%
ITS employees attending computer training	50%	100%	50%	100%

Engineering & Compliance Division

EXPENDITURE PLAN

	Actual FY 2007-08	Adopted FY 2008-09	Est. Act. FY 2008-09	Proposed FY 2009-10
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 320,219	\$ 437,757	\$ 346,216	\$ 498,941
Permitting, Compliance, Enforcement, and Air Toxics	1,808,287	1,873,426	1,614,249	1,951,243
Operating Total	2,128,507	2,311,183	1,960,465	2,450,184
<i>Other Financing Uses</i>				
Designated Future Uses	10,113	4,179	297,547	4,179
Expenditure Plan Total	<u>\$ 2,138,620</u>	<u>\$ 2,315,362</u>	<u>\$ 2,258,012</u>	<u>\$ 2,454,363</u>

CHARACTER OF EXPENDITURES

	Actual FY 2007-08	Adopted FY 2008-09	Est. Act. FY 2008-09	Proposed FY 2009-10
<i>Operating Expenditures</i>				
Regular Salaries	\$ 1,460,466	\$ 1,638,803	\$ 1,386,518	\$ 1,494,415
Overtime	-	-	-	-
Extra Help	-	-	-	-
Benefits	520,473	517,517	368,568	703,251
Salaries & Benefits Total	1,980,940	2,156,320	1,755,086	2,197,665
Services & Supplies	124,261	112,643	153,203	137,219
Other Charges	23,306	22,220	22,343	25,300
Fixed Assets	-	20,000	29,833	90,000
Operating Total	<u>\$ 2,128,507</u>	<u>\$ 2,311,183</u>	<u>\$ 1,960,465</u>	<u>\$ 2,450,184</u>

Division Overview

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

Significant Changes (FY 2008-09 Adopted to FY 2009-10 Proposed)

The Proposed FY 2009-10 Operating Total for the Engineering & Compliance Division will increase by \$139,001 from the Adopted 2008-09 budget to \$2,450,184. The approximately 6.0% increase is primarily due to COLAs (matching estimated CPI), step increases, contractors on payroll, retirement rate increases, and fixed asset purchases, offset by the unfunding of a vacant Air Quality Engineer I/II position.

Salaries and benefits increase \$41,345 (or 1.9%) due to estimated COLAs, step increases, contractors on payroll, and retirement cost increases, offset by the unfunded Air Quality Engineer I/II position.

Services and supplies increase by \$24,576 (or 21.8%) of which approximately \$15,000 is due to the purchase of additional inspector equipment under \$5,000 each with the remainder due primarily to increased travel costs for the Air Toxics and Permitting programs.

Other charges increase by \$3,080 (or 13.9%) due to an increase in vehicle maintenance performed by the County.

Fixed assets increase \$70,000 to \$90,000 reflecting the replacement of three inspector vehicles in FY 2009-10.

Permitting, Compliance, Enforcement, and Air Toxics

Purpose Statement

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

Fiscal Year 2008-09 Significant Accomplishments

- The APCD conducted 588 permitting actions during calendar year 2008. Permit processing times are noticeably longer due to workload demands and lack of staffing.
- The new small boiler Rule 361 (adopted January 2008) resulted in 90 Permits to Operate being processed and issued.
- Implemented the June 2008 revisions to Rule 202 and Rule 333.
- Staff processed 184 initial agricultural diesel engine registrations using a computer based streamlined process.
- The APCD assisted over 120 gasoline station operators in meeting the State-mandated April 2009 deadline for installing Enhanced Vapor Recovery (Phase II).
- APCD staff continued implementation of the stationary diesel engine Air Toxic Control Measure and permitting requirements associated with prime engines and emergency standby engines.
- Issued 4 Part 70 federal operating permit renewals during calendar year 2008.
- Numerous application forms were improved for clarity and/or efficiency, and made available through the APCD website. The APCD's engineering and compliance website was continuously upgraded during the fiscal year.
- During calendar year 2008, inspectors performed 1,562 inspections and responded to and documented 223 air pollution complaints.

- APCD staff continued to work with the agricultural community and other air districts to implement the regulatory requirements for agricultural sources.
- APCD staff continued to work with US Forest Service and County Fire representatives to minimize the air quality impacts of large prescribed burns.
- APCD staff continued to work with the remaining Significant Risk Sources (Greka Cat Canyon and SMRC Refinery) to revise modeled risk information and update emissions inventories to accurately reflect the emissions from the facilities and ensure risk reduction plans are enacted timely.
- APCD staff worked with Greka representatives to ensure the removal of risk-causing equipment from Greka's Zaca Lease source. Greka has implemented their APCD-approved Risk Reduction and Audit Plan (RRAP) and is no longer listed as a Significant Risk Source.
- APCD staff continued to work with stakeholders, ARB and other districts to implement Statewide Airborne Toxic Control Measures to reduce particulate emissions from stationary and portable diesel engines.

Fiscal Year 2009-10 Goals and Objectives

1. Process and issue permits meeting all applicable timelines (as available resources allow). Permit processing includes: application completeness review, meeting with applicants, written correspondence, permit drafting, engineering evaluation, site visits, public review (when applicable) and issuance.
2. Provide engineering oversight and ensure ongoing compliance with APCD permits and rules. Track and review compliance data and reports.
3. Provide project management for permits and projects, and engineering support to other APCD programs.
4. Oversee administrative tracking of permits. Report all Best Available Control Technologies (BACT) and offsets actions to ARB, as required by state law.

Fiscal Year 2009-10 Goals and Objectives

5. Process applications of emission reduction certificates and maintain the source register database.
6. Administer the agency's source-testing and CEMS programs; review source test plans and reports, and schedule and observe source tests.
7. Maintain a rigorous inspection and enforcement program, including mutual settlement of violations and assessment of economic benefits of non-compliance, when warranted. Collect and report inspection statistics to ARB and EPA.
8. Represent the agency in actions before the Hearing Board, and assist regulated facilities with the Hearing Board process.
9. Update and improve permit application forms, permit guidance documents and permitting and enforcement policies, and make available on the APCD's webpage.
10. Continue the automation of the permit process by updating and maintaining our permit data entry, permit system automation, and permit reports programs.
11. Evaluate ways to reduce the resources required to issue triennial permit reevaluations.
12. Redesign and update the Compliance database, webpage and breakdown reporting program.
13. Screen applications to ensure that permits are not issued for projects which may present unacceptable toxic health risks to the community. Implement a toxics New Source Review screening process.
14. Implement and administer the Air Toxic Hot Spots (ATHS) program, including risk notification and risk reduction requirements of significant risk sources, website maintenance, public meetings, preparation of updated risk assessments, and oversee implementation of risk reduction plans for significant risk facilities to confirm that the necessary reductions have occurred.
15. Undertake a major effort under ATHS program to screen the potential health risk from all agency regulated stationary diesel engines. Require significant risk sources to perform refined HRAs.
16. Monitor Title III program developments to address requirements of federal law and applicable control requirements.

Recurring Performance Measures

Measure	Actual FY 2007-08	Goal FY 2008-09	Est. Actual FY 2008-09	Goal* FY 2009-10
Permits processed				
- within 15 days after complete application (gas stations and other selected sources)	100%	90%	100%	90%
- within 90 days for medium sized sources	89%	80%	94%	80%
Scheduled inspections actually conducted	68% 535/783	80% 630/783	86% 672/783	80% 630/783
High priority inspections conducted	74% 491/665	100% 667/667	93% 620/677	100% 667/667
Citizen Complaints about air pollution responded to	209	200	198	200
- within 3 hours	88%	90%	85%	90%
- within 24 hours	93%	95%	87%	95%
Number of Significant Risk Sources identified by refined Health Risk Assessment / Number of refined Health Risk Assessments performed.	zero/two	three/six	zero/five	zero/four

* Inspections Estimated

Technology & Environmental Assessment Division

EXPENDITURE PLAN

	Actual FY 2007-08	Adopted FY 2008-09	Est. Act. FY 2008-09	Proposed FY 2009-10
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 177,092	\$ 219,384	\$ 206,235	\$ 221,997
Air Quality Planning	295,540	281,611	254,704	321,976
Rule Development	237,136	237,936	222,870	251,063
Community Programs	261,966	298,550	240,178	282,500
Land Use	155,003	217,053	246,538	249,327
Air Monitoring	560,021	597,797	582,549	671,588
Innovative Technologies	906,634	2,284,971	1,188,262	2,365,685
Operating Total	2,593,392	4,137,302	2,941,335	4,364,135
<i>Other Financing Uses</i>				
Designated Future Uses	552,941	43,823	80,182	23,363
Expenditure Plan Total	<u>\$ 3,146,333</u>	<u>\$ 4,181,125</u>	<u>\$ 3,021,517</u>	<u>\$ 4,387,498</u>

CHARACTER OF EXPENDITURES

	Actual FY 2007-08	Adopted FY 2008-09	Est. Act. FY 2008-09	Proposed FY 2009-10
<i>Operating Expenditures</i>				
Regular Salaries	\$ 1,084,488	\$ 1,238,061	\$ 1,261,335	\$ 1,228,969
Benefits	421,745	390,967	342,235	511,381
Salaries & Benefits Total	1,506,233	1,629,028	1,603,570	1,740,349
Services & Supplies	1,028,149	2,423,426	1,268,045	2,501,110
Other Charges	6,054	19,848	9,720	30,726
Fixed Assets	52,956	65,000	60,000	91,950
Operating Total	<u>\$ 2,593,392</u>	<u>\$ 4,137,302</u>	<u>\$ 2,941,335</u>	<u>\$ 4,364,135</u>

Division Overview

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

Significant Changes (FY 2008-09 Adopted to FY 2009-10 Proposed)

The FY 2009-10 Operating Total for the Technology & Environmental Assessment Division will increase by \$223,833 from the Adopted 2008-09 budget to \$4,364,135. The approximately 5.5% increase is primarily due to COLAs (matching estimated CPI), step increases, contractors on payroll, retirement rate increases, fixed asset purchases, and increased Innovative Technology Group grants.

Salaries and benefits increase \$111,321 (or 6.8%) due to estimated COLAs, step increases, extra help, and retirement cost increases.

Services and supplies increase by a net \$77,684 (or 3.2%) due primarily to increased Innovative Technology Group grants of approximately \$115,000.

Other charges increase by \$10,878 (or 54.8%) due to an increase in vehicle maintenance performed by the County.

Fixed assets increase 26,950 (or 41.5%) from \$65,000 to \$91,950 reflecting a relocation of the Santa Ynez monitoring station in FY 2009-10, in addition to the cyclical replacement of fixed asset inventory at \$65,000.

Air Quality Planning

Purpose Statement

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

Fiscal Year 2008-09 Significant Accomplishments

- Updated Point and Area source emissions for 2007 and submitted to the Air Resources Board.
- Issued all applicable emission-based fees for FY 2007-08 including OCS sources.
- Developed 2007 marine shipping emission inventory.
- Continued development and maintenance of the air toxics data base.
- Developed a countywide emission inventory for greenhouse gases.
- Fulfilled all public data requests for planning or emission inventory information.

Fiscal Year 2009-10 Goals and Objectives

1. Obtain USEPA approval of the 2007 Clean Air Plan.
2. Initiate development of the 2010 Clean Air Plan to comply with state planning requirements.
3. Utilize Integrated Data System emission inventory module for collection and calculation of Greenhouse Gas emissions from stationary sources.
4. Track implementation of AB 32.
5. Submit information to EPA as required by EPA Section 105 Grant.

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

Recurring Performance Measures

	Actual	Goal	Est. Act.	Goal
Measure	FY 2007-08	FY 2008-09	FY 2008-09	FY 2009-10
Update major industrial Facility process rates and submit to ARB.	100%	100%	100%	100%

Rule Development

Purpose Statement

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

Fiscal Year 2008-09 Significant Accomplishments

- Obtained Board of Directors adoption of Rule 333 (internal combustion engines).
- Developed and obtained Board of Directors adoption of modified Rule 316 to provide an exemption from new vapor recovery controls for gas stations meeting certain requirements.
- Worked on fulfilling the requirements of SB 656 to address the control of fugitive dust from construction and demolition activities,
- Continued work on revisions to Rule 321 (Solvent Degreasers).



FLYING FREE AND BREATHING CLEAN AIR

Fiscal Year 2009-10 Goals and Objectives

1. Develop and maintain a rule development schedule. Modify priorities as necessary to comply with federal and state requirements, public input, and to implement improvements in technical rigor.
2. Develop and adopt new and revised rules as required by the Clean Air Plan and SB 656 Mandates. These rules include, but are not limited to, Rule 321 (Solvent Degreasers), Rule 330 (surface coating metal parts), Rule 337 (aerospace parts), and particulate matter control rules identified in the SB 656 Process.
3. Develop and adopt rules as required by new state and federal mandates.
4. Develop and adopt rules to implement state air toxic control measures, federal New Source Performance Standards, National Emission Standards for Hazardous Air Pollutants, and federal Maximum Achievable Control Technology standards.
5. Present all rules to the APCD Community Advisory Council for their recommendation to the Board.
6. In order to promote statewide consistency in rule development, participate on the California Air Pollution Control Officers Association (CAPCOA) Rule Development subcommittee
7. Submit rule development information for access on the APCD home page on the World Wide Web.

Community Programs

Purpose Statement

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

Fiscal Year 2008-09 Significant Accomplishments

- Published four *On The Air* and *Business Focus* newsletters.
- Participated in 2008 Earth Day events and the development and launch of the Green Business Santa Barbara County program.
- Coordinated with the County Fire and Public Health Departments to notify the public about the air quality during the Gap and Tea Fires.
- Developed 2009 promotional campaigns for the Santa Barbara Car Free project with Amtrak and other local partners. Operated Business Assistance Program and Business Assistance Line to help businesses comply with APCD requirements, including assisting sources in annual report record keeping requirements, compliance with air toxic control measures, and working with the agriculture community to understand new requirements.
- Reviewed public notices, continued to enhance the APCD website, revised the Santa Barbara Car Free web site, and provided webmaster support to all staff.
- Participated in the CAPCOA Public Outreach committee and the National Association of Clean Air Agencies Outreach Committee.

Fiscal Year 2009-10 Goals and Objectives

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

Recurring Performance Measures

Measure	Actual FY 2007-08	Goal FY 2008-09	Est. Act. FY 2008-09	Goal FY 2009-10
Publish "On the Air" newsletter.	4	4	4	4

Land Use

Purpose Statement

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

Fiscal Year 2008-09 Significant Accomplishments

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

Fiscal Year 2009-10 Goals and Objectives

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

Recurring Performance Measures

Measure	Actual FY 2007-08	Goal FY 2008-09	Est. Act. FY 2008-09	Goal FY 2009-10
Complete CEQA review within 30 days for all initial studies and minor projects.	100%	100%	99%	100%

Air Monitoring

Purpose Statement

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

Fiscal Year 2008-09 Significant Accomplishments

- Operated or provided oversight for the collection of high quality ambient air monitoring data from 17 stations throughout the county.
- Published the 2007 Annual Air Quality Report on the APCD's web page.
- Continued equipment and parts replacement according to schedule.
- Assisted with siting of a meteorological station at Venoco Carpinteria facility.
- Coordinated temporary installation of a real-time particulate (PM_{2.5}) monitor at the Goleta monitoring station during the Gap Fire.
- Installed a real-time particulate matter (PM₁₀) monitor at the Lompoc H Street monitoring station.

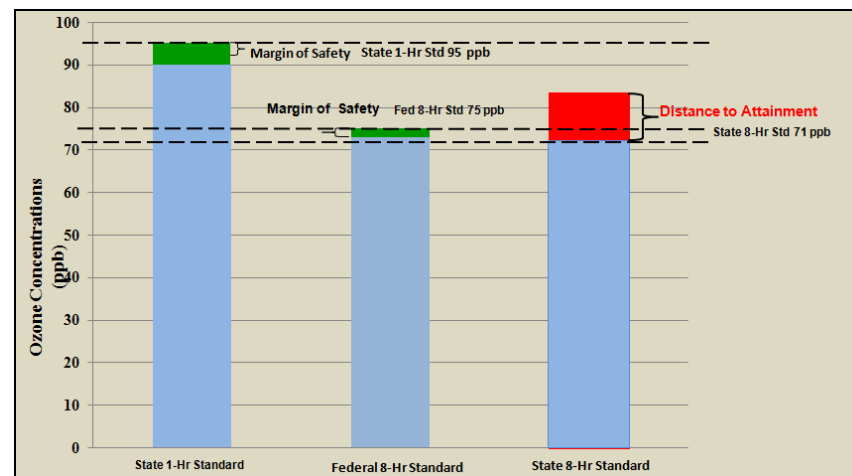
Fiscal Year 2009-10 Goals and Objectives

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

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

Recurring Performance Measures

Measure	Actual FY 2007-08	Goal FY 2008-09	Est. Act. FY 2008-09	Goal FY 2009-10
Pass State performance audits.	100%	98%	100%	98%
Obtain valid data for air quality/meteorological measurements.	99.5%/98.5%	80%/90%	98%/97%	80%/90%



SANTA BARBARA'S AIR QUALITY MARGIN OF SAFETY

Innovative Technologies Group

Purpose Statement

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

Fiscal Year 2008-09 Significant Accomplishments

- Co-funded the purchase of four solid waste collection trucks from diesel to compressed natural gas.
- Funded the repowering of four commercial fishing vessels and one UCSB marine research vessel.
- Purchased four new school buses for the Santa Maria and Goleta school districts.
- Re-powered six agricultural water pump engines.
- Retrofitted three on-road diesel trucks with particulate filters.
- Continued implementation of the Carl Moyer Program, the agricultural water pump engine program, the marine re-power program, the water-based cleaner program and the on- and off-road heavy-duty diesel re-power program.
- Applied for Carl Moyer Program Year 11 funding.
- Continued the Old Car Buyback Program.

Fiscal Year 2009-10 Goals and Objectives

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

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

Recurring Performance Measures

Measure	Actual FY 2007-08	Goal FY 2008-09	Est. Act. FY 2008-09	Goal FY 2009-10
NOx and ROC and PM reductions from grant funded ITG projects (in tons).	10.3	25	82	38



LOWER EMISSIONS SCHOOL BUS RETROFIT