



Our Vision  Clean Air

**Santa Barbara County
Air Pollution Control District**

Fiscal Year 2010-11 Comprehensive Program Summary and Proposed Budget



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Terry Dressler
Air Pollution Control Officer

Front Cover:

LOOKING TOWARDS THE WEST AT THE SOUTH CASA NUEVA STAFF ENTRANCE

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Air Pollution Control Officer's Message

April 9, 2010

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

Dear Chair Doreen Farr and Board Members:

The fiscal year (FY) 2010-11 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.

The summary is followed by the District's operating budgets by Division, which provide division overviews, significant financial changes, purpose statements, FY 2009-10 significant accomplishments, FY 2010-11 goals and objectives, and recurring performance measures.

Fiscal Year 2010-11 District Budget at a Glance

	Adopted FY 2009-10	Proposed FY 2010-11
Revenues	<u>\$ 10,027,571</u>	<u>\$ 9,535,821</u>
Expenditures	<u>\$ 10,027,571</u>	<u>\$ 9,535,821</u>
Staffing (positions)	<u>50.25</u>	<u>50.25</u>

We are proposing to maintain staffing levels and the Proposed FY 2010-11 budget is \$491,750 (or 4.9%) lower than the Adopted FY 2009-10 budget.

(Please see page nine for a complete APCD Budget schedule.)

Major Factors Affecting the Fiscal Year 2010-11 Budget

No fee increases are proposed for FY 2010-11 other than a forecasted 2.0% CPI adjustment in fees that is authorized by APCD Rule 210.

Retirement rates have increased sizably from 25.4% of pensionable earnings to 29.7% (a 4.3% increase) at a cost of over \$182,000, which equates to a 3.6% increase in total Salaries and Benefits cost.

The County of Santa Barbara's Cost Allocation, which is comprised of charges for services it provided to us in previous years that are not recovered via direct billings, increased from \$319 to \$60,858. The services provided

are primarily County Counsel legal services, Auditor-Controller financial transaction and reporting services, and Treasurer-Tax Collector depository services. Cost allocation charges can swing up or down dramatically depending on a respective service provider's ability to estimate its costs accurately in a given fiscal year. The District has set aside funds from previous years in order to offset the year to year fluctuations in this expense.

In FY 2009-10 your Board adopted a prefunding plan for retiree health benefits, which is a more cost effective option than a pay as you go basis. The Board further adopted an earmarking and gradual transfer of a portion of discretionary designations (totaling \$1,180,900) to the 401(h) trust in order to eventually fully fund the retiree health benefits and eliminate the APCD's need to pay the benefits annually out of its operating budget. While prefunding will eliminate this ongoing expenditure, the process of making annual transfers will temporarily inflate the operating budget. We do not consider this release of designation an operational deficit, as it is transferring assets from one savings account to another, and will cease when complete. In FY 2009-10 a transfer of \$326,000 was adopted, but we found that due to IRS limitations, we were only able to transfer approximately half of that amount. In response, we are proposing \$174,500 for FY 2010-11. In addition, there is sufficient salary savings available within the 2009-10 budget year to make the 2009-10 contribution and preserve the balance available for future pre-funding.

The peak in the three year reevaluation cycle is behind us and we are entering the lowest or "trough" year during which we will use savings that we accumulated during the higher years to "level" the revenues and match our level of effort, which does not fluctuate as dramatically as the revenue does.

We propose acquiring laptops in order to automate the inspection process, a one-time cost of approximately \$9,900, which we propose funding with discretionary designations.

We also propose a major overhaul of our permit system, to better automate our permitting and compliance activities, a one-time enhancement costing approximately \$37,500, which we propose funding with discretionary designations.

Discussed on the following page are major revenue and expenditure changes that affect the FY 2010-11 Budget.

Major Revenue Changes

The proposed revenue total of \$7,756,829 represents a decrease of \$426,477 compared to the FY 2009-10 total of \$8,183,306, even though there is a proposed 2% CPI adjustment to APCD Rule 210 fees. This is primarily due to the artifact of the trough year in the three year permit reevaluation revenue cycle.

Projected decreases include: reevaluation fees at \$256,800 due to the lowest year in the three year reevaluation cycle, annual emission fees at \$77,500 due to anticipated large source emission reductions, interest at \$89,000 due to reduced interest rate expectations, and reimbursable charges at \$58,096 due to the reduction in reimbursable workload and Carl Moyer grant funds. These decreases, alone, amount to \$481,396 in revenue reductions. While some of the reductions are likely to be permanent, reevaluation fees will cycle back up next year, and both interest earnings and reimbursable workload have the ability to recover in future years.

The decreases are offset by increases in evaluation fees at \$32,250 and asbestos notification fees at \$23,400 in order to better reflect workload trends.

Major Expenditure Changes

The FY 2010-11 Operating Total of \$9,491,145 represents a decrease of \$492,207 compared to FY 2009-10 of \$9,983,352, which is primarily attributed to reducing the retiree health prefunding from \$326,000 to \$174,500, a \$306,000 reduction in DMV \$2 grants, salary savings from anticipated staffing turnover, and a \$94,500 reduction in fixed assets due to completion of 3 inspector vehicle purchases, offset by a more than \$182,000 retirement cost increase. Contractors on payroll are now broken out under extra help for better identification.

The \$151,780 net decrease in Administration is primarily due to reducing the retiree health prefunding from \$326,000 to \$174,500 and completion of Data Acquisition System (DAS) fixed asset purchases, offset by a \$60,539 increase in County Cost Allocation charges.

The \$34,258 net decrease in Engineering & Compliance (ECD) is primarily due to the completion of three inspector vehicle purchases budgeted at \$90,000, and is offset by budgeting \$36,000 for the replacement of three organic vapor analyzers.

The \$306,169 net decrease in Technology and Environmental Assessment (TEA) is primarily due to a \$306,000 reduction in DMV \$2 grants.

When looking at the Character of Expenditures on page nine, the effects of the retirement rate increase, retiree health prefunding reduction, contractors on payroll, and salary savings can be found under Salaries & Benefits. The effects of the \$2 DMV grant reductions and County Cost Allocation Charge increase can be found under Services & Supplies. The effects of completing the 3 inspector vehicle purchases, data acquisition system upgrades, and new organic vapor analyzers can be found under Fixed Assets.

Clean Air Planning Requirements

During FY 2010-11, staff effort will be focused the development and adoption of the 2010 Clean Air Plan for the State 8-hour ozone standard. In January 2010, the EPA proposed strengthening the 8-hour “primary” ozone standard, designed to protect public health, to a level within the range of 0.060-0.070 parts per million (ppm). Staff will be working closely with EPA to determine the 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 2010-11 budget, we propose 100% of the \$4 portion of the surcharge be used to fund District programs. The remaining \$2 portion of the \$6 surcharge will 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 2010-11 (October 1, 2009 - September 30, 2010) §105 Grant for the APCD is estimated to be \$505,880. As the federal fiscal year is not the same as our fiscal year, we have budgeted \$495,000.

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 2010-11 Budget Highlights

Overview

This budget is for APCD's FY 2010-11, which runs from July 1, 2010 through June 30, 2011. 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. In addition, the APCD conforms to the provisions of the Budget act found starting with Government Code Section 29000.

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,
- the costs associated with the Innovative Technologies Programs. 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 agency operations.

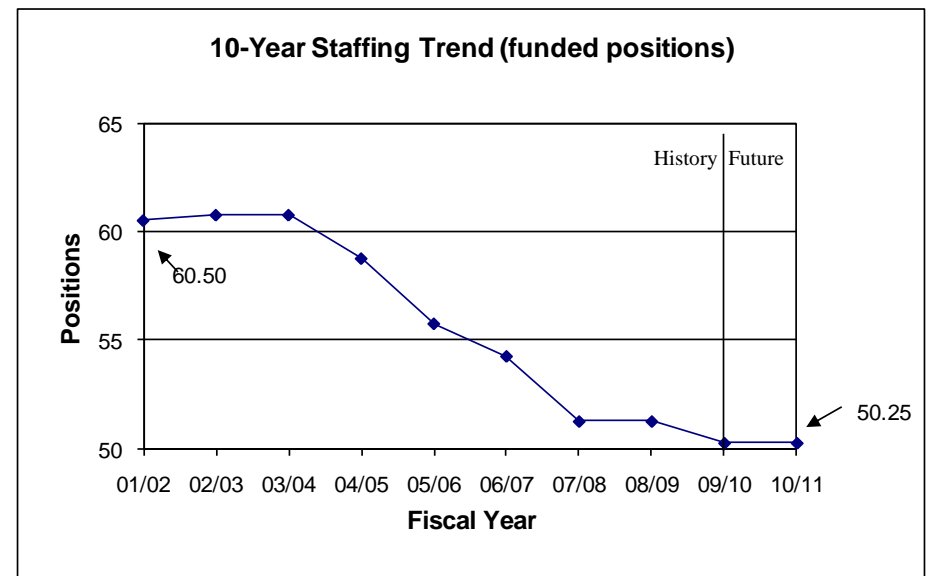
The APCD budget is financed primarily through fees paid by regulated businesses, motor vehicle registration fees, and federal and state grants. The Strategic Plan adopted by the APCD Board in October 1997 forecasted that overall fee revenue would decrease substantially for several years, and in fact that did occur. While, currently, it is predicted that fee revenues will grow at the nominal rate of inflation, periodic decreases will occur due to short-term

cycles, such as permit reevaluation, longer term cycles, such as interest rates and vehicle registrations, and permanent changes, such as emission reductions.

Staffing Trend

Since FY 2001-02 we have reduced staffing by 10.25 Full Time Equivalent (FTE) positions (or 15.2%) 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 continue to present the significant challenge of complying 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.



Rule 210 Fees

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 (CPI) changes as provided for in our rules. We forecast an April 2009 to April 2010 positive CPI change of 2.0%, and a corresponding 2.0% increase for FY 2010-11 Rule 210 fees.

While our fees have increased in nominal dollars, Rule 210 normally keeps inflation adjusted fees the same over time. We say normally because the Air Pollution Control Officer did not adjust fees up by the CPI for fiscal years 1992-93, 1993-94, 1994-95, and 1999-2000, thereby foregoing a cumulative and compounded 14.7% CPI increase as of fiscal year 2010-11. In other words, Rule 210 fees are 14.7% lower today in real, inflation adjusted, dollars than they were in 1991.

Changes to APCD Fund Balance (Savings)

The changes to APCD savings appear as either a withdrawal (use) of prior year fund balance or a deposit (increase to fund balance). Changes to APCD fund balance have the following history:

<u>Fiscal Year</u>	<u>Withdrawal</u>	<u>Deposit</u>
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		\$639,737

The most recent deposits have been due to unpredictable violation penalty revenue and unanticipated staffing turnover. We are estimating a net use of \$222,838 for FY 2009-10 and proposing a net use of \$1,734,316 for FY 2010-11.

The components to the FY 2010-11 proposed use of fund balance are:

- *Use of ITG Projects & Carl Moyer designation - \$324,360.*
This fund balance was established from a large penalty settlement, to fund grant programs to reduce emissions, received over a decade ago. It is periodically funded by additional mitigation agreements, and State Carl Moyer program funds.
- *Net Increase of Accumulated Capital Outlay designation - \$5,105.*
 - \$36,000 will be used for the purchase of three toxic vapor analyzers for use by the Engineering and Compliance Division. This withdrawal is from funds deposited during previous years for this purpose.
 - \$41,105 will be deposited by the Data Acquisition System (DAS) program (\$16,559) and Air Monitoring programs (\$24,546) for future capital replacement.

- *Increase to Monitoring designation - \$3,571* as the result of savings from a reorganization of workload for FY 2010-11.
- *Use of Reevaluation Cycle designation - \$593,645.*
Permit reevaluations and associated fees are on a three year cycle. FY 2009-10 was one of the two higher years for reevaluation fees and we estimate depositing \$91,485 into it. Prior year deposits provide for this cyclical use.
- *Use of Data Acquisition System designation - \$60,380* for upgrades.
- *Use of Retiree Health Subsidy - \$174,500* to prefund the retiree health benefits over the next several years. The balance (\$1,180,900), earmarked by the Board in FY 2008-09, will be transferred into the APCD's 401(h) trust account at an amount not to exceed 25% of its normal retirement costs in any given fiscal year. In addition, to help build the trust balance as quickly as possible, we will pay current retiree health benefit costs out of the APCD balance, as opposed to the trust balance. At some point the retiree health benefit will be pre-funded at 100% and allow the trust to assume full payment of the annual retiree health benefit costs in perpetuity. The FY 2009-10 trust deposit will be made from salary savings, preserving the Retiree Health Subsidy balance for future transfers.
- *Use of DMV 2\$ - \$317,787* due to grant disbursement cycles.
- *Use of DMV 4\$ - \$164,062* accumulated in prior fiscal years primarily to fund contracted professional services associated with our public outreach and community assistance programs.
- *Use of Operational Activities - \$108,258* for one time expenditures, more specifically County Cost Allocation charges at \$60,858, Permit System upgrades for compliance activities at \$37,500, and laptops for inspector field use at \$9,900.

Designation Summary

The following designation summary table shows the balances for all reserves and designations starting from the beginning of FY 2009-10 through the estimated changes of FY 2009-10 and the proposed changes for FY 2010-11 to arrive at forecasted balances at the end of FY 2010-11.

Description	Actual 7/1/2009 Amounts	Est. Act. FY 2009-10 Incr./((Decr.)	Est. Act. 6/30/2010 Amounts	Proposed FY 2010-11 Incr./((Decr.)	Proposed 6/30/2011 Amounts
Reserves:					
Imprest Cash	\$ 550	\$ -	\$ 550	\$ -	\$ 550
Reserved Receivables	14,486	351	14,837	-	14,837
Total Reserves	15,036		15,387		15,387
Designations:					
ITG Projects & Carl Moyer	1,349,823	(356,759)	993,064	(324,360)	668,704
Accumulated Capital Outlay	1,169,715	44,219	1,213,934	5,105	1,219,039
Strategic Reserve	1,500,000	-	1,500,000	-	1,500,000
Monitoring	151,197	2,277	153,474	3,571	157,045
Reevaluation Cycle	883,929	91,485	975,414	(593,645)	381,769
FMV Adjustment	66,107	-	66,107	-	66,107
Data Acquisition System	639,961	12,750	652,711	(60,380)	592,331
Retiree Health Subsidy	1,180,900	-	1,180,900	(174,500)	1,006,400
DMV 2\$	817,909	(205,888)	612,021	(317,787)	294,234
DMV 4\$	297,595	24,623	322,218	(164,062)	158,156
Operational Activities	191,465	164,104	355,569	(108,258)	247,311
Total Designations	8,248,601		8,025,412		\$ 6,291,096
Total Res. and Des.	\$ 8,263,637		\$ 8,040,799		\$ 6,306,483
Net Adjustments		\$ (222,838)		\$ (1,734,316)	

Discretionary Designation Extract (Unassigned fund balance)

Discretionary designations, not funded by categorical revenues or for specific and presently quantifiable purposes, are extracted from the designation summary table and presented below. Under new financial reporting guidelines, they are lumped together as "Unassigned" fund balance in the APCD's Comprehensive Annual Financial Reports (CAFRs).

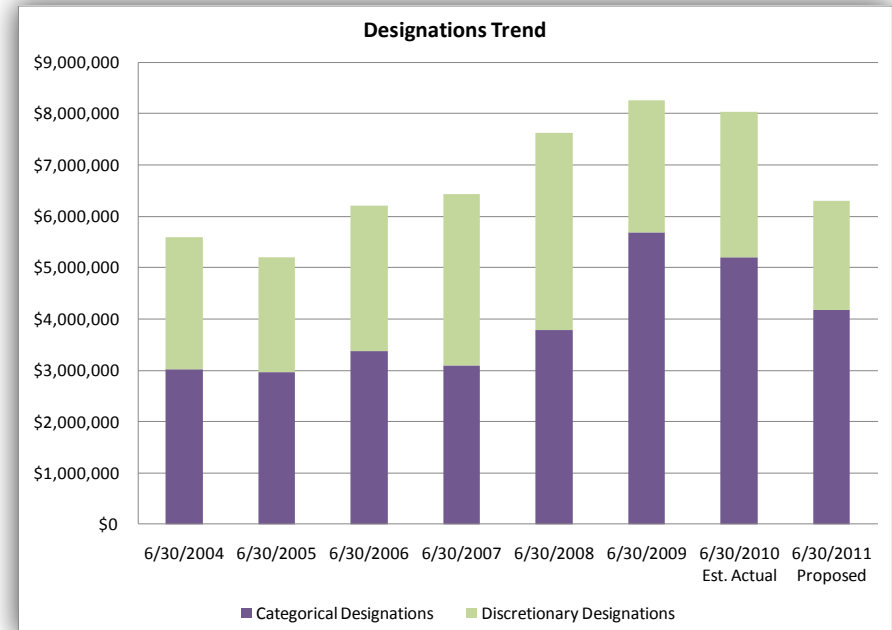
Discretionary Designations:	Actual 7/1/2009 Amounts	Est. Act. FY 2009-10 Incr./((Decr.)	Est. Act. 6/30/2010 Amounts	Proposed FY 2010-11 Incr./((Decr.)	Proposed 6/30/2011 Amounts
Strategic Reserve	1,500,000	-	1,500,000	-	1,500,000
Reevaluation Cycle	883,929	91,485	975,414	(593,645)	381,769
Operational Activities	191,465	164,104	355,569	(108,258)	247,311
Total	\$ 2,575,394	\$ 255,589	\$ 2,830,983	\$ (701,903)	\$ 2,129,080

Strategic Reserve reflects the APCD's minimum fund balance policy of 15% of operating revenues in an effort to provide for emergencies, contingencies, and apply fiscal prudence in managing the budgetary condition of the APCD. Fifteen percent (15%) of proposed operating revenues of \$7,756,829 would be \$1,163,524. Currently \$1,500,000 reflects a healthy 19.3%, or an additional \$336,476. Additional funds would not be required to maintain 15% policy, until operating revenues exceed \$10,000,000 and management considers this a healthy and stable balance.

Reevaluation Cycle reflects the APCD's reevaluation cycle revenue stabilization policy in an effort to provide for fiscal stability. The proposed balance of \$381,769 reflects a healthy balance, even after a proposed withdraw due to the lowest reevaluation fee year.

Operational Activities, currently proposed to be \$247,311, reflects an amount we believe should more than adequately cover year over year fluctuations in our District operations, and periodic one-time expenditures.

Combined, these amounts reflect a proposed unassigned fund balance of \$2,129,080.



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 2010-11 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. During FY 2009-10, APCD management reviewed each impact and recurring performance measure, as a team, for continued relevance and clarity, and proposes numerous improvements for FY 2010-11 and forward in this proposed budget.

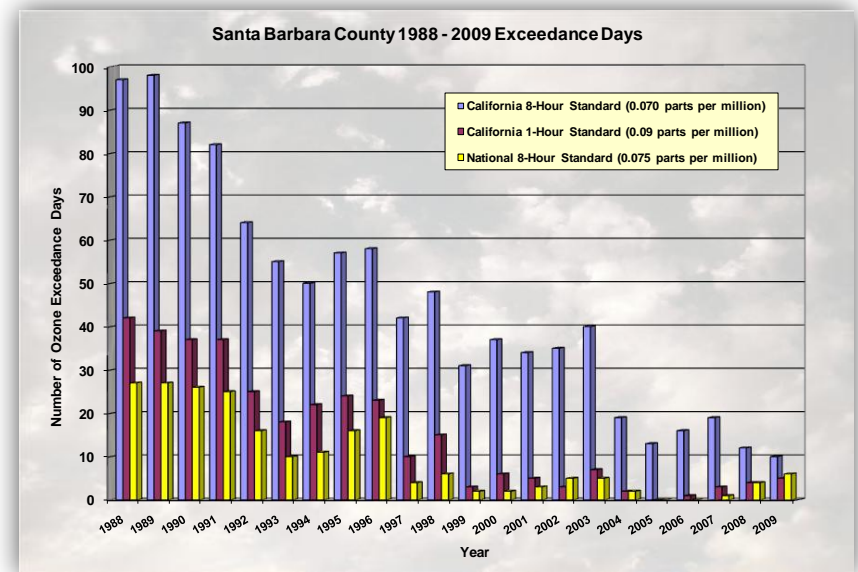
I look forward to working with your Board and our partners in the community during the coming year.

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 40 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 (*0.075 parts per million) 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 the state eight-hour ozone standard and the state standards for PM₁₀.



* - In January 2010, the Environmental Protection Agency proposed to strengthen the 8-hour "primary" ozone standard, designed to protect public health, to a level within the range of 0.060-0.070 parts per million (ppm)

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.

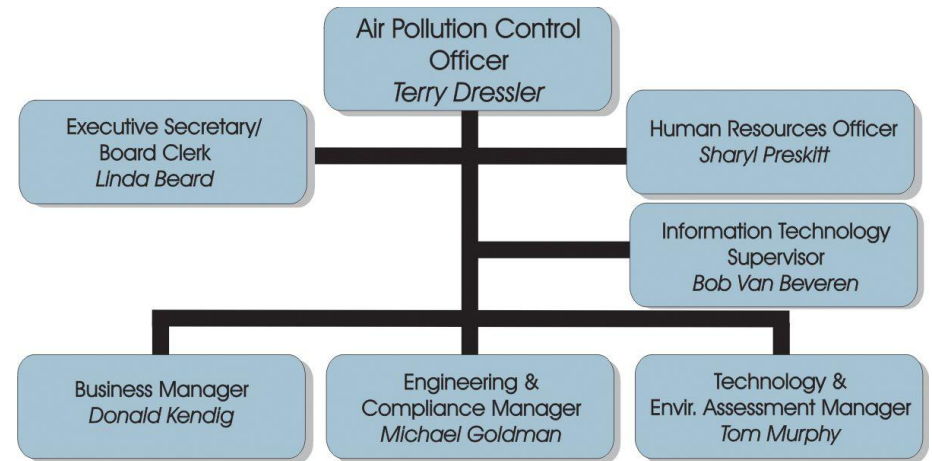
APCD's Mission

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 THE EAST WING OF CASA NUEVA

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.

Objectives: (cont'd)

- 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 2010-11 District Budget

REVENUE PLAN

	Actual FY 2008-09	Adopted FY 2009-10	Est. Act. FY 2009-10	Proposed FY 2010-11
<i>Licenses & Permits</i>				
Evaluation Fees	\$ 532,476	169,750	\$ 266,515	202,000
Asbestos Notification Fees	\$ 127,737	77,600	105,744	101,000
Reevaluation Fees	\$ 893,338	717,800	800,000	461,000
Air Toxics (AB 2588)	\$ 6,256	6,324	6,324	6,870
Application Fees	\$ 182,643	121,250	132,677	119,596
Annual Emission Fees	\$ 954,831	1,018,500	873,956	941,000
Notice of Violation	\$ 597,448	175,000	592,838	175,000
Inspection Fees	\$ 14,100	18,146	13,865	20,000
Source Test Fees	\$ 53,722	53,350	88,649	60,000
DAS	\$ 348,562	348,351	348,351	355,114
Monitoring	\$ 534,244	539,057	539,057	549,838
<i>Use of Money</i>				
Interest	\$ 249,722	219,000	115,000	130,000
<i>Federal, State, and Other Governments</i>				
Federal - EPA Grant	\$ 405,663	495,000	495,000	495,000
Motor Vehicle \$4	\$ 1,350,224	1,400,000	1,350,224	1,384,000
Motor Vehicle \$2	\$ 675,112	700,000	675,112	692,000
State-PERP	\$ 67,986	51,750	49,000	49,000
State-ARB	\$ 103,386	100,000	103,359	103,000
Other Governments	\$ 166,121	159,923	194,737	174,087
<i>Charges for Services</i>				
Environmental Review	\$ 8,222	18,000	8,222	8,222
AQAP Fees	\$ 376,147	389,308	382,619	384,045
Reimbursement Charges- Air Pollution	\$ 1,270,920	1,393,064	1,341,149	1,334,968
<i>Miscellaneous Revenue</i>	\$ 60,282	12,133	12,133	11,089
Revenue Total	\$ 8,979,142	8,183,306	8,494,531	7,756,829
<i>Other Financing Sources</i>				
Release of Designations	\$ 192,790	1,844,265	562,647	1,778,992
Revenue Plan Total	\$ 9,171,932	10,027,571	\$ 9,057,178	9,535,821

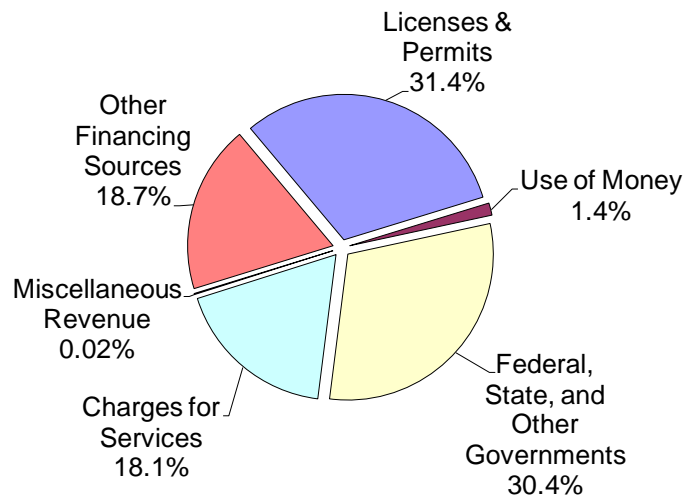
EXPENDITURE PLAN

	Actual FY 2008-09	Adopted FY 2009-10	Est. Act. FY 2009-10	Proposed FY 2010-11
<i>Operating Expenditures</i>				
Administration	\$ 2,990,221	3,256,970	\$ 2,753,577	3,105,190
Engineering & Compliance	\$ 2,233,946	2,401,559	2,156,064	2,367,301
Technology & Environmental Assessment	\$ 3,136,337	4,324,823	3,807,728	4,018,654
Operating Total	\$ 8,360,504	9,983,352	8,717,369	9,491,145
<i>Other Financing Uses</i>				
Designated for Future Uses	\$ 811,428	44,219	339,809	44,676
Expenditure Plan Total	\$ 9,171,932	10,027,571	\$ 9,057,178	9,535,821

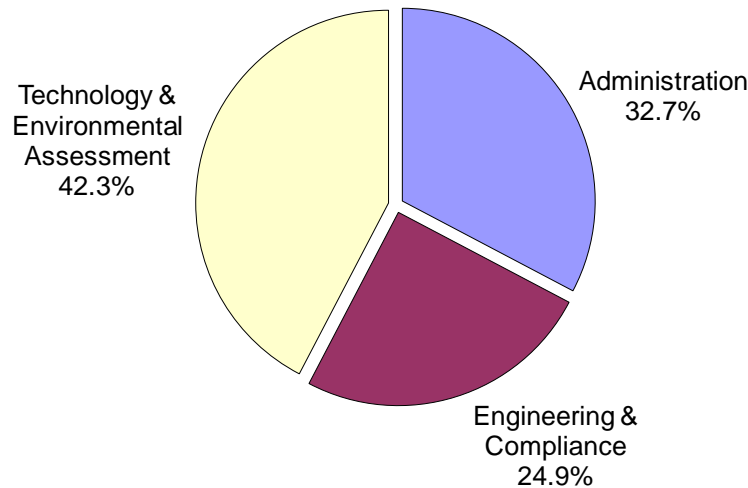
CHARACTER OF EXPENDITURES

	Actual FY 2008-09	Adopted FY 2009-10	Est. Act. FY 2009-10	Proposed FY 2010-11
<i>Operating Expenditures</i>				
Regular Salaries	\$ 3,998,617	3,764,231	\$ 3,468,262	3,940,846
Extra Help	\$ 51,674	-	101,590	54,866
Benefits	\$ 1,526,854	2,080,297	1,570,196	1,668,718
Salaries & Benefits Total	\$ 5,577,145	5,844,528	5,140,048	5,664,430
Services & Supplies	\$ 2,542,781	3,726,365	3,214,129	3,518,919
Other Charges	\$ 147,878	190,509	161,053	180,296
Fixed Assets	\$ 92,700	221,950	202,139	127,500
Operating Total	\$ 8,360,504	9,983,352	\$ 8,717,369	9,491,145

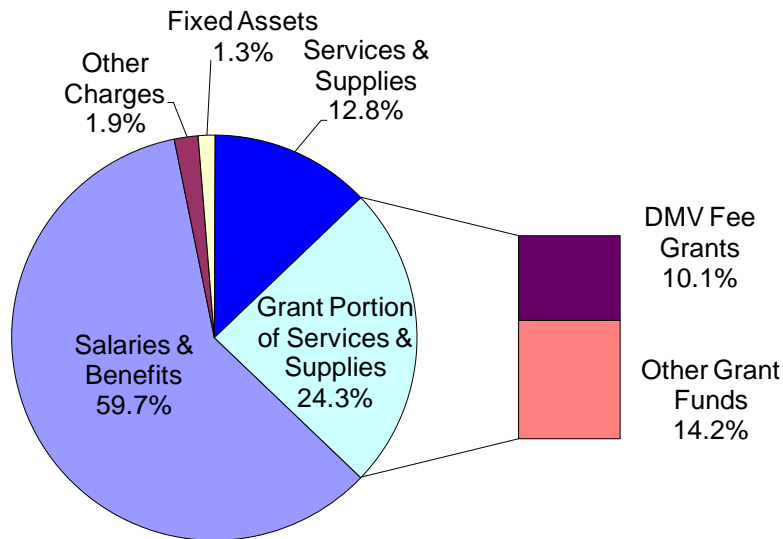
Fiscal Year 2010-11 Budget Charts



Revenue Plan



Expenditure Plan



Character of Expenditures

Projects Funded with Motor Vehicle Registration Fees

Fiscal Year 2010-11 Programs Funded with \$2 DMV	Funding
School bus replacement and Prop 1b school bus cost share	\$400,000
Agricultural Assistance Program	\$200,000
Old Car Buy Back Program	\$375,000
Total \$2 DMV FY 2010-11 Program Funds	\$975,000

Projects Funded with Other Grant Funds

Fiscal Year 2010-11 Innovative Technologies Program Expenditures	Funding
Moyer Year 12 projects	\$585,575
Moyer Outreach Funds	\$5,850
Marine Shipping Retrofit Program (Innovative Technology Group and other agency funds)	\$60,000
Guadalupe Oil Field Air Quality Mitigation Program	\$46,000
Exxon Cable Laying Mitigation Fund program	\$143,000
Red Lion Inn Mitigation Fund program	\$54,000
ITG Programs Funded in FY 2010-11	\$894,425

Fiscal Year 2010-11 Job Class Table (Effective June 28, 2010)

Position Number	Classification Title	Adopted FY 2009-10	Additions / Deletions	Proposed FY 2010-11	Range Number	Monthly Equivalent Salary Range (A-E)	Representation Unit
Funded Positions							
157	ACCOUNTING TECHNICIAN I/II	2.00		2.00	4946/5246	2850-4025	24
447	AIR MONITORING SUPERVISOR	1.00		1.00	6502	6203-7540	29
390	AIR POLLUTION CONTROL OFFICER	1.00		1.00	n/a	11,614	41
425	AIR POLLUTION INSPECTOR SUPV.	1.00	-1.00	0.00	6362	5784-7030	29
435/436	AIR QUALITY ENGINEER I/II	4.50		4.50	5962/6162	4736-6362	28
437	AIR QUALITY ENGINEER III	4.00		4.00	6362	5784-7030	28
438	AIR QUALITY ENGINEERING SUPERVISOR	2.00	1.00	3.00	6662	6719-8167	29
442	AIR QUALITY SPECIALIST III	2.00		2.00	6212	5366-6522	28
1362	BUSINESS MANAGER	1.00		1.00	6800	7199-8750	43
448	COMMUNITY PROGRAMS SUPERVISOR	1.00		1.00	6502	6203-7540	29
2149	DATA PROCESS SUPERVISOR	1.00		1.00	6700	6848-8324	32
2174	DEPT. DP SPECIALIST SR.	1.75		1.75	6164	5239-6368	24
490	DIVISION MANAGER	2.00		2.00	6950	7759-9432	43
2553	EDP SYS. & PROG. ANALYST I/II	1.00		1.00	6236/6386	5431-7115	24
2555	EDP SYS. & PROG. ANALYST III	1.00		1.00	6536	6309-7669	24
442	EMISSIONS INVENTORY/PLANNING SPECIALIST III	2.00		2.00	6212	5366-6522	28
3421	EXECUTIVE SECRETARY/BOARD CLERK	1.00		1.00	5922	4642-5642	32
5740	HUMAN RESOURCES OFFICER	1.00		1.00	6700	6849-8325	43
417/418	INSPECTION SPECIALIST I/II	2.00		2.00	5652/5852	4056-5449	28
419	INSPECTION SPECIALIST III	5.00		5.00	6052	4954-6021	28
440/441	MONITORING SPECIALIST I/II	1.00		1.00	5782/5962	4328-5756	28
442	MONITORING SPECIALIST III	2.00		2.00	6212	5366-6522	28
1702	OFFICE TECHNICIAN	4.00		4.00	5052	3005-3653	23
155	PAYROLL TECHNICIAN I/II	1.00		1.00	4876/5176	2752-3886	24
439	PERMIT TECHNICIAN I/II	1.00		1.00	5328/5528	3450-4634	23
431	PLANNING & TECHNOLOGY SUPERVISOR	1.00		1.00	6672	6753-8208	29
421	PRINCIPAL INSPECTION SPECIALIST	1.00		1.00	6312	5641-6857	28
444	PUBLIC INFORMATION AND EDUCATION SPECIALIST	1.00		1.00	6208	5356-6510	28
16	SUPERVISING ACCOUNTANT	1.00		1.00	6290	5579-6782	32
TOTAL NUMBER OF FUNDED POSITIONS		50.25	0.00	50.25			
Position Number	Classification Title	Adopted FY 2009-10	Additions / Deletions	Proposed FY 2010-11	Range Number	Monthly Equivalent Salary Range	Representation Unit
Unfunded Positions							
438	AIR QUALITY ENGINEERING SUPERVISOR	1.00		1.00	6662	6719-8167	29
435/436	AIR QUALITY ENGINEER I/II	3.00		3.00	5962/6162	4736-6362	28
417/418	INSPECTION SPECIALIST I/II	1.00		1.00	5652/5852	4056-5449	28
TOTAL NUMBER OF UNFUNDED POSITIONS		5.00	0.00	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 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 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 continuously monitor 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 1,000 permitted or registered stationary facilities 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, Air Monitoring, 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.

Air Monitoring

The Air Monitoring section is 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.

Community Programs

The Community Programs Section implements the Public Outreach, Business Assistance, and Land Use review programs.

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.

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 CY 2009	Goal CY 2010	Est. Act CY 2010	Goal CY 2011
Number of days on which the state one-hour ozone standard is not met somewhere in Santa Barbara County	5	2	4	≤ 2
Number of days on which the federal eight-hour ozone standard is not met somewhere in Santa Barbara County	6	3	5	≤ 3
Number of days on which the state eight-hour ozone standard is not met somewhere in Santa Barbara County	10	12	10	≤ 10
Number of days on which either the state/federal PM ₁₀ standards are not met somewhere in Santa Barbara County	new	new	15/0	≤ 15/0
Number of days on which either the federal PM _{2.5} standard is not met somewhere in Santa Barbara County	new	new	0	0
CY = Calendar Year				
Number of people in Santa Barbara County exposed to cancer risk of 10 in a million or greater from toxic air pollutants emitted by permitted sources	new	new	0	0

Impact Measures (cont'd)

Measure	Actual FY 2008-09	Goal FY 2009-10	Est. Act FY 2009-10	Goal FY 2010-11
Number of properties (parcels) in Santa Barbara County exposed to cancer risk of 10 in a million or greater from toxic air pollutants emitted by permitted sources	new	new	6	≤ 4

Fiscal Year 2009-10 Significant Accomplishments

- Only six exceedances of the federal 8-hour ozone standard in 2009*.
- Only five exceedances of the state one-hour ozone standard.
- Only 10 exceedances of the state 8-hour ozone standard in 2009.
- Installed real-time particulate monitors in Goleta and Lompoc.
- 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.
- Performed 1,370 inspections and 650 permitting actions in calendar year 2009.
- Responded to 157 air pollution complaints in calendar year 2009.
- Issued \$849,359 in clean air grants.

* - In January 2010 the Environmental Protection Agency proposed to strengthen the 8-hour "primary" ozone standard, designed to protect public health, to a level within the range of 0.060-0.070 parts per million (ppm).

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 (PM₁₀) standards, the county meets all federal and state standards. 2009 again presented unique challenges in monitoring and advising the public about Santa Barbara County's air quality due to wildfires. In May 2009, the Jesusita fire affected the areas from Goleta to Montecito, and in August 2009 the La Brea fire in northern Santa Barbara County and the Station Fire in southern California affected local air quality.

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 air pollution 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. We are pleased to report that after years of inaction and litigation, EPA has promulgated new regulations for these large “Category 3” engines that begin to take effect in 2011.

On March 26, 2010, the International Maritime Organization (IMO) amended the International Convention for the Prevention of Pollution from Ships (MARPOL) designating specific portions of U.S., Canadian and French waters as an Emission Control Area (ECA). The proposal for ECA designation was introduced by the U.S. and Canada, reflecting common interests, shared geography and interrelated economies. In July 2009, France joined as a co-proposer on behalf of its island territories of Saint-Pierre and Miquelon, which form an archipelago off the coast of Newfoundland. Allowing for the lead time associated with the IMO process, the North American ECA will become enforceable in August 2012.

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 NO_x and PM emissions. Preliminary test results are encouraging and indicate that NO_x emission reductions of up to 30% are achievable. However, because of the global economic downturn, American President Lines has had to temporarily suspend participation in this program.

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 2009-10, ITG activities have resulted in reducing over 30 tons of smog forming and particulate pollutants.

Emission Reduction Projects included:

- purchasing four new school buses,
- co-funding the purchase of eight compressed natural gas on-road solid waste collection vehicles,
- re-powering four agricultural water pump engines and four marine vessels
- obtaining additional funding for Clean Air Projects under the Carl Moyer Program,
- purchasing over 326 vehicles through the Old Car Buyback Program, and,
- tracking the implementation of emission reduction projects funded through Carl Moyer and DMV grants.

Regulation of Agriculture

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

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 2010-11.

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 2009-10, APCD continued implementing the stationary diesel engine ATCM using a streamlined permitting system.

Fiscal Year 2010-11 Operating Budgets by Division

Administration Division

EXPENDITURE PLAN

	Actual FY 2008-09	Adopted FY 2009-10	Est. Act FY 2009-10	Proposed FY 2010-11
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 1,259,742	\$ 1,308,876	\$ 1,001,112	\$ 1,227,522
Fiscal and Executive	873,921	883,120	848,277	830,636
Human Resources	159,193	222,248	200,521	246,576
Information Technology	697,365	842,726	703,667	800,456
Operating Total	2,990,221	3,256,970	2,753,577	3,105,190
<i>Other Financing Uses</i>				
Designated Future Uses	724,211	18,265	31,366	16,559
Expenditure Plan Total	<u>\$ 3,714,432</u>	<u>\$ 3,275,235</u>	<u>\$ 2,784,943</u>	<u>\$ 3,121,749</u>

CHARACTER OF EXPENDITURES

	Actual FY 2008-09	Adopted FY 2009-10	Est. Act FY 2009-10	Proposed FY 2010-11
<i>Operating Expenditures</i>				
Regular Salaries	\$ 1,091,344	\$ 1,071,809	\$ 1,026,309	\$ 1,149,482
Extra Help	2,633	-	-	-
Benefits	663,342	922,642	473,089	662,717
Salaries & Benefits Total	1,757,319	1,994,451	1,499,398	1,812,199
Services & Supplies	1,114,880	1,088,036	1,080,322	1,159,045
Other Charges	118,022	134,483	133,857	127,446
Fixed Assets	-	40,000	40,000	6,500
Operating Total	<u>\$ 2,990,221</u>	<u>\$ 3,256,970</u>	<u>\$ 2,753,577</u>	<u>\$ 3,105,190</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 and benefits. 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, landscaping, janitorial, insurance, and utilities.

Significant Changes (FY 2009-10 Adopted to FY 2010-11 Proposed)

The Proposed FY 2010-11 Operating Total for the Administration Division will decrease by \$151,780 from the Adopted 2009-10 budget to \$3,105,190. The approximately 4.7% decrease is primarily due to reducing the retiree health prefunding from \$326,000 to \$174,500 and completion of Data Acquisition System fixed asset purchases, offset by an increase in County Cost Allocation charges of \$60,539.

Salaries and benefits decrease \$182,252 primarily due to reducing the retiree health prefunding from \$326,000 to \$174,500.

Services and supplies increase by \$71,009 primarily due to a \$60,539 increase in County Cost Allocation charges.

Other charges decrease by a net \$7,037 primarily due to a decrease in liability insurance premiums.

Fixed assets decrease \$33,500 reflecting the completion of Information Technology's endeavor to enhance the Data Acquisition System (DAS). The purchase of one additional data logger is proposed in 2010-11 at \$6,500.

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 2009-10 Significant Accomplishments

- Reviewed the APCD's voluntary 457(b) deferred compensation plan to ensure all fiduciary requirements are being met and enhanced the employee investment options.
- Implemented Government Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in the FY 2008-09 Comprehensive Annual Financial Report (CAFR).
- Through the assistance of Information and Technology support section, converted the APCD budget system from Oracle to Microsoft Sequel Server and enhanced operability and internal reporting.
- Through the assistance of Information and Technology support section, automated the monthly internal financial reporting routine
- Through the assistance of Information and Technology support section, automated the internal allocation of interest to the various grant programs, in order to ensure consistency and accuracy.
- Created an, on-line Injury & Illness Prevention Program, annual training module to ensure existing employees and new hires receive timely, California Occupational Safety & Health Administration (Cal OSHA) mandated safety training.

Fiscal Year 2010-11 Goals and Objectives

1. Form a *457(b) Deferred Compensation Committee* comprised of at least one representative from each bargaining unit, adopt an 457(b) deferred compensation plan *investment policy statement*, and obtain fiduciary assurance services from Hartford, the plan's administrator.
2. Implement GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, and No 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pensions*, in the FY 2009-10 CAFR.
3. Develop uncollectible account charge-off policy and procedures.

Fiscal Year 2010-11 Goals and Objectives (cont'd)

4. Continue to study financial information system options for improved reporting.
5. Maintain the momentum of the District's employee safety program.
6. Continue to submit and track State and Federal Grants, ensuring the District meets Federal MOE requirements for expenditures.
7. Continue improvement of fiscal staff knowledge of ever evolving financial reporting requirements, as well as quality control procedures, ensuring accuracy of information.
8. Continue coordination of Casa Nueva building maintenance requests with co-tenants.
9. Study pool vehicle options and the APCD's shared pool relationship with SBCAG.

Recurring Performance Measures

Measure	Actual FY 2008-09	Goal FY 2009-10	Est Act FY 2009-10	Goal FY 2010-11
Percent of actual revenue received to revenue budgeted	104.7%	100%	107.8%	100%
Percent of actual expenditures to expenditures budgeted	80.0%	100%	83.3%	100%
Total federal maintenance of effort (MOE) above/(below) previous year MOE + \$1	\$60,606	\$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.

Fiscal Year 2009-10 Significant Accomplishments

- Conducted six recruitments.
- Updated four position descriptions as part of the Technology and Environmental Assessment Division restructuring.
- 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 2009.
- Managed District workers' compensation program and worked with Third Party Administrator to close five open claims.
- Continued to provide equitable Human Resource services to employees assigned to the Santa Maria office.
- Negotiated a 1-year contract with Service Employees International Union, Local 620.
- Negotiated a 1-year contract with Santa Barbara County Air Pollution Control District Employees Association.

Fiscal Year 2010-11 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 workplace issues.
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 2008-09</u>	<u>Goal FY 2009-10</u>	<u>Est Actual FY 2009-10</u>	<u>Goal FY 2010-11</u>
Percent of performance evaluations completed on time	84%	90%	95%	100%
Percent of employees completing monthly safety training	new	90%	91%	90%
Total number of recordable workplace injuries	new	0	0	0

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 2009-10 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 were 100%, Data Acquisition exceeded 90%.
- Conversion from the ATX data Acquisition software to the follow-on software is in progress. Completion is expected in early July 2010.

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 2010-11 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.

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

	Actual	Goal	Est Actual	Goal
<u>Measure</u>	<u>FY 2008-09</u>	<u>FY 2009-10</u>	<u>FY 2009-10</u>	<u>FY 2010-11</u>
Network uptime	>97%	97%	>97%	97%
APCD website uptime	new	new	>99%	100%
Data Acquisition System (DAS) valid data acquisition rate	new	97%	>97%	97%

Engineering & Compliance Division

EXPENDITURE PLAN

	Actual FY 2008-09	Adopted FY 2009-10	Est. Act. FY 2009-10	Proposed FY 2010-11
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 388,654	\$ 485,329	\$ 471,598	\$ 435,814
Permitting, Compliance, Enforcement, and Air Toxics	1,845,292	1,916,230	1,684,466	1,931,487
Operating Total	2,233,946	2,401,559	2,156,064	2,367,301
<i>Other Financing Uses</i>				
Designated Future Uses	4,179	4,179	259,768	-
Expenditure Plan Total	<u>\$ 2,238,125</u>	<u>\$ 2,405,738</u>	<u>\$ 2,415,832</u>	<u>\$ 2,367,301</u>

CHARACTER OF EXPENDITURES

	Actual FY 2008-09	Adopted FY 2009-10	Est. Act. FY 2009-10	Proposed FY 2010-11
<i>Operating Expenditures</i>				
Regular Salaries	\$ 1,580,879	\$ 1,535,717	\$ 1,272,101	\$ 1,554,964
Extra Help	20,116	-	67,334	43,910
Benefits	469,549	613,323	571,523	570,302
Salaries & Benefits Total	2,070,544	2,149,040	1,910,958	2,169,176
Services & Supplies	110,526	137,219	131,445	139,025
Other Charges	23,043	25,300	21,060	23,100
Fixed Assets	29,833	90,000	92,601	36,000
Operating Total	<u>\$ 2,233,946</u>	<u>\$ 2,401,559</u>	<u>\$ 2,156,064</u>	<u>\$ 2,367,301</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 2009-10 Adopted to FY 2010-11 Proposed)

The Proposed FY 2010-11 Operating Total for the Engineering & Compliance Division will decrease by \$34,258 from the Adopted 2009-10 budget to \$2,367,301. The approximately 1.4% decrease is primarily due to the completion of three inspector vehicle purchases budgeted at \$90,000, and is offset by budgeting \$36,000 for the replacement of three organic vapor analyzers.

Salaries and benefits increase \$20,136 primarily due to retirement cost increases.

Services and supplies are relatively stable with a nominal \$1,806 increase reflecting an increase in the cost for County Counsel legal services.

Other charges decrease by \$2,200 due to an anticipated decrease in vehicle maintenance performed by the County.

Fixed assets decrease by \$54,000 due to the completion of three inspector vehicle purchases budgeted at \$90,000, and is offset by budgeting \$36,000 for the replacement of three organic vapor analyzers.

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 2009-10 Significant Accomplishments

- The APCD conducted 650 permitting actions during calendar year 2009. Permit processing times are noticeably longer than prior years due to workload demands and lack of staffing.
- The APCD's Permit Database program was revamped and now provides internal users easier access to permitting information.
- Reassessed and updated the Mutual Settlement program.
- Issued 39 Part 70 federal operating permit renewals during calendar year 2009.
- During calendar year 2009, inspectors performed 1,370 inspections and responded to and documented 157 air pollution complaints.
- Worked with agricultural businesses to establish an enforceable mechanism for this industry to create and sell emission reduction credits. Oversaw the approval of approximately 45 tons per year of NO_x credits from the electrification of diesel Ag engines.
- 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.

Fiscal Year 2010-11 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.
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.

Fiscal Year 2010-11 Goals and Objectives (cont'd)

13. Investigate methods of streamlining field inspection reporting process by implementing paperless systems.
14. 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.
15. 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.
16. 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.
17. Monitor Title III program developments to address requirements of federal law and applicable control requirements.
18. Consolidate the Division's reporting tools for tracking and reporting of permit and compliance data to address to multiple data requests from internal and external customers.
19. Implement new State and Federal climate control regulations.

Recurring Performance Measures

Measure	Actual FY 2008-09	Goal FY 2009-10	Est. Actual FY 2009-10	Goal FY 2010-11
Inspections				
Percent of citizen complaints about air pollution responded to				
- within 3 hours	78%	90%	87%	90%
- within 24 hours	82%	95%	91%	95%
Percent of scheduled Part 70 major source inspections completed	48%	new	68%	80%
Percent of assigned inspection caseload completed.	87%	80%	84%	80%

Recurring Performance Measures (cont'd)

Measure	Actual FY 2008-09	Goal FY 2009-10	Est. Actual FY 2009-10	Goal FY 2010-11
Permit Processing				
Percent of Authority to construct permit applications reviewed for completeness within 30 days of receipt	88%	new	84%	100%
Percent of authority to construct permits issued in compliance with rule 208 deadline stipulations:				
Small - Goal = 30 Days	100%	new	50%	80%
Medium - Goal = 90 Days	90%	80%	72%	80%
Large - Goal = 180 Days	84%	new	93%	100%
Percent of permit to operate annual scheduled reevaluation renewals completed within the year	88%	new	88%	90%
Compliance				
Percent of complete review of all Part 70 major source compliance verification reports within 120 days	69%	new	31%	80%
Source Testing				
Percent of source test reports reviewed within 60 days	38%	new	40%	80%
Public Records Act Information Request Response				
Percent of requests initially responded to within 10 days of receipt	99%	new	99%	98%

Technology & Environmental Assessment Division

EXPENDITURE PLAN

	Actual FY 2008-09	Adopted FY 2009-10	Est. Act FY 2009-10	Proposed FY 2010-11
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 212,708	\$ 218,256	\$ 227,916	\$ 244,362
Air Quality Planning	264,104	316,563	314,810	286,297
Rule Development	256,067	246,378	235,429	247,102
Community Programs	249,914	279,130	260,667	288,507
Land Use	222,472	244,410	229,268	223,379
Air Monitoring	626,458	658,223	609,024	631,331
Innovative Technologies	1,304,614	2,361,863	1,930,614	2,097,676
Operating Total	3,136,337	4,324,823	3,807,728	4,018,654
<i>Other Financing Uses</i>				
Designated Future Uses	83,038	21,775	48,675	28,117
Expenditure Plan Total	<u>\$ 3,219,375</u>	<u>\$ 4,346,598</u>	<u>\$ 3,856,403</u>	<u>\$ 4,046,771</u>

CHARACTER OF EXPENDITURES

	Actual FY 2008-09	Adopted FY 2009-10	Est. Act FY 2009-10	Proposed FY 2010-11
<i>Operating Expenditures</i>				
Regular Salaries	\$ 1,326,394	\$ 1,156,705	\$ 1,169,852	\$ 1,236,400
Extra Help	28,925	-	34,256	10,956
Benefits	393,963	544,332	525,584	435,699
Salaries & Benefits Total	1,749,282	1,701,037	1,729,692	1,683,055
Services & Supplies	1,317,375	2,501,110	2,002,362	2,220,849
Other Charges	6,813	30,726	6,136	29,750
Fixed Assets	62,867	91,950	69,538	85,000
Operating Total	<u>\$ 3,136,337</u>	<u>\$ 4,324,823</u>	<u>\$ 3,807,728</u>	<u>\$ 4,018,654</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 2009-10 Adopted to FY 2010-11 Proposed)

The Proposed FY 2010-11 Operating Total for the Technology & Environmental Assessment Division will decrease by \$306,169 from the Adopted 2009-10 budget to \$4,018,654. The approximately 7.1% decrease is primarily due to a \$306,000 reduction in DMV \$2 grants.

Salaries and benefits decrease \$17,982 primarily due to salary savings from anticipated employee turnover and resulting new hires and promotions at lower starting salary steps.

Services and supplies decrease by a net \$280,261 due primarily to a \$306,000 reduction in DMV \$2 grants.

Other charges are relatively stable and only decrease by \$976 due to an anticipated decrease in vehicle maintenance performed by the County.

Fixed assets decrease a modest \$6,950 and reflect the carrying over of the \$25,000 Santa Ynez monitoring station shelter purchase to FY 2010-11, which is in addition to the cyclical replacement of TEA's fixed asset inventory at \$60,000 per year.

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 2009-10 Significant Accomplishments

- Updated Point and Area source emissions for 2008 and submitted to the Air Resources Board.
- Issued all applicable emission-based fees for FY 2009-10 including OCS sources.
- Continued development and maintenance of the air toxics data base.
- Developed a countywide emission inventory for carbon dioxide, a major greenhouse gas.
- Fulfilled all public data requests for planning or emission inventory information.
- Began preparing 2010 Clean Air Plan to comply with state planning requirements
- Continued to work with USEPA on approval of the 2007 Clean Air Plan.

Fiscal Year 2010-11 Goals and Objectives

1. Complete the 2010 Clean Air Plan and obtain Board of Directors and ARB approval of the Plan.
2. Utilize the Integrated Data System emission inventory module for collection and calculation of Greenhouse Gas emissions from stationary sources.
3. Track implementation of AB 32 and SB 375.
4. Submit information to EPA as required by EPA Section 105 Grant.
5. Prepare, distribute, collect, and analyze emission questionnaires and statements and continue to implement web-based applications.
6. Compile, mail out, and respond to inquiries on annual emission, AQAP, and air toxic program fee invoices.
7. Monitor EPA guidance on new standards, particularly EPA's reconsideration of the 8-hour federal ozone standard and determine appropriate actions to comply with all planning requirements.
8. Monitor ARB guidance on the state ozone standard and determine appropriate actions to comply with all planning requirements.
9. Continue efforts to quantify the emissions from Marine Shipping.
10. Fulfill all public data requests for planning or emission inventory information.
11. Refine and update countywide emission inventory for greenhouse gases.

Recurring Performance Measures

	Actual	Goal	Est Act	Goal
Measure	FY 2008-09	FY 2009-10	FY 2009-10	FY 2010-11
Submit emissions inventory data to the California Air Resources Board each year by November 1	10/30/2009	11/1/2009	10/22/2010	11/1/2010
Process emissions inventory data submitted by sources for fee invoices each year by April 30 (deadline May 31)	5/15/2009	4/30/2009	4/30/2010	4/30/2010

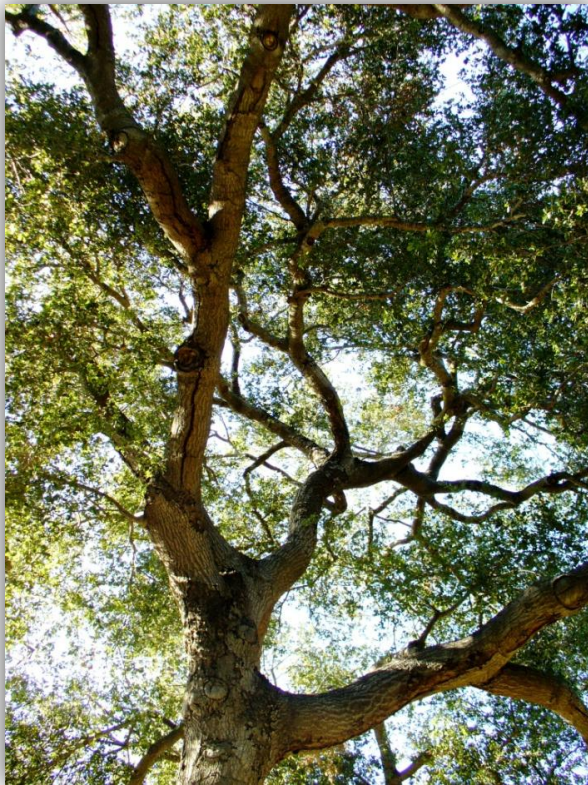
Rule Development

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 2009-10 Significant Accomplishments

- Obtained Board of Directors adoption of new Rule 345 (fugitive dust) and amended Regulation XI (public notification).
- Continued work on revisions to Rule 321 (solvent degreasers).
- Developed Chapter 4 (emission control measures) for the 2010 Clean Air Plan



CASA NUEVA COURTYARD OAK TREE

Fiscal Year 2010-11 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. These rules include, but are not limited to, Rule 321 (solvent degreasers), Rule 330 (surface coating metal parts) and Rule 337 (aerospace parts).
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. Promote statewide consistency in rule development by participating 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.

Recurring Performance Measures

	Actual	Goal	Est. Act.	Goal
Measure	FY 2008-09	FY 2009-10	FY 2009-10	FY 2010-11
Number of draft rules released for public review	2	3	3	3

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 2009-10 Significant Accomplishments

- Published four *On The Air* and *Business Focus* newsletters.
- Participated in 2010 Earth Day events and 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 Jesusita and La Brea fires.
- Developed 2010 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.
- Reviewed public notices, developed presentations, 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.



OLD CAR BUYBACK ADVERTISEMENT

Fiscal Year 2010-11 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 and 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	Goal	Est Act	Goal
	FY 2008-09	FY 2009-10	FY 2009-10	FY 2010-11
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 2009-10 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 land use emission calculation tools to enhance analysis capabilities for mitigation measures, greenhouse gases, 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.

Fiscal Year 2010-11 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 coordinate statewide solutions to deal with land use emissions analysis tools
6. Develop an update to the APCD Environmental Review Guidelines for APCD Board adoption.

Recurring Performance Measures

Measure	Actual FY 2008-09	Goal FY 2009-10	Est Act FY 2009-10	Goal FY 2010-11
Percent of CEQA reviews completed within 30 days for all initial studies and minor projects	99% of 201	100% of 200	100% of 197	100% of 200

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 decision making by policy-makers, the general public, and the APCD in our combined efforts to protect public health.

Fiscal Year 2009-10 Significant Accomplishments

- Operated or provided oversight for the collection of high quality ambient air monitoring data from 18 stations throughout the county.
- Published the 2008 Annual Air Quality Report on the APCD's web page.
- Continued equipment and parts replacement according to schedule.
- Installed a real-time particulate matter (PM_{2.5}) monitor at the Lompoc H Street monitoring station.
- Installed real-time particulate matter monitors (PM₁₀ and PM_{2.5}) at the Goleta monitoring station.
- Assisted with relocation of Ellwood odor monitoring station.
- Obtained EPA approval of our 2008 Annual Air Monitoring Network Plan.



CASA NUEVA COURTYARD FLOWERS

Fiscal Year 2010-11 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. 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.
6. Provide technical support to APCD project managers for major source continuous emissions monitoring programs.
7. Provide data to EPA's AirNow program to provide real-time ozone and particulate matter mapping on the internet.
8. Relocate the Santa Ynez monitoring station if a suitable location is secured.
9. Obtain EPA approval of our 2009 Annual Air Monitoring Network Plan.

Recurring Performance Measures

Measure	Actual	Goal	Est Act	Goal
	FY 2008-09	FY 2009-10	FY 2009-10	FY 2010-11
Collect valid data for air quality/meteorological measurements.	99%/99%	80%/90%	99%/98%	80%/90%

Innovative Technologies Group

Purpose Statement

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

Fiscal Year 2009-10 Significant Accomplishments

- Co-funded the purchase of four solid waste collection trucks from diesel to compressed natural gas.
- Purchased four new school buses for the Goleta Union school district.
- Re-powered four agricultural water pump engines.
- Continued implementation of the Carl Moyer Program, the agricultural water pump engine program, the marine re-power program, and the on- and off-road heavy-duty diesel re-power program.
- Applied for Carl Moyer Program Year 12 funding.
- Continued the Old Car Buyback Program.
- Passed an Audit of the Carl Moyer Program by the ARB.



NEW GROWTH FROM SPRING. THE CYCLE CONTINUES.

Fiscal Year 2010-11 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 school bus replacement/retrofit 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.
7. Obtain Board approval of a new off-road vehicle replacement program.

Recurring Performance Measures

Measure	Actual FY 2008-09	Goal FY 2009-10	Est. Act FY 2009-10	Goal FY 2010-11
NO _x , ROC, and PM emissions reduced from grant funded ITG projects (in tons).	81.5	38.0	20.0	38.0
Average cost effectiveness for all Carl Moyer Program funded projects (tons/year)	\$4,300	\$14,000	\$5,000	\$16,000