



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS REGULAR MEETING

April 4, 2018

A meeting of the Bay Area Air Quality Management District Board of Directors will be held at 9:30 a.m. in the 1st Floor Board Room at the Air District Headquarters, 375 Beale Street, San Francisco, California 94105.

Questions About an Agenda Item

The name, telephone number and e-mail of the appropriate staff Person to contact for additional information or to resolve concerns is listed for each agenda item.

Meeting Procedures

The public meeting of the Air District Board of Directors begins at 9:30 a.m. The Board of Directors generally will consider items in the order listed on the agenda. However, any item may be considered in any order.

After action on any agenda item not requiring a public hearing, the Board may reconsider or amend the item at any time during the meeting.

This meeting will be webcast. To see the webcast, please visit www.baaqmd.gov/BODagendas at the time of the meeting. Closed captioning may contain errors and omissions, and are not certified for their content or form.

Public Comment Procedures

Persons wishing to make public comment must fill out a Public Comment Card indicating their name and the number of the agenda item on which they wish to speak, or that they intend to address the Board on matters not on the Agenda for the meeting.

Public Comment on Non-Agenda Matters, Pursuant to Government Code Section 54954.3 Speakers wishing to address the Board on non-agenda matters will be heard at the end of the agenda, and each will be allowed up to three minutes to address the Board at that time.

Members of the Board may engage only in very brief dialogue regarding non-agenda matters, and may refer issues raised to District staff for handling. In addition, the Chairperson may refer issues raised to appropriate Board Committees to be placed on a future agenda for discussion.

Public Comment on Agenda Items The public may comment on each item on the agenda as the item is taken up. Public Comment Cards for items on the agenda must be submitted in person to the Clerk of the Boards at the location of the meeting and prior to the Board taking up the particular item. Where an item was moved from the Consent Calendar to an Action item, no speaker who has already spoken on that item will be entitled to speak to that item again.

Speakers may speak for up to three minutes on each item on the Agenda. However, the Chairperson or other Board Member presiding at the meeting may limit the public comment for all speakers to fewer than three minutes per speaker, or make other rules to ensure that all speakers have an equal opportunity to be heard. The Chairperson or other Board Member presiding at the meeting may, with the consent of persons representing both sides of an issue, allocate a block of time (not to exceed six minutes) to each side to present their issue.

BOARD OF DIRECTORS REGULAR MEETING AGENDA

WEDNESDAY
APRIL 4, 2018
9:30 A.M.

BOARD ROOM
1ST FLOOR

CALL TO ORDER

Chairperson, David Hudson

1. **Opening Comments**
Roll Call
Pledge of Allegiance

The Chair shall call the meeting to order and make opening comments. The Clerk of the Boards shall take roll of the Board members. The Chair shall lead the Pledge of Allegiance.

COMMENDATIONS/PROCLAMATIONS/AWARDS

2. *The Board of Directors will recognize outgoing Directors Rebecca Kaplan and Jeff Sheehy for their service, leadership and dedication to protecting air quality in the Bay Area.*

CONSENT CALENDAR (ITEMS 3-11)

Staff/Phone (415) 749-

3. Minutes of the Regular Board of Directors Meeting of March 7, 2018

Clerk of the Boards/5073

The Board of Directors will consider approving the draft minutes of the Board of Directors Meeting March 7, 2018.

4. Board Communications Received from March 7, 2018 through April 3, 2018

J. Broadbent/5052

jbroadbent@baaqmd.gov

A copy of communications directed to the Board of Directors received by the Air District from March 7, 2018 through April 3, 2018, if any, will be at each Board Member's place.

5. Air District Personnel on Out-of-State Business Travel

J. Broadbent/5052

jbroadbent@baaqmd.gov

In accordance with Section 5.4 (b) of Air District's Administrative Code, Fiscal Policies and Procedures Section, the Board of is hereby notified that the attached memorandum lists Air District personnel who have traveled on out-of-state business in the preceding month.

6. Notices of Violations Issued and Settlements in Excess of \$10,000 in the month of February 2018
J. Broadbent/5052
jbroadbent@baaqmd.gov

In accordance with Resolution No. 2012-08, the Board of Directors will receive a list of all Notices of Violations issued, and all settlements for amounts in excess of \$10,000 during the month of February 2018.

7. Cooperative Air District Project with the California Air Resources Board (CARB) to Improve West Coast Ozone Boundary Conditions for Regional Air Quality Modeling
J. Broadbent/5052
jbroadbent@baaqmd.gov

Authorize the Executive Officer/APCO to execute a contract with the California Air Resources Board that allows the Air District to recover a portion of the costs associated with a joint evaluation and improvement of ozone boundary conditions in air quality models in California.

8. Projects and Contracts with Proposed Grant Awards Over \$100,000
J. Broadbent/5052
jbroadbent@baaqmd.gov

The Board of Directors will consider approving three projects to replace: two school buses for San Lorenzo Unified School District, fifteen school buses for Antioch Unified School District, and one school bus for San Carlos School District. These projects will be funded by \$2,419,954 in Carl Moyer Program / Mobile Source Incentive Funds. The Air District will continue to accept new applications for other school bus projects in the region and will bring future recommendations to the Mobile Source Committee for consideration.

9. Consider Approving Air District Participation in a Woodstove Changeout Program Administered by the California Air Pollution Control Officers Association
J. Broadbent/5052
jbroadbent@baaqmd.gov

The Board of Directors will consider recommending Board of Directors' approval of the Air District's participation in the woodstove changeout program administered by the California Air Pollution Control Officers Association.

10. Consider Recognizing an EPA Grant Award for \$321,000 and Consider Authorizing the Executive Officer/APCO to Award a Contract and Issue a Purchase Order for Fiscal Year Ending (FYE) 2018, not to exceed \$250,000 to Ramboll Environ, Inc., Pursuant to Administrative Code Division II Fiscal Policies and Procedures, Section 4.3 Contract Limitations, to perform a Community Scale Air Toxics Ambient Monitoring Project in the City of Richmond
J. Broadbent/5052
jbroadbent@baaqmd.gov

The Board of Directors will consider recognizing an EPA Grant Award for \$321,000 and consider authorizing the Executive Officer/APCO to award a contract and issue a Purchase Order for FYE 2018, not to exceed \$250,000 to Ramboll Environ, Inc., Pursuant to Administrative Code Division II Fiscal Policies and Procedures, Section 4.3 Contract Limitations, to perform a Community Scale Air Toxics Ambient Monitoring Project in the City of Richmond.

11. Climate Protection Grant Program

J. Broadbent/5052
jbroadbent@baaqmd.gov

The Board of Directors will consider approval of the Guidelines for the Climate Protection Grant Program established in the Fiscal Year Ending (FYE) 2018 Budget; the Guidelines reflect direction provided by the Climate Protection Committee at their March 15, 2018 meeting.

COMMITTEE REPORTS

12. Report of the **Climate Protection** Meeting of March 15, 2018

CHAIR: T. Barrett

J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee received the following reports:

A) Climate Grant Program

- 1) *The Committee provided direction on the Climate Protection Grant Program Guidelines to be approved by the Board of Directors.*

B) Update on the Air District's Basin-Wide Methane Strategy

- 1) *None; receive and file.*

For the full Committee Agenda packet and materials click on the link below:

www.baaqmd.gov/BODagendas

13. Report of the **Stationary Source** Meeting of March 19, 2018

CHAIR: J. Gioia

J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee did not receive the following reports:

A) Update on the Preliminary Best Available Retrofit Control Technology (BARCT) Evaluation and Identification of Potential Rule Development Projects

- 1) *None; receive and file.*

B) Update on the Air District's Basin-Wide Methane Strategy

- 1) *None; receive and file.*

Action on these items was referred to the next meeting of the Committee.

For the full Committee Agenda packet and materials click on the link below:

www.baaqmd.gov/BODagendas

14. Report of the **Legislative Meeting** of March 22, 2018
CHAIR: D. Hudson

J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee received the following reports:

A) Consideration of New Bills

- 1) *Consider new bills and positions, including: AB 1796 (Muratsuchi) – Addresses EV Charging Station Installation in Rent-Controlled Buildings; Support;*
- 2) *AB 2061 (Frazier) – Increases Truck Weight Limits for Electric, Fuel Cell, or Natural Gas Trucks; Support;*
- 3) *AB 2940 (Caballero) – Exempts Certain Heavy-Duty Diesel Low-Use and Agricultural Vehicles from Existing Requirements that Would Prevent Registration; Oppose;*
- 4) *AB 3059 (Bloom) – Authorizes Congestion Pricing Demonstration Projects; Support;*
- 5) *SB 1144 (Dodd) – Increases Civil Stationary Source Air Penalty Ceilings for Serious Violations at Power Plants, Petrochemical Facilities, and Refineries; There was a consensus of the Committee to Recommend a “Seek Amendments” Position;*
- 6) *SB 1427 (Hill) – States Legislative Intent to Improve Enforcement of HOV and HOT Lanes; Support; and*
- 7) *AB 2336 (Salas) – Moyer Program Spot Bill; Oppose.*

B) Sacramento Update

- 1) *None; receive and file.*

For the full Committee Agenda packet and materials click on the link below:
www.baaqmd.gov/BODagendas

15. Report of the **Executive Committee & Advisory Council Joint Meeting** of March 26, 2018
CHAIR: D. Hudson and BOARD LIAISON: R. Sinks

J. Broadbent/5052
jbroadbent@baaqmd.gov

The Committee received the following reports:

A) Overview of the Air District’s Advisory Council

- 1) *None; receive and file.*

B) Review of Air District Priorities

- 1) *None; receive and file.*

C) Update on Assembly Bill 617 (AB 617)

1) None; receive and file.

For the full Committee Agenda packet and materials click on the link below:

www.baaqmd.gov/BODagendas

16. Report of the **Advisory Council** Meeting of March 26, 2018

BOARD LIAISON: R. Sinks

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Council received the following reports:

A) Particulate Matter in the Bay Area

1) None; receive and file.

B) Advisory Council Next Area of Focus: Continuation of Discussions of Particulate Matter

1) None; receive and file.

For the full Council Agenda packet and materials click on the link below:

www.baaqmd.gov/ADVagendas

17. Report of the **Budget & Finance** Meeting of March 28, 2018

CHAIR: C. Groom

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee received the following reports:

A) Proposed Amendments to Regulation 3: Fees

1) None; receive and file.

B) Discussion of Proposed Budget for Fiscal Year Ending (FYE) 2019

1) The Executive Officer/APCO requests that the Budget and Finance Committee review the Proposed Budget for FYE 2019, and make any recommendations for further discussions to be held during the April 25, 2018 Budget and Finance Committee meeting.

For the full Committee Agenda packet and materials click on the link below:

www.baaqmd.gov/BODagendas

18. Report of the **Public Engagement Committee** Meeting of April 2, 2018

CHAIR: B. Wagenknecht

J. Broadbent/5052

jbroadbent@baaqmd.gov

The Committee will receive the following reports:

A) Approval of a Contract for Spare the Air Advertising and Messaging Campaigns

1) Consider approving a contract for Spare the Air advertising and messaging campaigns.

B) Authorization to Execute Contract Amendments for the Spare the Air Program Website Development

1) Consider recommending authorizing the Executive Officer/APCO to execute contract amendments for the Spare the Air program website development.

C) Selection of a Contractor to Facilitate the Spare the Resource Teams

1) Consider recommending that the Board of Directors authorize the Executive Officer/APCO to execute a contract for the facilitation of the Spare the Air Resource Teams.

D) Accept and Appropriate Funds from Two State Community Climate Investment Grants for Supporting Community Engagement Efforts in Alameda County

1) Receive a presentation regarding two State Climate Investment grant contracts totaling \$279,000.

E) Overview of the Spare the Air Youth for Environmental Sustainability (YES) Conference

1) Receive an update on the February 24, 2018, YES Conference held in partnership with MTC.

F) Overview of Awarded Fiscal Year Ending (FYE) 2019 James Cary Smith Community Grant Projects

1) Receive an update of the awarded new and continuing Community Grants for FYE 2018-2019.

For the full Committee Agenda packet and materials click on the link below:

www.baaqmd.gov/BODAgendas

PUBLIC COMMENT ON NON-AGENDA MATTERS

19. **Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3**

Speakers will be allowed up to three minutes each to address the Board on non-agenda matters.

BOARD MEMBERS' COMMENTS

20. *Any member of the Board, or its staff, on his or her own initiative or in response to questions posed by the public, may: ask a question for clarification, make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov't Code § 54954.2)*

OTHER BUSINESS

21. Report of the Executive Officer/APCO

22. Chairperson's Report

23. Time and Place of Next Meeting:

Wednesday, April 18, 2018, at Beale Street, San Francisco, CA 94105 at 9:30 am.

24. Adjournment

The Board meeting shall be adjourned by the Board Chair.

CONTACT:

ACTING MANAGER, EXECUTIVE OPERATIONS
375 BEALE STREET, SAN FRANCISCO, CA 94105
vjohnson@baaqmd.gov

(415) 749-4941
FAX: (415) 928-8560
BAAQMD homepage:
www.baaqmd.gov

- To submit written comments on an agenda item in advance of the meeting. Please note that all correspondence must be addressed to the “Members of the Board of Directors” and received at least 24 hours prior, excluding weekends and holidays, in order to be presented at that Board meeting. Any correspondence received after that time will be presented to the Board at the following meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- Any writing relating to an open session item on this Agenda that is distributed to all, or a majority of all, members of the body to which this Agenda relates shall be made available at the District’s offices at 375 Beale Street, Suite 600, San Francisco, CA 94105, at the time such writing is made available to all, or a majority of all, members of that body.

Accessibility and Non-Discrimination Policy

The Bay Area Air Quality Management District (Air District) does not discriminate on the basis of race, national origin, ethnic group identification, ancestry, religion, age, sex, sexual orientation, gender identity, gender expression, color, genetic information, medical condition, or mental or physical disability, or any other attribute or belief protected by law.

It is the Air District’s policy to provide fair and equal access to the benefits of a program or activity administered by Air District. The Air District will not tolerate discrimination against any person(s) seeking to participate in, or receive the benefits of, any program or activity offered or conducted by the Air District. Members of the public who believe they or others were unlawfully denied full and equal access to an Air District program or activity may file a discrimination complaint under this policy. This non-discrimination policy also applies to other people or entities affiliated with Air District, including contractors or grantees that the Air District utilizes to provide benefits and services to members of the public.

Auxiliary aids and services including, for example, qualified interpreters and/or listening devices, to individuals who are deaf or hard of hearing, and to other individuals as necessary to ensure effective communication or an equal opportunity to participate fully in the benefits, activities, programs and services will be provided by the Air District in a timely manner and in such a way as to protect the privacy and independence of the individual. Please contact the Non-Discrimination Coordinator identified below at least three days in advance of a meeting so that arrangements can be made accordingly.

If you believe discrimination has occurred with respect to an Air District program or activity, you may contact the Non-Discrimination Coordinator identified below or visit our website at www.baaqmd.gov/accessibility to learn how and where to file a complaint of discrimination.

Questions regarding this Policy should be directed to the Air District’s Non-Discrimination Coordinator, Rex Sanders, at (415) 749-4951 or by email at rsanders@baaqmd.gov.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
375 BEALE STREET, SAN FRANCISCO, CALIFORNIA 94105
FOR QUESTIONS PLEASE CALL (415) 749-4941**

**EXECUTIVE OFFICE:
MONTHLY CALENDAR OF AIR DISTRICT MEETINGS**

APRIL 2018

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Public Engagement Committee <i>(At the Call of the Chair)</i>	Monday	2	9:30 a.m.	1 st Floor Board Room
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	4	9:30 a.m.	1 st Floor Board Room
Board of Directors Ad Hoc Refinery Oversight Committee <i>(At the Call of the Chair)</i>	Monday	9	9:30 a.m.	1 st Floor Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	16	9:30 a.m.	1 st Floor Board Room
Board of Directors Regular Mtg. <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	18	9:30 a.m.	1 st Floor Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	25	9:30 a.m.	1st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	26	9:30 a.m.	1 st Floor Board Room

MAY 2018

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	2	9:30 a.m.	1 st Floor Board Room
Board of Directors Personnel Committee <i>(At the Call of the Chair)</i>	Monday	7	9:30 a.m.	1 st Floor Board Room
Board of Directors Regular Mtg. <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	16	9:30 a.m.	1 st Floor Board Room
Board of Directors Climate Protection Committee <i>(Meets on the 3rd Thursday of every other Month)</i>	Thursday	17	9:30 a.m.	1 st Floor Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	21	9:30 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of every other Month)</i>	Monday	21	10:30 a.m.	1 st Floor Board Room

MAY 2018

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	23	9:30 a.m.	1st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	24	9:30 a.m.	1 st Floor Board Room

JUNE 2018

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	6	9:30 a.m.	1 st Floor Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	18	9:30 a.m.	1 st Floor Board Room
Board of Directors Regular Mtg. <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	20	9:30 a.m.	1 st Floor Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	27	9:30 a.m.	1st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	28	9:30 a.m.	1 st Floor Board Room
HL – 03/29/18 – 9:50 a.m.				G/Board/Executive Office/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 23, 2018

Re: Minutes of the Board of Directors Regular Meeting of March 7, 2018

RECOMMENDED ACTION

Approve the attached draft minutes of the Board of Directors Regular Meeting of March 7, 2018.

DISCUSSION

Attached for your review and approval are the draft minutes of the Board of Directors Regular Meeting of March 7, 2018.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

Attachment 3A: Draft Minutes of the Board of Directors Regular Meeting of March 7, 2018

AGENDA 3A – ATTACHMENT

Draft Minutes - Board of Directors Regular Meeting of March 7, 2018

Bay Area Air Quality Management District
375 Beale Street, Suite 600
San Francisco, CA 4105
(415) 749-5073

Board of Directors Regular Meeting
Wednesday, March 7, 2018

DRAFT MINUTES

Note: Audio recordings of the meeting are available on the website of the Bay Area Air Quality Management District at www.baaqmd.gov/BODagendas

CALL TO ORDER

1. **Opening Comments:** Board Chairperson, David Hudson, called the meeting to order 9:47 a.m.

Roll Call:

Present: Chairperson David Hudson; Vice Chair Katie Rice; and Directors Teresa Barrett, David J. Canepa, Cindy Chavez, John Gioia, Scott Haggerty, Tyrone Jue, Rebecca Kaplan, Doug Kim, Liz Kniss, Nate Miley, Karen Mitchoff, Hilary Ronen, Mark Ross, Jim Spring, and Shirlee Zane.

Absent: Secretary Rod Sinks; and Directors Margaret Abe-Koga, Pauline Russo Cutter, Carole Groom, Pete Sanchez, Jeff Sheehy, and Brad Wagenknecht.

CONSENT CALENDAR (ITEMS 2-6)

2. Minutes of the Regular Board of Directors Meeting of February 21, 2018
3. Board Communications Received from February 21, 2018 through March 6, 2018
4. Consider Adopting Amendments to the Air District's Administrative Code Division I: Operating Policies and Procedures, Section 1: Board of Directors, Meetings, Section 1.1: Meeting Dates, Section 1: Board of Directors, Meetings, Section 1.2A: Compensation – Meeting Attendance, and Section 6: Board of Directors, Committees, Section 6.2: Standing Committees.
5. Consider Recognizing an EPA Grant Award for \$321,000 and Consider Authorizing the Executive Officer/APCO to Award a Contract and Issue a Purchase Order for Fiscal Year Ending (FYE) 2018, not to Exceed \$250,000 to Ramboll Environ, Inc., Pursuant to Administrative Code Division II Fiscal Policies and Procedures, Section 4.3 Contract Limitations, to Perform Community Scale Air Toxics Ambient Monitoring Project in the City of Richmond.
6. Referral of Proposed Budget for Fiscal Year Ending (FYE) 2019 to the Budget & Finance Committee.

Public Comments:

No requests received.

Board Comments:

None.

Board Action:

Director Spering made a motion, seconded by Director Mitchoff, to **approve** the Consent Calendar Items 2 through 6, inclusive; and the motion **carried** by the following vote of the Board:

AYES: Barrett, Canepa, Chavez, Gioia, Hudson, Jue, Kaplan, Kim, Kniss, Mitchoff, Rice, Spering, and Zane.
NOES: None.
ABSTAIN: None.
ABSENT: Abe-Koga, Cutter, Groom, Haggerty, Miley, Ronen, Ross, Sanchez, Sheehy, Sinks, and Wagenknecht.

COMMITTEE REPORTS

7. Report of the **Mobile Source Committee** Meeting of February 22, 2018

Mobile Source Committee Vice Chair, Director David Canepa, read the following Committee report:

The Committee met on Thursday, February 22, 2018, and approved the minutes of January 25, 2018.

The Committee reviewed and discussed the staff presentation Projects and Contracts with Proposed Grant Awards Over \$100,000. The Committee recommends the Board:

- 1. Approve Carl Moyer Program with proposed grant awards over \$100,000 as shown in Attachment 1; and*
- 2. Authorize the Executive Officer/Air Pollution Control Officer (APCO) to enter into all necessary grant agreements for the recommended projects.*

The Committee then reviewed and discussed the staff presentation Update on the Air District's Light-Duty Electric Vehicle Program.

Finally, the Committee reviewed and discussed the staff presentation Air District Grant Programs Overview.

The next meeting of the Mobile Source Committee will be held at the call of the Chair. I move that the Board approve the Mobile Source Committee's recommendations. This concludes the Chair Report of the Mobile Source Committee.

Public Comments:

No requests received.

Board Comments:

The Board and staff discussed how the District plans to assess the geographical needs for electric vehicle quick-charging infrastructure in the Bay Area.

Board Action:

Director Canepa made a motion, seconded by Director Gioia, to **approve** the recommendations of the Mobile Source Committee; and the motion **carried** by the following vote of the Board:

AYES: Barrett, Canepa, Chavez, Gioia, Hudson, Jue, Kaplan, Kim, Kniss, Mitchoff, Rice, Spering, and Zane.
NOES: None.
ABSTAIN: None.
ABSENT: Abe-Koga, Cutter, Groom, Haggerty, Miley, Ronen, Ross, Sanchez, Sheehy, Sinks, and Wagenknecht.

8. Report of the **Legislative Committee** Meeting of February 22, 2018

Legislative Committee Vice Chair, Director Doug Kim, read the following Committee report:

The Legislative Committee met on Thursday, February 22, 2018, and approved the minutes of May 11, 2017.

The Committee discussed a potential 2018 legislative agenda, and recommends that the Board of Directors considers a legislative agenda for 2018 that focuses on securing state budget funding to cover the costs of the work that the Air District has been assigned under Assembly Bill (AB) 617.

The Committee then considered new bills and recommends that the Board of Directors take the following positions:

- *SUPPORT IF AMENDED for Assembly Bill 1975 (Chu), which establishes the South Bay Interagency Odor Taskforce;*
- *SUPPORT for Assembly Bill 2008 (Salas), which excludes Carl Moyer grants from taxable income; and*
- *Upon discussion, there was a consensus of the Committee to recommend the OPPOSITION of Assembly Bill 1756 (Brough), which repeals Senate Bill 1 (transportation funding measure of 2017.)*

Staff brought several other issues to the Committee for its consideration, and the Committee recommends that the Board of Directors take the following positions:

- *OPPOSITION to new and/or potential bills that use CalEnviroScreen as a funding allocation mechanism;*
- *OPPOSITION to any legislation regarding the composition of this Air District's Board of Directors that does not originate with the Board, but is instead proposed by others; and*

- *OPPOSITION to budgetary proposals, initiated by the Department of Finance, to transfer fees (\$34 million annually) assessed on purchasers of new tires in the State of California, from the Carl Moyer program, to the Department of Fish and Wildlife.*

The next meeting of the Legislative Committee will be held on Thursday, March 22, 2018, at 9:30 a.m., at the Bay Area Air Quality Management District office, 375 Beale Street, San Francisco, CA, 94105. I move that the Board approve the Committee's recommendations. This concludes the Chair's report of the Legislative Committee.

Public Comments:

No requests received.

Board Comments:

The Board and staff discussed the need for revisions to the CalEnviroScreen formula; and the need for a point District staff person that Board members can talk to regarding legislation on the composition of this Air District's Board of Directors that does not originate with the Board.

Board Action:

Director Kim made a motion, seconded by Director Kniss, to **approve** the recommendations of the Legislative Committee; and the motion **carried** by the following vote of the Board:

AYES: Barrett, Canepa, Chavez, Gioia, Hudson, Jue, Kaplan, Kim, Kniss, Mitchoff, Rice, Spering, and Zane.
NOES: None.
ABSTAIN: None.
ABSENT: Abe-Koga, Cutter, Groom, Haggerty, Miley, Ronen, Ross, Sanchez, Sheehy, Sinks, and Wagenknecht.

9. Report of the **Budget and Finance Committee** Meeting of February 28, 2018

Budget and Finance Committee Vice Chair, Director Karen Mitchoff, read the following Committee report:

The Committee met on Wednesday, February 28, 2018, and approved the minutes of January 24, 2018.

The Committee reviewed and discussed the presentation Overview of Cost Recovery and Cost Containment Study.

Finally, the Committee reviewed and discussed the staff presentation Air District Overview: Anticipated Challenges in the Fiscal Year Ending 2019 Budget.

The next meeting of the Budget and Finance Committee will be held on Wednesday, March 28, 2018, at 9:30 a.m., at the Bay Area Air Quality Management District office, 375 Beale Street, San Francisco, CA 94105. This concludes the Chair Report of the Budget and Finance Committee.

NOTED PRESENT: Director Ronen was noted present at 9:56 a.m.; Director Ross was noted present at 10:00 a.m.

Dr. Jeff McKay, Chief Financial Officer, gave the staff presentation *Air District Financial Overview: Anticipated Challenges in the Fiscal Year Ending (FYE) 2019 Budget*, including: topics; new and enhanced programs - resulting General Fund expenses; fees - summary; California Public Employees' Retirement System (CalPERS) discretionary funding - current status and recommendation; other post-employment benefits (OPEB) discretionary funding - current status and recommendation; medical retirement; and summary.

Public Comments:

Public comments were given by Kevin Buchan, Western States Petroleum Association.

Board Comments:

The Board and staff discussed the request that PowerPoint presentations related to items on the agenda be hyperlinked and embedded in the electronic packet distribution so that the Board members (and public) can refer to them prior to the meetings; the anticipated FYE 2019 Budget adoption schedule; the request for a discussion on the District's Reserve Policy; whether there is an air district industry standard cost recovery threshold; the request for the comparison of District cost recovery and actual costs; District efforts to procure ongoing funding from the California Air Resources Board for AB 617 implementation; the request that staff keep the Board updated on the District's CalPERS discretionary funding policy and development of a target date, and the request for a comprehensive workshop or study on this issue; and the regulated community's desire to ensure that District staff is accurately calculating billable hours and fee rates.

Board Action:

None; receive and file.

10. Report of the **Technology Implementation Office (TIO) Steering Committee** Meeting of March 2, 2018

TIO Steering Committee Chair, Director Cindy Chavez, reported: all but one of the TIO Steering Committee members were present at the first meeting on March 2, 2018; District staff did presented overviews of the Air District's history and the development of the TIO; incentives that are currently offered by the District; the Committee members gave feedback on how they felt best to prioritize investments; there is a need for refinement of the discussion questions from District staff to the Committee members, in order to keep meetings under two hours; and staff will organize informational session in which focus groups (including TIO Steering Committee members) can discuss investment strategies.

Public Comments:

No requests received.

Board Comments:

The Board and staff discussed the request that TIO staff be officially introduced to the Board, as new staff members have recently been hired in that office; and the suggestion that language pertaining to trust/estate law be added to the website for those who are trying to settle their deceased parents' affairs, specifically, relinquish/dispose of their vehicles properly.

NOTED PRESENT: Director Miley was noted present at 10:34 a.m.

Board Action:

None; receive and file.

PRESENTATION

11. 2017-2018 Winter Spare the Air (WSTA) Program Overview

Jack Broadbent, Executive Officer/APCO, introduced Wayne Kino, Deputy APCO of Operations, who gave the staff presentation *2017-2018 Winter Spare the Air Program Overview*, including: outline; winter particulate matter (PM)_{2.5} seasons; less rainfall means more PM pollution; highest air quality readings; wood smoke enforcement; enforcement information; advertising; media; outreach results; winter 2017/2018 Wood Smoke Reduction Incentive Program information; and summary and next steps.

Public Comments:

Public comments were given by Tony Fisher, Coalition for Clean Air.

Board Comments:

The Board and staff discussed the comparison of the frequency of PM excesses and violations between 2017 and prior years, and the opinion that additional funds should be allocated to enhance the efforts of District Compliance and Enforcement staff; wood smoke enforcement exemptions; how the wood smoke from Southern California fires in 2017 affected the Bay Area; whether the District's wood smoke incentives overlap with Federal incentives (certified devices); the suggestion that the District reaches out to the 64 addresses with multiple complaints from the 2017 WTSA season to let them know of the District's incentive programs and STA program; the current funding status of the District's Wood Smoke Reduction Incentive Program (WSRIP), the suggestion that this program be changed to offer year-round funding, the need to identify additional funding sources for this program, and the request for data from the previous WSRIP funding cycle, showing how funds were distributed, which applicants were not approved, and which were repeat applicants; whether the District has relationships with fire log/wood retailers; concerns that WSTA advertisements are not located in areas that are generating wood smoke complaints; the suggestion of wrapping busses and shuttles with WSTA advertisements, in addition to summer STA advertisements; the effectiveness of repetition of advertising; the reiteration that the District should consider pushing the transition from natural gas incentives to electric incentives; the District's position on prescribed burning, and whether legislation to curtail such activity is needed; and the suggestion that the prohibition of wood burning be extended from the WSTA Program past February into a year-long program, and how staff will bring WTSA data to the next Stationary Source Committee, where the prospect of expanding the program will be discussed.

PUBLIC COMMENT ON NON - AGENDA ITEMS

12. Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3

No requests received.

BOARD MEMBERS' COMMENTS

13. Board Members' Comments

Regarding the District's violation settlement with Tesla at the beginning of March 2018, Director Gioia stated that he wished to agendize at the next Stationary Source Committee meeting the topic of creating a community fund that would serve and benefit areas affected by facility violations. Director Haggerty expressed his concern that the settlement (9-kilowatt photovoltaic rooftop solar power system) benefitted the City of San Jose, outside of Alameda County, in which the violation occurred.

Chair Hudson announced that the Easy Mile autonomous shuttle technology currently testing at Bishop Ranch in San Ramon will advance to the next stage of research and commence testing on public roads, as the first shared autonomous vehicle to begin testing on public roads in California.

Director Kniss stated that she enjoyed not having to discuss refinery regulatory authority at this meeting, as she feels that refinery discussions exclude Board members who do not have refineries in their communities.

Director Kaplan expressed her desire to see Board members share ideas (ordinances and programs that reduce the carbon footprint and air pollution) such as the City of Oakland's Plug-In Electric Vehicle Infrastructure Ordinance and the City's potential ballot measure that would tax transportation network company vehicles per trip. Director Kaplan also requested:

- information on any driving directions apps that may exist, geared toward carpools.
- that the Board and staff considers reactivating the District's Ad Hoc Committee on Port Emissions.
- a heavy-duty truck buyback program at the District.

OTHER BUSINESS

14. Report of the Executive Officer/APCO

Mr. Broadbent announced the District's open recruitment for two Advisory Council positions, and asked for the Board's consensus to reappoint the five Advisory Council members that are currently serving, which the Board gave. He also announced that the Executive Committee and Advisory Council will be having a joint meeting on March 26 at 9:30 a.m.

Mr. Broadbent introduced Greg Nudd, Deputy APCO of Policy, who gave the staff presentation *AB 617 Protecting Community Health*, including: AB 617 status; upcoming California Air Resources Board deadlines; potential AB 617 communities; goals of 2018 community outreach; and initial outreach plan. The Board and staff discussed the schedule of initial outreach plan meetings.

Finally, Mr. Broadbent announced the promotion of former Air Quality Program Manager, Jeff Gove, who is now the Director of Compliance and Enforcement.

15. Chairperson's Report

Chair Hudson announced the following:

- He spoke at the District/Metropolitan Transportation Commission's joint "Youth for the Environment and Sustainability Conference" on February 24 in Oakland.
- The Air and Waste Management Association will host its 111th Annual Conference from June 25-28 in Hartford, Connecticut; Board members who are interested need to contact Vanessa Johnson by March 30, 2018.
- The 4th Annual "Redefining Mobility Summit" will take place on March 29 in San Ramon; Board members who are interested should contact Vanessa Johnson for tickets.
- The Board's adoption of Amendments to the Air District's Administrative Code means that there will now be 11 voting members on Committees instead of 9, and Board meetings will now begin at 9:30 a.m.

16. Time and Place of Next Meeting

The next Board of Directors meeting will take place not on March 21, as originally scheduled, but on Wednesday, April 4, 2018, at 375 Beale Street, San Francisco, CA 94109 at 9:30 a.m.

17. Adjournment

The meeting adjourned at 11:55 a.m.

Marcy Hiratzka
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 23, 2018

Re: Board Communications Received from March 7, 2018 through April 3, 2018

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

Copies of communications directed to the Board of Directors received by the Air District from March 7, 2018, through April 3, 2018, if any, will be at each Board Member's place at the April 4, 2018, Board meeting.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marjorie Villanueva

Reviewed by: Vanessa Johnson

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 23, 2018

Re: Air District Personnel on Out-of-State Business Travel

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

In accordance with Section 5.4 (b) of the Air District's Administrative Code, Fiscal Policies and Procedures Section, the Board is hereby notified of District personnel who have traveled on out-of-state business.

The report covers the out-of-state business travel for the month of February 2018. The monthly out-of-state business travel report is presented in the month following travel completion.

DISCUSSION

The following out-of-state business travel activities occurred in the month of February 2018:

- Henry Hilken, Director of Planning and Research, Presented at the 2018 Air Quality and Health Workshop, Vancouver, British Columbia, Canada, February 3, 2018 through February 6, 2018.
- Eric Stevenson, Director of Meteorology, Measurement and Rules, attended the National Association of Clean Air Agencies Monitoring Steering Committee Meeting, Washington, District of Columbia, February 26, 2018 through February 28, 2018.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Stephanie Osaze
Reviewed by: Jeff McKay

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 23, 2018

Re: Notices of Violations Issued and Settlements in Excess of \$10,000 February 2018

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

In accordance with Resolution No. 2012-08, attached to this Memorandum is a listing of all Notices of Violations issued, and all settlements for amounts in excess of \$10,000 during the calendar month prior to this report.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The amounts of civil penalties collected are included in the Air District's general fund budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Brian C. Bunger

Attachment 6A: Notices of Violations for the Month of February 2018

AGENDA 6A - ATTACHMENT

NOTICES OF VIOLATION ISSUED

The following Notice(s) of Violations were issued in February 2018:

Alameda						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Livermore Gas	Z3480	Livermore	A57854A	2/15/18	2-1-302	Expired P/O

Contra Costa						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Chevron Products Company	A0010	Richmond	A57543A	2/26/18	2-6-307	Loss of WGC @ FCC; RCA 07A93
Chevron Products Company	A0010	Richmond	A57543B	2/26/18	6-1-302	Loss of WGC @ FCC; RCA 07A93
Chevron Products Company	A0010	Richmond	A57544A	2/26/18	8-10-501	Failed to monitor for 3rd day during PVD; Dev# 4339
Chevron Products Company	A0010	Richmond	A57545A	2/26/18	8-10-302.2	Opened vessel to atm w/o proper monitoring; Dev# 4363
Chevron Products Company	A0010	Richmond	A57545B	2/26/18	8-10-501	Opened vessel to atm w/o proper monitoring; Dev# 4363
Chevron Products Company	A0010	Richmond	A57546A	2/26/18	2-6-307	Failed to notify of shutdown as required Std. Cond. J(3); Dev# 4496
Chevron Products Company	A0010	Richmond	A57547A	2/26/18	10	flaring w/o scrubbing of H2S; 40 CFR 60.104(a)(1); Dev# 4219
City of Pleasant Hill	Z3482	Pleasant Hill	A57914A	2/21/18	2-1-307	Annual throughput exceedance 2015-2017

AGENDA 6A - ATTACHMENT

Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A57708A	2/23/18	10	Three open-ended lines discovered.
Phillips 66 Company - San Francisco Refinery	A0016	Rodeo	A57709A	2/23/18	10	40CFR60.482-7(a)(1) and 40CFR60.482-2(a)(1)
Shell Martinez Refinery	A0011	Martinez	A57588A	2/1/18	10	Episode 07E63 40CFR60.104(a)(1) > 162ppm/3 hrs H2S
Shell Martinez Refinery	A0011	Martinez	A57589A	2/1/18	2-6-307	PC#12271 Part 15 >50ppm/24 hr H2S
Shell Martinez Refinery	A0011	Martinez	A57589B	2/1/18	10	Episode 07E64 40CFR60.104(a)(1)>162ppm/3hrs H2S
Sims Metal Management	E3822	Richmond	A56495A	2/5/18	1-301	Public Nuisance
Sims Metal Management	E3822	Richmond	A56495B	2/5/18	5-301	Illegal Fire
West County Wastewater District	Z3462	Richmond	A57912A	2/8/18	2-1-307	Failure to conduct annual static pressure testing

Marin						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
Signature Painting & Construction	Z3476	Novato	A57450A	2/21/18	11-2-303.8	No survey, no notification for demolition
Signature Painting & Construction	Z3476	Novato	A57450B	2/21/18	11-2-401.3	No survey, no notification for demolition

AGENDA 6A - ATTACHMENT

San Mateo						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
State Parks and Recreation	Z3463	Half Moon Bay	A57738A	2/7/18	2-1-307	No 2017 Static Pressure ST

Santa Clara						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
City of Sunnyvale Water Pollution Control	A0733	Sunnyvale	A55662A	2/21/18	2-1-320	Not in compliance with P/O
Greenwaste Recovery Inc	B1802	San Jose	A55712A	2/15/18	2-1-307	Cond-15801.1 Exceede daily throughput limits
Olympus America, Inc	B1193	San Jose	A55711A	2/5/18	2-1-307	Cond # 14447.1 Exceeded throughput limit
Precast Only	E2517	Morgan Hill	A57504A	2/20/18	2-1-302	Expired PO
Signature Flight Support	E2691	Santa Clara	A57218A	2/22/18	2-1-307	Cond. 25946.7 – missing ST-3

District Wide						
Site Name	Site #	City	NOV #	Issuance Date	Regulation	Comments
P.W. Stephens Environmental Inc. - V8638	Y5917	Fresno	A57465A	2/1/18	11-2-303.6	No viewport

SETTLEMENTS FOR \$10,000 OR MORE REACHED

There were 4 settlement(s) for \$10,000 or more completed in February 2018.

- 1) On February 7, 2018, the District reached settlement with Crockett Cogeneration for \$15,000, regarding the allegations contained in the following 1 Notice of Violation:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A56913A	9/11/17	7/28/17	2-6-307	Ammonia excess at parametric monitor > P/C 14970 Subpart 17f20ppm limit

- 2) On February 7, 2018, the District reached settlement with John R. Galbraith and Alrob Building Services for \$20,000, regarding the allegations contained in the following 3 Notices of Violation:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A55979A	6/28/16		11-2-401.3	No notification.
A55980A	6/28/16	6/22/16	11-2-303	Demolition, Renovation and Removal; 303.3, 303.6, 303.7, 303.8, 303.9
A55980B	6/28/16	6/22/16	11-2-304	Waste Disposal; 304.1, 304.3 & 304.6
A55985A	7/18/16	6/30/16	11-2-502	Info on Haz Manifest

- 3) On February 27, 2018, the District reached settlement with Potrero Hills Energy Producers, LLC for \$15,000, regarding the allegations contained in the following 5 Notices of Violation:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A56056A	12/15/16	4/15/16	2-1-307	Outside S.T. # NTV-1854
A56057A	12/15/16	4/14/16	2-1-307	Outside S.T. # NTV-1855
A56058A	12/15/16	4/14/16	2-1-307	Outside S.T. # NTV-1856
A56059A	12/15/16	4/13/16	2-1-307	Outside S.T. NTV-1857
A56060A	12/15/16	4/13/16	2-1-307	Outside S.T. NTV-1858

AGENDA 6A - ATTACHMENT

4) On February 27, 2018, the District reached settlement with Tesla Motors, Inc. for \$139,500, regarding the allegations contained in the following 4 Notices of Violation:

NOV #	Issuance Date	Occurrence Date	Regulation	Comments from Enforcement
A53210A	11/13/14	10/17/13	2-6-307	Source Test OS-4880, excess NOx emissions
A53211A	11/13/14	10/15/13	2-6-307	Source Test OS-4877, NOx >.1 lbs
A53212A	11/13/14	10/15/13	2-6-307	SourceTest OS-4876, excess NOx >.1 lbs
A53213A	11/13/14	10/15/13	2-6-307	ST # OS-4875, excess NOx >.1 lbs

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 23, 2018

Re: Cooperative Air District Project with the California Air Resources Board (CARB) to
Improve West Coast Ozone Boundary Conditions for Regional Air Quality Modeling

RECOMMENDED ACTION

Recommend the Board of Directors:

1. Authorize the Executive Officer/APCO to execute a contract with the California Air Resources Board (CARB), that allows the Air District to recover costs associated with the improvement of West Coast ozone boundary conditions for regional air quality modeling.

BACKGROUND

The air quality models used for regional ozone simulations require the characterization of ozone concentrations along the boundaries of the modeling domain, which often extend over the Pacific Ocean for west coast applications. These boundary conditions are typically defined using global models that often overestimate ozone concentrations in the western U.S. To support air quality management planning, reducing the uncertainty of ozone boundary conditions is a critical part of improving the accuracy of ozone simulations and understanding the contribution of locally-generated versus transported ozone to regional concentrations.

This joint project between the Air District and CARB will focus on comparing global model outputs to data routinely collected at rural coastal air monitoring sites, as well as during the 2016 California Baseline Ozone Transport Study (CABOTS). Based on an analysis of modeled and observed ozone concentrations, the project team will develop a tool that improves global model outputs, resulting in improved characterization of regional ozone boundary conditions along the U.S. west coast. This effort will benefit air quality model applications in the Bay Area and across California, supporting both regulatory and research-oriented projects. The Air District has a \$45,000 contract with Ramboll US Corporation to support this project; because CARB will cooperate with the study and benefit from its results, CARB will contribute \$15,000 toward the project budget.

CARB has requested this authorization, to fulfill Section 3.05 of the State contract manual (CONTRACTS with LOCAL GOVERNMENTS), which states that “When one of the contracting parties is a county, city, district, or other local public body, the contract shall be accompanied by a copy of the resolution, order, motion, ordinance or other similar document from the local governing body authorizing execution of the agreement.”

BUDGET CONSIDERATION/FINANCIAL IMPACT

Air District resources for this project (\$30,000), are included in the Fiscal Year Ending 2018 budget. An additional \$15,000 will be provided by CARB.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Saffet Tanrikulu
Reviewed by: Henry Hilken

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 23, 2018

Re: Projects and Contracts with Proposed Grant Awards Over \$100,000

RECOMMENDED ACTION

Recommend the Board of Directors:

1. Approve Carl Moyer Program projects with proposed grant awards over \$100,000; and
2. Authorize the Executive Officer/APCO to enter into all necessary agreements with applicants for the recommended projects.

BACKGROUND

The Bay Area Air Quality Management District (Air District) has participated in the Carl Moyer Program (CMP), in cooperation with the California Air Resources Board (ARB), since the program began in fiscal year 1998-1999. The CMP provides grants to public and private entities to reduce emissions of oxides of nitrogen (NOx), reactive organic gases (ROG) and particulate matter (PM) from existing heavy-duty engines by either replacing or retrofitting them. Eligible heavy-duty diesel engine applications include on-road trucks and buses, off-road equipment, marine vessels, locomotives, and stationary agricultural pump engines.

Assembly Bill 923 (AB 923 - Firebaugh), enacted in 2004 (codified as Health and Safety Code Section 44225), authorized local air districts to increase their motor vehicle registration surcharge up to an additional \$2 per vehicle. The revenues from the additional \$2 surcharge are deposited in the Air District's Mobile Source Incentive Fund (MSIF). AB 923 stipulates that air districts may use the revenues generated by the additional \$2 surcharge for projects eligible under the CMP.

On March 1, 2017, the Board of Directors (Board) authorized Air District participation in Year 19 of the CMP, and authorized the Executive Officer/APCO to execute Grant Agreements and amendments for projects funded with CMP funds or MSIF revenues, with individual grant award amounts up to \$100,000. CMP projects with grant award amounts over \$100,000 are typically brought to the Mobile Source Committee for consideration at least on a quarterly basis.

DISCUSSION

The Air District started accepting project applications for the CMP Year 19 funding cycle on October 12, 2017. The Air District had more than \$16 million available for CMP school bus projects from a combination of MSIF and CMP funds for the Year 19 cycle. Project applications are accepted and evaluated on a first-come, first-served basis.

As of March 19, 2018, the Air District had received 139 project applications for the CMP Year 19 cycle. Of the school bus applications that have been evaluated between February 1, 2018 and March 19, 2018, three eligible projects have proposed individual grant awards over \$100,000. These projects will replace 18 school buses, and reduce over 1.65 tons of NOx, ROG and PM per year. Staff recommends the allocation of \$2,419,954 for these projects from a combination of CMP funds and MSIF revenues. Table 1, provides additional information on these projects.

Table 1: Summary of CMP/ MSIF school bus projects with grant awards greater than \$100k (Evaluated between 2/1/18 and 3/19/18)

Project #	Applicant name	Project description	Proposed contract award	Emission Reductions (Tons per year)			County
				NOx	ROG	PM	
19SBP96	San Lorenzo Unified School District	Replacement of two diesel school buses	\$ 264,500.00	0.132	0.010	0.000	Alameda
19SBP58	Antioch Unified School District	Replacement of fifteen diesel school buses	\$ 2,017,609.00	1.302	0.105	0.000	Contra Costa
19SBP79	San Carlos School District	Replacement of one diesel school bus	\$ 137,845.00	0.098	0.008	0.000	San Mateo
3 projects			\$ 2,419,954.00	1.531	0.122	0.000	

Attachment 1, lists all of the eligible Year 19 projects that have been received by the Air District as of March 19, 2018, and summarizes the allocation of funding by equipment category, and county. Approximately 77% of the funds have been awarded to projects that reduce emissions in highly impacted Bay Area communities.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None. Through the CMP and MSIF the Air District distributes “pass-through” funds to public agencies and private entities on a reimbursement basis. Administrative costs for these programs are provided by each funding source.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Anthony Fournier
Reviewed by: Karen Schkolnick

Attachment 8A: Summary of all Year 19 CMP and MSIF approved/eligible projects

Summary of all Yr 19 CMP and MSIF approved/ eligible projects (between 10/12/17 and 3/19/18)

Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	Emission Reductions (Tons per year)			Board approval date	County
						NOx	ROG	PM		
19MOY13	Ag/ off-road	Equipment replacement	1	\$ 51,224.00	Michael Viratos (Viratos Vineyards)	0.102	0.016	0.011	APCO	Solano
19MOY21	On-road	Equipment replacement	1	\$ 40,000.00	Allied Materials, Inc	0.751	0.109	0.008	APCO	Solano
19MOY16	Ag/ off-road	Equipment replacement	1	\$ 144,055.00	Achadinha Cheese, Inc.	1.189	0.114	0.062	12/20/2017	Sonoma
19MOY38	Locomotive	Equipment replacement	1	\$ 1,080,500.00	Oakland Global Rail Enterprise	1.801	0.108	0.042	12/20/2017	Alameda
19MOY20	Ag/ off-road	Equipment replacement	1	\$ 43,800.00	Bains Farms LLC	0.353	0.054	0.031	APCO	Solano
19MOY25	Ag/ off-road	Equipment replacement	1	\$ 45,200.00	Donald Buhman (Farmer)	0.091	0.015	0.010	APCO	Napa
19MOY24	Off-road	Equipment replacement	1	\$ 66,775.00	Dolan's Lumber of Concord	0.403	0.058	0.033	APCO	Contra Costa
19MOY14	On-road	Equipment replacement	1	\$ 60,000.00	Simon Chuong dba Simon Trucking	1.126	0.170	0.008	APCO	Santa Clara
19MOY2	Marine	Engine replacement	1	\$ 94,000.00	Lovely Martha Sportfishing	0.291	-0.009	0.018	APCO	San Francisco
19MOY10	Marine	Engine replacement	2	\$ 134,800.00	El Dorado Deep Sea Adventure	1.513	-0.022	0.060	12/20/2017	Contra Costa
19MOY15	Marine	Engine replacement	1	\$ 114,000.00	F/V Rose Marie Inc. (Commercial fishing)	0.254	-0.003	0.014	12/20/2017	San Francisco
19MOY1	Marine	Engine replacement	2	\$ 735,000.00	Amnav Maritime Corporation (Vessel: Sandra Hugh)	14.327	0.095	0.591	12/20/2017	Alameda
19SBP49	School bus	School bus replacement	4	\$ 496,459.22	San Jose Unified School District	0.480	0.047	0.000	12/20/2017	Santa Clara
19MOY4	Marine	Engine replacement	2	\$ 735,000.00	Amnav Maritime Corporation (Vessel: Revolution)	14.327	0.095	0.591	12/20/2017	Alameda
19MOY11	Ag/ off-road	Equipment replacement	1	\$ 41,110.00	Bob Balestra (Vineyard)	0.138	0.021	0.012	APCO	Solano
19MOY6	On-road	Equipment replacement	1	\$ 50,000.00	J&G Transportaion	1.058	0.159	0.055	APCO	Alameda
19MOY35	On-road	Equipment replacement	1	\$ 40,000.00	Manuel Portela Trucking	0.635	0.073	0.028	APCO	Santa Clara

AGENDA 8A - ATTACHMENT

Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	Emission Reductions (Tons per year)			Board approval date	County
						NOx	ROG	PM		
19MOY28	Ag/ off-road	Equipment replacement	1	\$ 27,885.00	Scott T Murphy (Ranch/ farmer)	0.037	0.034	0.009	APCO	Sonoma
19MOY44	Ag/ off-road	Equipment replacement	2	\$ 62,800.00	Willowbrook Stables LLC	0.039	0.034	0.011	APCO	Sonoma
19MOY43	On-road	Equipment replacement	1	\$ 60,000.00	Khaira Trucking, LLC	1.297	0.196	0.000	APCO	Alameda
19MOY22	Marine	Engine replacement	1	\$ 59,000.00	Flash Sport Fishing, DBA, Flash Sport Fishing	0.176	0.001	0.009	APCO	San Francisco
19MOY19	On-road	Equipment replacement	1	\$ 60,000.00	G & C Trucking	1.032	0.138	0.045	APCO	Solano
19MOY39	Ag/ off-road	Equipment replacement	1	\$ 20,270.00	Cabrillo Farms Agriculture, Inc	0.096	0.015	0.008	APCO	San Mateo
19MOY67	On-road	Equipment replacement	1	\$ 60,000.00	Pawar Brothers Trucking	1.455	0.220	0.011	APCO	Santa Clara
19MOY36	On-road	Equipment replacement	1	\$ 20,000.00	Guru Nanak Trucking	1.028	0.155	0.008	APCO	Alameda
19MOY70	On-road	Equipment replacement	1	\$ 60,000.00	E.P.A Trucking LLC	0.894	0.119	0.039	APCO	San Mateo
19MOY48	Ag/ off-road	Equipment replacement	1	\$ 56,100.00	Corona Vineyard Management LLC	0.056	0.010	0.007	APCO	Napa
19MOY42	Ag/ off-road	Equipment replacement	1	\$ 51,700.00	Bains Farms LLC	0.335	0.044	0.025	APCO	Solano
19MOY47	Ag/ off-road	Equipment replacement	1	\$ 247,240.00	William Y. Gil dba Grass Farm	1.041	0.050	0.026	2/21/2018	Santa Clara
19MOY7	Marine	Engine replacement	2	\$ 140,000.00	Warrior Poet Sportfishing	0.679	0.011	0.026	2/21/2018	San Francisco
19MOY72	Off-road	Engine replacement	26	\$ 2,084,200.00	Independent Construction, Co.	9.410	0.499	0.269	2/21/2018	Contra Costa
19SBP53	School bus	School bus replacement	4	\$ 558,120.00	Fairfield-Suisun Unified School District	0.259	0.019	0.000	2/21/2018	Solano
19MOY59	Ag/ off-road	Equipment replacement	1	\$ 179,200.00	Kabeela, Inc.	0.625	0.060	0.033	2/21/2018	Santa Clara
19SBP8	School bus	School bus replacement	2	\$ 330,000.00	San Mateo Union High School District	0.195	0.017	0.000	3/7/2018	San Mateo

AGENDA 8A - ATTACHMENT

Project #	Equipment category	Project type	# of engines	Proposed contract award	Applicant name	Emission Reductions (Tons per year)			Board approval date	County
						NOx	ROG	PM		
19SBP86	School bus	School bus replacement	1	\$ 165,000.00	San Lorenzo Unified School District	0.082	0.007	0.000	3/7/2018	Alameda
19MOY83	On-road	Equipment replacement	1	\$ 40,000.00	Katakis Trucking	0.769	0.101	0.005	APCO	San Mateo
19SBP96	School bus	School bus replacement	2	\$ 264,500.00	San Lorenzo Unified School District	0.132	0.010	0.000	TBD	Alameda
19SBP58	School bus	School bus replacement	15	\$ 2,018,169.00	Antioch Unified School District	1.302	0.105	0.000	TBD	Contra Costa
19MOY78	Ag/ off-road	Equipment replacement	1	\$ 50,000.00	W. Hogue Vineyards, dba The Terraces	0.056	0.004	0.006	APCO	Napa
19MOY90	Ag/ off-road	Equipment replacement	2	\$ 77,700.00	Garvey Vineyard Management LLC	0.293	0.050	0.032	APCO	Napa
19MOY77	Ag/ off-road	Equipment replacement	1	\$ 35,725.00	KM Vineyard Services	0.103	0.018	0.010	APCO	Alameda
19MOY109	Ag/ off-road	Equipment replacement	1	\$ 36,500.00	Achadinha Cheese, Inc.	0.067	0.011	0.008	APCO	Sonoma
19MOY111	Ag/ off-road	Equipment replacement	1	\$ 40,000.00	Michael Wolf Vineyard Services Inc.	0.053	0.004	0.005	APCO	Napa
19MOY113	Ag/ off-road	Equipment replacement	1	\$ 34,100.00	Schweiger Vineyards, Inc	0.067	0.012	0.008	APCO	Napa
19SBP79	School bus	School bus replacement	1	\$ 137,845.00	San Carlos School Elementary School District	0.098	0.008	0.000	TBD	San Mateo
45 Projects			98	\$ 10,947,977.22		60.512	3.050	2.175		

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 20, 2018

Re: Consider Approving Air District Participation in a Woodstove Changeout Program
Administered by the California Air Pollution Control Officers Association

RECOMMENDATIONS

Recommend Board of Directors:

1. Authorize the Bay Area Air Quality Management District to accept, obligate, and expend up to \$2 million in funds from the California Air Pollution Control Officers Association, to implement a woodstove changeout program in the Bay Area under the California Air Resources Board guidelines; and
2. Authorize the Executive Officer/APCO to enter into all agreements necessary to accept, obligate, and expend this funding.

BACKGROUND

Assembly Bill (AB) 1613 committed \$5,000,000 in funding for replacing uncertified, inefficient wood burning devices with cleaner-burning and more efficient devices. Guidelines for the AB 1613 Woodsmoke Reduction Program (Program) have been developed by the California Air Resources Board (CARB) and funding is being administered by the California Air Pollution Control Officers Association (CAPCOA) in coordination with local air districts. The Program is designed to help low income and other qualifying households to replace eligible devices, defined as uncertified wood stoves, wood inserts, and fireplaces that are used as a primary source of heat, with cleaner burning and more efficient devices.

DISCUSSION

Every year, the Bay Area Air Quality Management District (Air District) pursues various funding opportunities to implement projects that reduce air pollution and that complement and augment its other ongoing and perennial grant funds. Since 2016, Air District staff has been working through CAPCOA to provide input on the development of CARB's Woodsmoke Reduction Program. CAPCOA's original allocation proposal called for all available funding to be awarded to the smaller air districts, and no funding for any of the five larger air districts, including the Bay Area Air District, the South Coast Air Quality Management District, San Joaquin Valley Air Pollution

Control District, Sacramento Metropolitan Air Quality Management District, and San Diego County Air Pollution Control District.

CAPCOA has recently learned that some of the smaller air districts may choose to not participate in the Program, and has thus advised the larger districts that there may be an opportunity to submit applications if any funding becomes available for reallocation. While it is unknown at this time whether any funding, and if so how much, may be available, staff is seeking board approval to accept, obligate, and expend funds, so that the Air District can quickly act to secure CARB funding if any becomes available. It is anticipated that the decision to reallocate funds if any are available will be made by CAPCOA after late-May 2018, after the smaller districts have submitted their funding plans.

If funding becomes available, staff will return to the Board with an update to provide additional information about this Program's requirements.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None. The Air District distributes "pass-through" funds on a reimbursement basis. Administrative costs for this program is provided by the funding source.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Ken Mak
Reviewed by: Karen Schkolnick

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 23, 2018

Re: Consider Recognizing an Environmental Protection Agency (EPA) Grant Award for \$321,000 and Consider Authorizing the Executive Officer/APCO to Award a Contract and issue a Purchase Order for Fiscal Year Ending (FYE) 2018, not to exceed \$250,000, to Ramboll Environ, Inc., Pursuant to Administrative Code Division II Fiscal Policies and Procedures, Section 4.3 Contract Limitations, to perform a Community Scale Air Toxics Ambient Monitoring Project in the City of Richmond

RECOMMENDED ACTION

Recommend the Board of Directors:

- 1) Consider recognizing an EPA Grant Award for \$321,000; and
- 2) Consider authorizing the Executive Officer/APCO to award a contract and issue a Purchase Order for FYE 2018, not to exceed \$250,000, to Ramboll Environ, Inc., to perform Community Scale Air Toxics Ambient Monitoring in the City of Richmond as outlined in the grant proposal submitted to EPA.

DISCUSSION

The EPA conducts periodic Community-Scale Air Toxics Ambient Monitoring grant competitions, to support projects of one and a half to three years to identify and profile air toxics sources, characterize the degree and extent of local air toxics problems, and track progress of air toxics reductions activities. Expected outcomes of these projects are to characterize the sources and local-scale distribution of hazardous air pollutants (HAPs) and assess human exposure and risk at a local scale.

The Air District, along with partners from Ramboll Environ, the City of Richmond and Argos Scientific, submitted a proposal for this grant competition, in order to leverage information being collected by the dense ambient air and fence line monitoring systems in and near Richmond. There were three main objectives for this project:

- 1) Use data analytics techniques on the existing large ambient air monitoring data set to determine if a HAP emissions signal from a refinery that is adjacent to an EJ community can be determined;

- 2) Evaluate whether there is covariation within the nearly 20 concentrations measured to allow a reduction in the parameters measured and a resulting reduction in costs without compromising the integrity of the program; and
- 3) Combine data analytics and dispersion modelling, to evaluate whether the distinct sources of ambient air concentrations can be determined, potentially, on a real-time basis.

On January 16, 2018, the Air District received official notification that the grant had been awarded based on the proposal submitted by the partnership. The proposal includes \$71,000 to the Air District, for project coordination and management and \$250,000, to the primary contractor, Ramboll Environ, that includes \$50,000 to both the City of Richmond and Argos Scientific as subcontractors.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Staff recommends that the FYE 2018, Meteorology and Measurement Division Budget be increased by \$321,000 with the acceptance of the EPA grant and a contract be issued to Ramboll Environ, with a Purchase Order not to exceed \$250,000. The project will not require any funding from the General Fund.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Eric Stevenson
Reviewed by: Wayne Kino

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 26, 2018

Re: Climate Protection Grant Program

RECOMMENDED ACTION

Recommend the Board of Directors approve the Climate Protection Grant Program Guidelines.

BACKGROUND

In April of 2017, the Board of Directors adopted *Spare the Air – Cool the Climate*, the 2017 Clean Air Plan (Plan). The Plan lays out 85 control measures that support transitioning to a “post-carbon” economy in the Bay Area by 2050, and describes a comprehensive regional climate protection strategy to put the region on a pathway to achieve that vision. Many of the control measures in the Plan focus on collaborating with and supporting the work of local governments to reduce greenhouse gas (GHG) emissions throughout the Bay Area over the long term. To help implement the Plan and to support local GHG reduction initiatives, the Board approved \$4.5 million in the Fiscal Year Ending (FYE) 2018 budget for a Climate Protection Grant Program.

DISCUSSION

Over the past several months, staff has worked to develop the structure and parameters of the Climate Protection Grant Program, and has met with a variety of stakeholders to receive input. Staff has developed draft Guidelines (Attachment 11A) that have been circulated to Bay Area public agencies for review and comment. The proposed Guidelines support the priorities in the Clean Air Plan, complement other Air District grant and incentive programs, and reflect stakeholder input.

Staff briefed the Climate Protection Committee on the grant program and the draft Guidelines at the September 21, 2017 and March 15, 2018 meetings. The proposed Guidelines reflect Committee member feedback and direction.

Upon Board of Directors approval of the proposed Guidelines, staff will issue a call for projects, with the goal of bringing a list of proposed grant awards to the Board in June or July of 2018.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Resources to implement the grant program are included in the FYE 2018 budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Abby Young
Reviewed by: Henry Hilken

Attachment 11A: 2018 Climate Protection Grant Program Guidelines



2018 CLIMATE PROTECTION GRANT PROGRAM

Bay Area Air Quality Management District

Procedures & Guidelines

April 4, 2018

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Bay Area Air Quality Management District

2018 Climate Protection Grant Program GUIDELINES

SECTION I GENERAL INFORMATION

Program Summary

The Bay Area Air Quality Management District (Air District) aims to create a healthy breathing environment for every Bay Area resident while protecting and improving public health, air quality, and the global climate. Climate change—which has already begun to affect the region, state and world—threatens to degrade air quality and to potentially jeopardize the health and well-being of Bay Area residents, especially those in the most vulnerable communities. In 2017, the Air District adopted *Spare the Air, Cool the Climate*, its multi-pollutant Clean Air Plan (Plan). Consistent with the greenhouse gas (GHG) reduction targets adopted by the State of California, the Plan lays the groundwork for a long-term effort to reduce Bay Area GHG emissions 40 percent below 1990 levels by 2030 and 80 percent below 1990 levels by 2050.

The 2018 Climate Protection Grant Program is a one-time funding program that prioritizes projects that make progress towards achieving the Air District's 2030 and 2050 GHG targets and accelerating the implementation of local climate protection efforts. Under this grant program, the Air District will fund activities in two categories:

- 1) Reducing GHGs from Existing Buildings, and
- 2) Fostering Innovative Strategies with long-term impacts in reducing GHG emissions.

Further descriptions of these two categories and examples of eligible projects are listed in Section III Grant Program Categories.

The Climate Protection Grant Program is intended to complement the emission reduction goals contained in the Air District's existing and future grant and incentive programs while establishing distinct funding requirements. In 2018, the Air District's Strategic Incentives Division (SID) will provide up to \$100 million in grants and incentives for a wide variety of on-and off-road clean and zero-emission vehicles and infrastructure projects, trip reduction, and woodstove replacements. The Air District's new Technology Implementation Office (TIO) will focus on deploying innovative technologies for commercial and industrial applications. The Climate Protection Grant Program offers funding that aligns with the emission reduction goals of SID and TIO, but the funding eligibility requirements are distinct from those of these existing programs. For more information about Air District grant programs, please visit the Air District's website <http://www.baaqmd.gov/grant-funding>.

Schedule

Tentative Dates	Action
April 4, 2018	Release final guidelines/Call for Projects
Mid April	Convene application workshops
April 20, 2018	Optional Letters of Interest due
May 11, 2018	Applications due
Mid June 2018	Announce grant awards
July 2018	Execute award agreements

Who Can Apply

Only public agencies are eligible to apply. Public agencies include cities, counties, water and other special districts, housing authorities, school and community college districts, joint powers authorities, and community choice energy programs that are located and provide services within the Air District's jurisdiction, i.e., Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo and Santa Clara Counties, and the southern parts of Solano and Sonoma Counties.¹ Eligible grant recipients must be responsible for the implementation of the project and have the authority and capability to complete the project. Partnerships with third parties - such as non-profit organizations, private business, and other public agencies - are encouraged, however, only public agencies may apply for and administer the grants. There is no limit to the number of applications a jurisdiction can submit, however, only one application can be submitted per distinct project.

Award Amounts

A total of \$4.5 million is available for climate protection grants. Award amounts are limited to between \$100,000 and \$300,000. Applications that exceed this range will be considered if a Letter of Interest is submitted prior to submission of a full application. There is no guarantee that awards exceeding \$300,000 will be made.

Duration

All work funded by Climate Protection Grants must be completed within 1-2 years of the execution of a funding agreement with the Air District.

Activities not Eligible for Air District Funding

The Grant Program will not fund:

- cost of preparing or submitting grant application
- lobbying
- development of climate action plans or general plans
- endowment campaigns
- fundraising activities
- grants/scholarships to individuals
- primary academic research

¹Air District boundary maps: <http://www.baaqmd.gov/research-and-data/interactive-data-maps>

- marketing of products or technologies for profit
- research and development for new technologies or products

Any work performed prior to the full execution of a funding agreement with the Air District is not eligible for Climate Protection Grant Program funding.

SECTION II GOAL AND OBJECTIVES

The over-arching goal of the Climate Protection Grant Program is to ***achieve GHG reductions by accelerating implementation of the Air District's 2017 Clean Air Plan.***

To be eligible for funding, applications *must* support Objective 1; applications *may* support one or more of the other optional objectives.

Objective 1 (Mandatory): Support implementation of measure(s) outlined in the Air District's 2017 Clean Air Plan

Applications must support the implementation of one or more of the 85 control measures described in the **2017 Clean Air Plan** (<http://www.baaqmd.gov/plans-and-climate/air-quality-plans/current-plans>).

Objective 2: Achieve air quality co-benefits

The Air District's Clean Air Plan addresses multiple pollutants including GHGs. Certain, but not all, actions that reduce GHG emissions also reduce emissions of criteria air pollutants (ozone, particulate matter, sulfur dioxide, lead, nitrogen oxide, and carbon monoxide) and toxic air contaminants (e.g., diesel particulate matter, benzene).² The Air District seeks to fund projects that reduce these pollutants in addition to GHGs.

Objective 3: Accelerate local implementation of GHG reduction policies and programs

Local climate protection policies and programs often serve as the critical framework that identifies specific actions local governments plan to take to reduce GHG emissions. The Air District seeks to accelerate the implementation of local GHG reduction activities, particularly where they overlap with the Air District's Clean Air Plan.

Objective 4: Engage and benefit impacted/CARE communities

Some communities in the Bay Area continue to be disproportionately impacted by higher pollution levels than other areas. These communities are generally near freeways, large industrial facilities and/or busy distribution centers such as ports. The Air District's Community Air Risk Evaluation (CARE) program has identified communities most affected by high levels of toxic air contaminants, particulate matter and emissions that lead to smog formation. Applicants should consult the CARE program map (see <http://www.baaqmd.gov/plans-and-climate/community-air-risk-evaluation-care-program>) to determine if the proposed project is within or serves a CARE community. These "impacted communities" may include neighborhoods that would benefit from climate protection solutions (e.g., financial savings, job creation, improved air quality). The Air

² For a list of toxic air contaminants, see http://www.oehha.ca.gov/air/toxic_contaminants/pdf_zip/Appendix%20A.pdf

District seeks to fund projects that engage or benefit these impacted communities and ensure their ability to enjoy the many co-benefits of climate protection activities.

Objective 5: *Implement innovative approaches*

Grant funds may be used for pilot-testing innovative new projects or policy approaches, particularly those that hold promise for long-term reductions in GHG emissions.

Objective 6: *Create replicable solutions for the Bay Area and elsewhere*

The Air District seeks to identify GHG emission reduction strategies that can be easily and widely replicated throughout Bay Area cities and counties, throughout the State and beyond.

SECTION III GRANT PROGRAM CATEGORIES

In order to achieve the goal and objectives of the Climate Protection Grant Program, the Air District is focusing on two important program areas:

- Reducing GHG emissions from existing buildings; and
- Fostering innovative, cutting-edge GHG-reducing policies and strategies.

This funding strategy allows the Air District to invest deeply in one focused area – energy use in existing buildings – while also making funding available for projects in any economic sector that are particularly innovative and demonstrate potential for GHG reductions over the long term.

1) Reducing GHGs from Existing Buildings

Energy use in residential and commercial buildings is a major source of GHG emissions. Commercial and residential buildings account for nearly 70 percent of California's electricity consumption and 55 percent of its natural gas use. While the State of California and many local governments are aggressively addressing GHG emissions associated with energy use from new construction, existing buildings will continue to be a large source of emissions well into the future. In fact, two-thirds of the buildings that will exist in 2050 have already been built. This grant program is designed to address this legacy of building-related GHG emissions.

State, regional and local climate protection goals are well-aligned around reducing GHG emissions from the buildings sector. Under SB 350, the State of California is aiming to increase the energy efficiency of existing buildings by 50 percent by 2030. The Air District's 2017 Clean Air Plan includes many actions focused on building energy use and specifically on reducing fossil fuel use in buildings. All of the 65+ local climate action plans in the Bay Area include measures designed to reduce GHG emissions from the buildings sector. This grant program is intended to accelerate the implementation of all these efforts.

History has shown that achieving large-scale reductions in GHG emissions from the existing building stock has been exceptionally difficult. This is largely because the decision-making and implementation associated with changes to building energy use is extremely decentralized. Decision-makers are individual building owners. Their decisions to switch to more energy-efficient building systems and technologies, or to switch to lower

carbon/carbon-free energy alternatives depend on multiple factors, including access to information about both the alternatives and financing/rebates available. What low carbon alternatives are available? What is the payback time for different technologies? What rebates and tax credits might be available? Building owners may not know what questions to ask, let alone where to ask them. Since building owners often rely on contractors, vendors and installers of building technologies for advice on building improvements, it is critical for that group to be knowledgeable about these options.

This funding category is intended to facilitate the implementation of energy efficiency and renewable energy technologies in existing buildings to reduce building energy use overall. These efforts would also serve to reduce fossil fuel use and/or combustion in buildings, as well as reduce emissions of high-global warming potential (GWP) gases. Examples of the types of practices and technologies that could be supported by programs funded under this funding category include: energy efficiency and conservation, solar-water heating, heat pumps, solar photovoltaic energy, battery storage, switching from natural-gas to electric or renewable-energy end uses, and reducing refrigerant use or switching to low-GWP refrigerants.

Eligible projects could include (but are not limited to):

- Training and outreach programs for contractors, vendors and installers about preferable technologies to offer customers at time of equipment replacement;
- Development of new local building standards to support equipment upgrades when property is sold or renovated;
- Streamlining of permitting processes, reducing of fees for low-carbon remodels and installation of low-carbon alternative technologies and energy systems;
- Co-op funding program between public agency and vendors to incentivize low-carbon technologies and energy systems;
- Development of funding mechanisms for home or business owners to install low-carbon technologies and renewable-energy generation systems;
- Outreach and incentive programs for commercial building owners to address refrigeration system leaks and replacement with more climate-friendly refrigerants.

These examples provide general guidance, and neither limit the range of potentially eligible projects nor guarantee funding for any project.

2) Innovative Strategy Grants

Transitioning to a post-carbon economy presents a daunting challenge. This challenge provides a tremendous opportunity for the development of new technologies, solutions, and ideas that will ensure humanity's continued viability and prosperity.

"To protect public health and stabilize the climate, we must quickly reduce our dependence on fossil fuels and embark on the transition to a post-carbon economy."

- 2017 Clean Air Plan

The Air District is committed to achieving GHG-emission reductions across all economic sectors, including energy, solid waste, water, agriculture, stationary sources, transportation, and natural and working lands. In 2017, the Air District launched a Technology Implementation Office (TIO), which will offer financing and matchmaking to accelerate the deployment of disruptive, low-cost technologies in the areas of zero emission vehicles, smart/connected technologies, and lower emission industrial processes. The Climate Protection Grant Program is designed to support and

complement the efforts of the TIO by funding policy development and implementation strategies that enable greater GHG emission reductions. Applications may be submitted for all economic sectors described in the Air District's 2017 Clean Air Plan.

This grant category is specifically intended to encourage and support innovative policies and strategies with regional potential. The Air District will maximize the impact of its grant funding by supporting projects that foster the development and implementation of groundbreaking approaches that overcome current barriers and create new pathways to a post-carbon economy.

Fostering Innovation

Achieving the long-term goal of reducing GHG emissions 80% below 1990 levels by 2050 will require the development and implementation of new approaches and new ways of conducting business, by all sectors of the community. Grant funds are available to help bring creative, innovative strategies to fruition, especially those that result in transformative impacts well beyond the scope of the original project. For example, when the Air District issued climate protection grants in 2010, two particularly innovative strategies that were funded were *Marin Clean Energy*, California's first community choice energy program, and *Berkeley First*, which created the concept of property-assessed clean energy (PACE) financing. Both of these projects resulted in widespread impacts and replication. This is the intent of this grant category – to launch new game-changing policies, strategies and programs that will have long-term, transformative impacts.

Grant funds may be used for scoping and piloting innovative new projects or policy approaches in any economic sector. A specific barrier to large-scale GHG reduction must be identified and addressed. Eligible projects could include (but are not limited to):

- Design and implementation of innovative financing mechanisms;
- Development of GHG-based, market-based mechanisms;
- Creation of a small business purchasing collective for energy-efficient lighting/equipment/solar/clean vehicles/etc.
- Combination of new policy/program driver plus incentives to create a comprehensive program to stimulate market demand for transformative technologies;
- New, innovative uses of social marketing to drive large-scale, near-term action, consumer awareness and behavior change;
- Creatively addressing barriers to implementing low-carbon solutions through technology or practices.

These examples provide general guidance and are neither intended to limit the range of projects submitted for funding nor to assure funding for any project.

SECTION IV APPLICATION REQUIREMENTS AND PROCEDURES

Application Deadline

Applications must be uploaded electronically through the Air District's Procurement Portal no later than *5:00 pm on Friday, May 11, 2018*. Only completed applications received by the deadline will be evaluated; incomplete applications will be rejected. ***Please see detailed instructions about the electronic submission process later in this section.***

Application Checklist

Any items submitted other than those specified in this Checklist will not be reviewed.

Cover sheet – Maximum 1 page (required)

The Air District's Climate Protection Grant Program Cover Sheet (Appendix A) must be signed by a person with authority to legally bind your organization (in electronic applications, a typed-in name is legally equivalent to a signature³).

Proposal Narrative – Maximum 8 pages (required):

Project narratives should be concise, and adequately and clearly address all the following required elements.

- a. *Summary of Project* – Provide a clear and concise description of the project, including the need or problem being addressed, and why funding from the Air District is critical in meeting that need.
- b. *Strategic approach* – Include a detailed description of what the project will do, how it will do it, any partners and their specific roles, why this particular approach is proposed. Provide a table of major deliverables and estimated completion dates. Deliverables should include expected milestones and coincide with stated objectives of the project.
- c. *Connection with Air District's goal and objectives* – State specifically how the project and approach will support the grant program's goal and objectives, being clear as to which objectives the project will support. Quantify co-benefits as much as possible, clearly explaining the assumptions and methodologies used for making these estimations.
- d. *Potential for GHG Reduction* – Use the emissions quantification guidelines in Appendix B to estimate the GHG emission reductions expected to result from the project. Describe the basis for estimating the potential emission reductions. Discuss the likelihood that the proposed project activity will achieve the emission reduction goals (e.g., will implementation actions be mandatory versus voluntary; have incentive funds been secured). Provide a quantified estimate of annual GHG emission reductions achieved at the time of project completion. Include a discussion of how soon the project will begin demonstrating GHG reductions.
- e. *Measuring success* – Clearly state the metrics by which success will be evaluated. Describe the criteria to be used to determine if the project has achieved its goals and objectives. A combination of both qualitative and quantitative metrics can be used.

Project Budget – Maximum 2 pages (required)

Provide a full budget for the proposed activity, broken out by year (if applicable). The budget will enable evaluators to determine the likelihood of the full project being funded, how Air District funds might be leveraged, the relative weight of different elements of the

³ See the Electronic Signatures in Global and National Commerce Act, <http://www.ftc.gov/os/2001/06/esign7.htm>

proposed activity, etc. Identify budget line items funded by the Air District's Climate Protection Grant Program. List all other funders, their total contribution (including in-kind), and indicate whether that contribution has been secured (in-hand), committed, requested or not yet requested.

Include, at a minimum, the following line items:

- Salary – list project team members, hours for each and hourly rates for each
- Fringe/benefits – list fringe rate
- Consultants/sub-contractors – list estimated hours and rates if possible
- Meetings – convening of any public meetings, workshops, trainings, etc. required as part of your project (NOT internal project team meetings)
- Materials design & production (including web)
- Indirect expenses / overhead – list your indirect/overhead rate
- Other expenses

In addition, provide a brief budget narrative of 1-2 sentences for each line item to add clarity and specificity.

Partnership Letter of Commitment (optional)

If applicable, provide letters of commitment from any other public agencies, non-profit, business or other collaborators detailing what they are providing to the proposed project (technical support, matching funds, etc.).

Formatting

Proposals must be single-spaced, with a minimum of 1-inch margins and 12-point font. The Air District's Climate Protection Grant Cover Sheet (Appendix A) will serve as the proposal's cover sheet / title page. Proposals should have the name of the applying organization and page number on each page. Proposals must be submitted as a PDF.

Letter of Interest (optional)

A potential applicant may wish to submit a Letter of Interest if they would like Air District staff to preliminarily review their project concept and provide feedback. This may be particularly helpful if an applicant is planning to collaborate with other public agencies on a joint application, is looking to be matched with potential partner agencies, or simply if an applicant wishes to receive initial feedback about the eligibility or potential competitiveness of a proposed project. In addition, a Letter of Interest is required to be submitted prior to developing a full proposal if an applicant is planning to request more than \$300,000.

Deadline for submission of Letters of Interest is 5:00 pm on Friday, April 20, 2018. Detailed instructions and a template are located in Appendix C.

Electronic Submittal Process

Interested applicants must create an account through the Air District's Procurement Portal and use the link provided below to submit required applications, optional Letters of Interest and general questions. Faxed, mailed or couriered proposals will not be accepted.

Using the Air District's Procurement Portal to submit your application:

Step 1: Go to Procurement Portal at:

<https://baaqmd.bonfirehub.com/portal/?tab=openOpportunities>

Step 2: Under the Login tab, create a Bonfire account under 'New Vendor Registration.' Fill out all fields and select 'Create account.' An Account Confirmation Email will be sent to the email address provided. Once received, open the email and follow instructions to confirm your account.

Step 3: Return to Bonfire account and create a 'Vendor Record.' Complete all fields and select 'Yes' for email notifications, to receive upcoming due date reminders, or other applicable information related to the grant program.

Step 4: Once saved, you will have access to the Climate Protection Grant Program option. Here you can download the grant program guidelines, upload completed applications and Letters of Interest, and view FAQs that will be developed and posted during the open application period.

Step 5: While logged in to the Climate Protection Grant Program, select 'Prepare Submission.' Upload your document (Letter of Interest or full application). Once submitted, you will receive a submission receipt and confirmation code.

Contact Information

Grant applicants are encouraged to discuss their grant proposals with Air District staff prior to submittal. The primary contact for the Climate Protection Grant Program is:

Geraldina Grunbaum
Senior Environmental Planner
climate@baaqmd.gov

SECTION V EVALUATION AND SCORING CRITERIA

Applications will be reviewed after the submittal deadline, and eligible projects will be evaluated and ranked according to the scoring criteria described below.

	Possible Points
Potential for GHG reduction	25
Support for Air District's goal and objectives	20
Strength and feasibility of strategic approach	20
Cost-effectiveness	15
Strength and feasibility of deliverables and timeline	10
Strength of budget	5
Benefit to CARE communities	5
Benefit to low-income communities	5
TOTAL Points Possible	105 Total

- 1) Potential for GHG reduction [25 points]
Amount of annual GHG emission reductions achieved after full implementation of the project, including reasonableness of assumptions. While the maximum annual emissions reductions may occur in a future year, the extent to which near-term GHG reductions will be achieved should be discussed. Guidelines for estimating GHG reductions are included in Appendix B.
- 2) Support for Air District's goal and objectives [20 points]
Extent to which the proposed activity is consistent with and supports the goal and objectives of the Climate Protection Grant Program. Scoring will take into consideration the number of objectives the proposed activity supports, as well as how strongly the proposed activity supports a given objective. It is possible for an application that supports one or two objectives very strongly to score higher than a proposal that supports all six objectives superficially.
- 3) Strength and feasibility of strategic approach [20 points]
Achievability of the project's goals and objectives and likelihood that the strategic approach will be successful. Extent to which partners are used appropriately and effectively (if applicable). Extent to which the deliverables are commensurate with the level of funding requested. Extent to which the proposed project budget is adequate for successful implementation of the strategic approach and of achieving the deliverables of the project.
- 4) Cost-effectiveness [15 points]
Extent to which the GHG emission reductions estimated in the proposed project can be accomplished in a cost-effective manner. This is determined by dividing the total amount of funding requested under the Climate Protection Grant Program by the estimated annual GHG emission reductions achieved after full implementation of the project.
- 5) Feasibility of deliverables and timeline [10 points]
Viability of the schedule and likelihood that all deliverables will be completed within the proposed timeframe.

- 6) Strength of budget [5 points]
Scoring will take into consideration the extent to which Air District funds are leveraging additional funding, the extent to which full funding for the project has been secured, the balance between programmatic expenses (key staff time, project activities, etc.) and administrative costs, and the degree to which the applicant is providing matching funds (matching funds are not required). For scoring purposes, the value of in-kind resources, such as expected staff or volunteer hours, will be calculated at 50% of cash contributions.
- 7) Benefit to CARE communities (as described in Objective 4, page 3) [5 points]
Extent to which the proposed activity occurs within a CARE community⁴, serves a CARE community, and/or provides a benefit to a CARE community. Benefits might include lower air pollution, reduced energy need/use, financial savings, job creation, etc.
- 8) Benefit to low-income communities [5 points]
Extent to which the proposed activity benefits low-income communities and their residents. Benefits may include reducing energy use, financial savings, job creation, etc. Low-income communities include low-income, very-low and extremely-low income levels defined by the U.S. Department of Housing and Urban Development for the Bay Area⁵.

SECTION VI AFTER RECEIVING A GRANT

Award Process

Notification of awards are anticipated to be made in June, 2018. Applicants will be notified electronically after projects are preliminarily approved for funding by the Air District Board of Directors. However, final approval for funding occurs only when a funding agreement has been signed by both the project sponsor and the Air District (i.e., is fully executed). Air District staff will prepare funding agreements that set forth the terms, conditions, and monitoring and reporting requirements of each Climate Protection Grant. **Via funding agreements, project sponsors are legally bound to meet certain requirements**, including notifying the Air District of any change in project implementation, making periodic reports, and providing certificates of insurance. If a project sponsor does not comply with all the terms and conditions of a funding agreement, it may have to repay a portion or all of the funds granted, and the sponsor may be barred from future Air District grants. If the Air District awards an amount that differs from the amount requested, Air District staff will work with the awardee to align deliverables, outcomes and timelines appropriately. Upon execution of the grant contract, the awardee can commence work on its funded activities.

⁴ Geographic boundaries of CARE communities can be found at <http://www.baaqmd.gov/plans-and-climate/community-air-risk-evaluation-care-program>.

⁵ HUD income limits for the San Francisco Bay Area can be found at <https://www.huduser.gov/portal/datasets/il/il2017/2017summary.odn>.

Payment of Grant Funds

The payment schedule will be established in the funding agreement for each project. No funds will be released until the funding agreement has been fully executed by the project sponsor and the Air District. In general, payment will be made on a reimbursement basis, after eligible project costs are incurred and documented. The final payment will be made upon adequate completion of all deliverables and submittal of a complete final report (including narrative and financial reporting).

Reporting

Grantees are required to report on the progress of their grant activities every six months. Interim reports (for the first six-month period) include narrative descriptions of progress and financial accounting of the grant program to date. Annual reports include narrative descriptions of the second half of the year's activities and final fiscal accounting for the whole year. For one-year grants, the annual report is considered the final report. Interim reports are used by the Air District to identify potential problems with grant implementation, to intervene with grantees and modify approaches to ensure successful outcomes. Final reports are used to analyze the impact of the Air District's investments and assist in shaping future grant programs. All reports will be used to share information and promote successes among grantees and with the greater Bay Area community.

Report formats and requirements will be provided to grantees with their award materials.

Meetings/conferring

The Air District will convene a meeting for all its grantees after the first year of grant implementation to share program information and results, and to foster the creation of partnerships and important collaborations among public agencies throughout the Bay Area. Attendance at the annual meeting is strongly encouraged, but not required.

In addition, Air District staff will make every attempt to meet individually with all grantees midway through their project implementation.

APPENDIX A

Climate Protection Grant Cover Sheet

I. Applicant

Name of Jurisdiction: _____

Type of Public Agency: Local government Special District Community Choice Energy

Other (specify) _____

Primary Contact Person: _____

Phone #: () _____

E-mail: _____

II. Project

Project Title: _____

Program Category: Reducing GHGs from Existing Buildings Fostering Innovative Strategies

Total Project Cost: \$ _____

Funding Request: \$ _____

Individual authorized to enter into a formal agreement with the Air District:

I authorize the submittal of this grant application and certify that all information is correct and accurately reflects the project scope, costs, timeline, and availability of funds.

Signature: _____

Print Name: _____

Title: _____

Date: _____

APPENDIX B

Guidelines for Estimating Greenhouse Gas (GHG) Emission Reductions

Applicants are encouraged to use the emission factors and equations provided below to determine GHG reductions from proposed projects. However, applicants may use established protocols and methodologies (such as the California Air Resources Board's GHG quantification guidance⁶) but must document these approaches. Total estimated GHG emission reduction units should be expressed in metric tons of CO₂ equivalent (MTCO₂e). Evaluation and scoring of applications with regard to GHG emission reductions will be based on estimated annual GHG emission reductions achieved after full implementation of the project.

Quantification should calculate the net GHG reduction from the proposed activity. This includes calculating the emission reductions, but also any associated emissions increases resulting from the proposed project. For example, a waste diversion project may achieve GHG reductions due to reducing the waste stream, but may also increase GHG emissions due to adding vehicle trips to and from recycling or composting facilities. Quantification of net GHG reductions should include an overall equation:

$$(GHG \text{ reductions from project}) - (\text{any associated GHG increases}) = \text{net project GHG impact}$$

Determining GHG reductions from projects addressing building energy use:

Electricity emission factors:

If electricity is provided by PG&E:

$$(\text{number of megawatt hours saved}) \times .197 = \text{MTCO}_2\text{e reduced}^7$$

If electricity is provided by a Community Choice Energy (CCE) program: contact the CCE for its 2015 emission factor for CO₂e, and multiply by the amount of megawatt hours reduced by the project. If a 2015 emission factor is not available, please indicate the year that corresponds with the emission factor used.

Natural gas:

$$(\text{number of therms saved}) \times 0.005 = \text{MTCO}_2\text{e reduced}^8$$

Determining GHG reductions from projects addressing waste management:

Waste Diversion

Compost emission reduction factors by feedstock:⁹

Food waste: (tons diverted) X 0.62 = MTCO₂e reduced

Yard trimmings: (tons diverted) X 0.44 = MTCO₂e reduced

Mixed organics: (tons diverted) X 0.56 = MTCO₂e reduced

For other waste reduction projects (recycling, waste diversion, etc.), identify the type(s) of waste reduced, and simply specify the amount (in tons) reduced for each waste type:

⁶ CARB, <https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/quantification.htm>

⁷ This emission factor is the latest third-party verification for PG&E's 2015 delivered electricity.

⁸ U.S. EPA, <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

⁹ California Air Resources Board, www.arb.ca.gov/cc/waste/cerffinal.pdf

aluminum, glass, plastic, yard waste, food waste, newspaper, office paper, cardboard. If you do not know or cannot estimate waste reduction by waste type, estimate an aggregated amount of waste reduced and indicate the type as "mixed waste."

Determining GHG reductions from projects addressing transportation:

Transportation

On-road gasoline: (# gallons of gasoline saved) X 0.009 = MTCO₂e reduced¹⁰

On-road diesel: (# gallons of diesel saved) X 0.01 = MTCO₂e reduced¹¹

Contact the Air District for additional guidance (climategrants@baaqmd.gov).

¹⁰ U.S. EPA, <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

¹¹ U.S. EPA, <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

APPENDIX C

Letter of Interest Instructions and Template**Instructions**

Applicants planning on requesting more than \$300,000 in Climate Protection Grant Program funding *must* submit a Letter of Interest prior to submittal of their application. Applicants seeking less than \$300,000 may, but are not required to, submit a Letter of Interest if they would like Air District staff to review their project concept and provide feedback. This may be particularly helpful if an applicant is planning to collaborate with other public agencies on a joint application, is looking to be matched with potential partner agencies, or simply if an applicant wishes to receive initial feedback about the eligibility or potential competitiveness of a proposed project.

Letters of Interest will not be taken into consideration during the final evaluation and scoring of applications.

Deadline for submission of Letters of Interest is 5:00 pm on Friday, April 20, 2018.

Letters of Interest must follow the template format below. A Letter of Interest may only address one proposed project.

Letters of Interest must be submitted via the Air District's Procurement Portal following the instructions on page 9 of these Guidelines.

Appendix C – Continued

Letter of Interest Template

Format requirements: No longer than 2 pages, single spaced with 12-point font, no attachments. Submissions longer than 2 pages will not be reviewed.

Provide Contact Information

Full Name of Public Agency

Contact Name

Contact Phone

Contact Email

Indicate Program Category

Specify the grant program category for which you expect to apply:

- Reduce GHGs from Existing Buildings
- Fostering Innovative Strategies

Provide a Project Summary

Succinctly describe the proposed project. Include information about the problem to be addressed and how the proposed project would address the problem. List other known and relevant information about the project that will help Air District staff provide useful feedback.

Provide a Project Timeline

Include a timeline that outlines major tasks and deliverables.

Provide a Budget Summary

Indicate the expected amount of funding sought from the Air District, and list any other major funders. Provide a description of anticipated expenses for major budget categories such as programmatic costs, staff time, consultants, etc.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 23, 2018

Re: Report of the Climate Protection Committee Meeting of March 15, 2018

RECOMMENDED ACTION

A) Climate Protection Grant Program

- 1) The Committee discussed the proposed criteria and guidelines for the Climate Protection Grant Program established in the Fiscal Year Ending (FYE) 2018 Budget and provided feedback to staff.
- 2) The Committee considered recommending the Climate Protection Grant Program Guidelines be approved by the Board of Directors.

B) Update on the Air District's Basin-Wide Methane Strategy

- 1) None; receive and file.

BACKGROUND

The Committee met on Thursday, March 15, 2018, and received the following reports:

- A) Climate Protection Grant Program; and
- B) Update on the Air District's Basin-Wide Methane Strategy.

Chairperson Teresa Barrett will provide an oral report of the Committee meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

- A) None; and
- B) None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Kristine Garcia
Reviewed by: Vanessa Johnson

Attachment 12A: 03/15/18 – Climate Protection Committee Meeting Agenda #4
Attachment 12B: 03/15/18 – Climate Protection Committee Meeting Agenda #5

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Teresa Barrett and Members
of the Climate Protection Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 6, 2018

Re: Climate Protection Grant Program

RECOMMENDED ACTION

The Committee will consider recommending the Climate Protection Grant Program Guidelines be approved by the Board of Directors.

BACKGROUND

In April of 2017, the Board of Directors adopted *Spare the Air – Cool the Climate*, the 2017 Clean Air Plan (Plan). The Plan lays out 85 different control measures that support transitioning to a “post-carbon” economy in the Bay Area by 2050, and describes a comprehensive regional climate protection strategy to put the region on a pathway to achieve that vision. Many of the control measures in the Plan focus on collaborating with and supporting the work of local governments to reduce greenhouse gas (GHG) emissions throughout the Bay Area over the long term. To help implement the Plan and to support local GHG reduction initiatives, the Board approved \$4.5 million in the Fiscal Year Ending (FYE) 2018 budget for a Climate Protection Grant Program.

DISCUSSION

Over the past several months, staff has been working to develop the structure and parameters of the Climate Protection Grant Program, and has met with a variety of stakeholders to receive ideas and input. Staff has developed draft guidelines (Attachment 4A) that have been circulated to Bay Area public agencies for review and comment. The draft guidelines support the priorities in the Clean Air Plan, complement other Air District grant and incentive programs, and reflect stakeholder input.

Staff will brief the Committee on the draft guidelines for the grant program, including discussion of the goals and objectives of the program, funding program categories, criteria to be used in selecting projects, feedback received from stakeholders, and next steps in the process to launch the program.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Abby Young
Reviewed by: Henry Hilken

Attachment 4A: 2018 Climate Protection Grant Program Guidelines

MEETING HELD ON MARCH 15, 2018



2018 CLIMATE PROTECTION GRANT PROGRAM

Bay Area Air Quality Management District

MEETING HELD ON MARCH 15, 2018

Procedures & Guidelines

March 1, 2018

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Bay Area Air Quality Management District
2018 Climate Protection Grant Program
GUIDELINES

SECTION I GENERAL INFORMATION

Program Summary

The Bay Area Air Quality Management District (Air District) aims to create a healthy breathing environment for every Bay Area resident while protecting and improving public health, air quality, and the global climate. Climate change—which has already begun to affect the region, state and world—threatens to degrade air quality and to potentially jeopardize the health and well-being of Bay Area residents, especially those in the most vulnerable communities. In 2017, the Air District adopted *Spare the Air, Cool the Climate*, its multi-pollutant Clean Air Plan (Plan). Consistent with the greenhouse gas (GHG) reduction targets adopted by the State of California, the Plan lays the groundwork for a long-term effort to reduce Bay Area GHG emissions 40 percent below 1990 levels by 2030 and 80 percent below 1990 levels by 2050.

The 2018 Climate Protection Grant Program is a one-time funding program that prioritizes projects that make progress towards achieving the Air District's 2030 and 2050 GHG targets and accelerating the implementation of local climate protection efforts. Under this grant program, the Air District will fund activities in two categories:

- 1) Reducing GHGs from Existing Buildings, and
- 2) Fostering Innovative Strategies with long-term impacts in reducing GHG emissions.

Further descriptions of these two categories and examples of eligible projects are listed in Section III Grant Program Categories.

The Climate Protection Grant Program is intended to complement the emission reduction goals contained in the Air District's existing and future grant and incentive programs while establishing distinct funding requirements. In 2018, the Air District's Strategic Incentives Division (SID) will provide up to \$100 million in grants and incentives for a wide variety of on-and off-road clean and zero-emission vehicles and infrastructure projects, trip reduction, and woodstove replacements. The Air District's new Technology Implementation Office (TIO) will focus on deploying innovative technologies for commercial and industrial applications. The Climate Protection Grant Program offers funding that aligns with the emission reduction goals of SID and TIO, but the funding eligibility requirements are distinct from those of these existing programs. For more information about Air District grant programs, please visit the Air District's website <http://www.baaqmd.gov/grant-funding>.

Schedule

Tentative Dates	Action
March 21, 2018 (anticipated)	Release final guidelines/Call for Projects
Late March-Early April	Convene application workshops
April 6, 2018	Optional Letters of Interest due
April 30, 2018	Applications due
Early June 2018	Announce grant awards
June/July 2018	Execute award agreements

Who Can Apply

Only public agencies are eligible to apply. Public agencies include cities, counties, water and other special districts, school and community college districts, joint powers authorities, and community choice energy programs that are located and provide services within the Air District's jurisdiction, i.e., Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo and Santa Clara Counties, and the southern parts of Solano and Sonoma Counties.¹ Eligible grant recipients must be responsible for the implementation of the project and have the authority and capability to complete the project. Partnerships with third parties - such as non-profit organizations, private business, and other public agencies - are encouraged, however, only public agencies may apply for and administer the grants. There is no limit to the number of applications a jurisdiction can submit, however, only one application can be submitted per distinct project.

Award Amounts

A total of \$4.5 million is available for climate protection grants. Award amounts are limited to between \$100,000 and \$300,000. Applications that exceed this range will be considered if a Letter of Interest is submitted prior to submission of a full application. There is no guarantee that awards exceeding \$300,000 will be made.

Duration

All work funded by Climate Protection Grants must be completed within 1-2 years of the execution of a funding agreement with the Air District.

Activities not Eligible for Air District Funding

The Grant Program will not fund:

- cost of preparing or submitting grant application
- lobbying
- development of climate action plans or general plans
- endowment campaigns
- fundraising activities
- grants/scholarships to individuals
- primary academic research
- marketing of products or technologies for profit
- research and development for new technologies or products

Any work performed prior to the full execution of a funding agreement with the Air District is not eligible for Climate Protection Grant Program funding.

¹Air District boundary maps: <http://www.baaqmd.gov/research-and-data/interactive-data-maps>

SECTION II GOAL AND OBJECTIVES

The over-arching goal of the Climate Protection Grant Program is to **achieve GHG reductions by accelerating implementation of the Air District's 2017 Clean Air Plan.**

To be eligible for funding, applications *must* support Objective 1; applications *may* support one or more of the other optional objectives.

Objective 1 (Mandatory): *Support implementation of measure(s) outlined in the Air District's 2017 Clean Air Plan*

Applications must support the implementation of one or more of the 85 control measures described in the **2017 Clean Air Plan** (<http://www.baaqmd.gov/plans-and-climate/air-quality-plans/current-plans>).

Objective 2: *Achieve air quality co-benefits*

The Air District's Clean Air Plan addresses multiple pollutants including GHGs. Certain, but not all, actions that reduce GHG emissions also reduce emissions of criteria air pollutants (ozone, particulate matter, sulfur dioxide, lead, nitrogen oxide, and carbon monoxide) and toxic air contaminants (e.g., diesel particulate matter, benzene).² The Air District seeks to fund projects that reduce these pollutants in addition to GHGs.

Objective 3: *Accelerate local implementation of GHG reduction policies and programs*

Local climate protection policies and programs often serve as the critical framework that identifies specific actions local governments plan to take to reduce GHG emissions. The Air District seeks to accelerate the implementation of local GHG reduction activities, particularly where they overlap with the Air District's Clean Air Plan.

Objective 4: *Engage and benefit impacted/CARE communities*

Some communities in the Bay Area continue to be disproportionately impacted by higher pollution levels than other areas. These communities are generally near freeways, large industrial facilities and/or busy distribution centers such as ports. The Air District's Community Air Risk Evaluation (CARE) program has identified communities most affected by high levels of toxic air contaminants, particulate matter and emissions that lead to smog formation. Applicants should consult the CARE program map (see <http://www.baaqmd.gov/plans-and-climate/community-air-risk-evaluation-care-program>) to determine if the proposed project is within or serves a CARE community. These "impacted communities" may include neighborhoods that would benefit from climate protection solutions (e.g., financial savings, job creation, improved air quality). The Air District seeks to fund projects that engage or benefit these impacted communities and ensure their ability to enjoy the many co-benefits of climate protection activities.

Objective 5: *Implement innovative approaches*

² For a list of toxic air contaminants, see http://www.oehha.ca.gov/air/toxic_contaminants/pdf_zip/Appendix%20A.pdf

Grant funds may be used for pilot-testing innovative new projects or policy approaches, particularly those that hold promise for long-term reductions in GHG emissions.

Objective 6: Create replicable solutions for the Bay Area and elsewhere

The Air District seeks to identify GHG emission reduction strategies that can be easily and widely replicated throughout Bay Area cities and counties, throughout the State and beyond.

SECTION III GRANT PROGRAM CATEGORIES

In order to achieve the goal and objectives of the Climate Protection Grant Program, the Air District is focusing on two important program areas:

- Reducing GHG emissions from existing buildings; and
- Fostering innovative, cutting-edge GHG-reducing policies and strategies.

This funding strategy allows the Air District to invest deeply in one focused area – energy use in existing buildings – while also making funding available for projects in any economic sector that are particularly innovative and demonstrate potential for GHG reductions over the long term.

1) Reducing GHGs from Existing Buildings

Energy use in residential and commercial buildings is a major source of GHG emissions. Commercial and residential buildings account for nearly 70 percent of California's electricity consumption and 55 percent of its natural gas use. While the State of California and many local governments are aggressively addressing GHG emissions associated with energy use from new construction, existing buildings will continue to be a large source of emissions well into the future. In fact, two-thirds of the buildings that will exist in 2050 have already been built. This grant program is designed to address this legacy of building-related GHG emissions.

State, regional and local climate protection goals are well-aligned around reducing GHG emissions from the buildings sector. Under SB 350, the State of California is aiming to increase the energy efficiency of existing buildings by 50 percent by 2030. The Air District's 2017 Clean Air Plan includes many actions focused on building energy use and specifically on reducing fossil fuel use in buildings. All of the 65+ local climate action plans in the Bay Area include measures designed to reduce GHG emissions from the buildings sector. This grant program is intended to accelerate the implementation of all these efforts.

History has shown that achieving large-scale reductions in GHG emissions from the existing building stock has been exceptionally difficult. This is largely because the decision-making and implementation associated with changes to building energy use is extremely decentralized. Decision-makers are individual building owners. Their decisions to switch to more energy-efficient building systems and technologies, or to switch to lower carbon/carbon-free energy alternatives depend on multiple factors, including access to information about both the alternatives and financing/rebates available. What low carbon alternatives are available? What is the payback time for different technologies? What rebates and tax credits might be available? Building owners may not know what questions

to ask, let alone where to ask them. Since building owners often rely on contractors, vendors and installers of building technologies for advice on building improvements, it is critical for that group to be knowledgeable about these options.

This funding category is intended to facilitate the implementation of energy efficiency and renewable energy technologies in existing buildings to reduce building energy use overall. These efforts would also serve to reduce fossil fuel use and/or combustion in buildings, as well as reduce emissions of high-global warming potential (GWP) gases. Examples of the types of practices and technologies that could be supported by programs funded under this funding category include: energy efficiency and conservation, solar-water heating, heat pumps, solar photovoltaic energy, battery storage, switching from natural-gas to electric or renewable-energy end uses, and reducing refrigerant use or switching to low-GWP refrigerants.

Eligible projects could include (but are not limited to):

- Training and outreach programs for contractors, vendors and installers about preferable technologies to offer customers at time of equipment replacement;
- Development of new local building standards to support equipment upgrades when property is sold or renovated;
- Streamlining of permitting processes, reducing of fees for low-carbon remodels and installation of low-carbon alternative technologies and energy systems;
- Co-op funding program between public agency and vendors to incentivize low-carbon technologies and energy systems;
- Development of funding mechanisms for home or business owners to install low-carbon technologies and renewable-energy generation systems;
- Outreach and incentive programs for commercial building owners to address refrigeration system leaks and replacement with more climate-friendly refrigerants.

These examples provide general guidance, and neither limit the range of potentially eligible projects nor guarantee funding for any project.

2) Innovative Strategy Grants

Transitioning to a post-carbon economy presents a daunting challenge. This challenge provides a tremendous opportunity for the development of new technologies, solutions, and ideas that will ensure humanity's continued viability and prosperity.

"To protect public health and stabilize the climate, we must quickly reduce our dependence on fossil fuels and embark on the transition to a post-carbon economy."

- 2017 Clean Air Plan

The Air District is committed to achieving GHG-emission reductions across all economic sectors, including energy, solid waste, water, agriculture, stationary sources, transportation, and natural and working lands. In 2017, the Air District launched a Technology Implementation Office (TIO), which will offer financing and matchmaking to accelerate the deployment of disruptive, low-cost technologies in the areas of zero emission vehicles, smart/connected technologies, and lower emission industrial processes. The Climate Protection Grant Program is designed to support and complement the efforts of the TIO by funding policy development and implementation strategies that enable greater GHG emission reductions. Applications may be submitted for all economic sectors described in the Air District's 2017 Clean Air Plan.

This grant category is specifically intended to encourage and support innovative policies and strategies with regional potential. The Air District will maximize the impact of its grant funding by supporting projects that foster the development and implementation of groundbreaking approaches that overcome current barriers and create new pathways to a post-carbon economy.

Fostering Innovation

Achieving the long-term goal of reducing GHG emissions 80% below 1990 levels by 2050 will require the development and implementation of new approaches and new ways of conducting business, by all sectors of the community. Grant funds are available to help bring creative, innovative strategies to fruition, especially those that result in transformative impacts well beyond the scope of the original project. For example, when the Air District issued climate protection grants in 2010, two particularly innovative strategies that were funded were *Marin Clean Energy*, California's first community choice energy program, and *Berkeley First*, which created the concept of property-assessed clean energy (PACE) financing. Both of these projects resulted in widespread impacts and replication. This is the intent of this grant category – to launch new game-changing policies, strategies and programs that will have long-term, transformative impacts.

Grant funds may be used for scoping and piloting innovative new projects or policy approaches in any economic sector. A specific barrier to large-scale GHG reduction must be identified and addressed. Eligible projects could include (but are not limited to):

- Design and implementation of innovative financing mechanisms;
- Development of GHG-based, market-based mechanisms;
- Creation of a small business purchasing collective for energy-efficient lighting/equipment/solar/clean vehicles/etc.
- Combination of new policy/program driver plus incentives to create a comprehensive program to stimulate market demand for transformative technologies;
- New, innovative uses of social marketing to drive large-scale, near-term action, consumer awareness and behavior change;
- Creatively addressing barriers to implementing low-carbon solutions through technology or practices.

These examples provide general guidance and are neither intended to limit the range of projects submitted for funding nor to assure funding for any project.

SECTION IV APPLICATION REQUIREMENTS AND PROCEDURES

Application Deadline

Applications must be uploaded electronically through the Air District's Procurement Portal no later than *5:00 pm on Monday, April 30, 2018*. Only completed applications received by the deadline will be evaluated; incomplete applications will be rejected. ***Please see detailed instructions about the electronic submission process later in this section.***

Application Checklist

Any items submitted other than those specified in this Checklist will not be reviewed.

Cover sheet – Maximum 1 page (required)

The Air District's Climate Protection Grant Program Cover Sheet (Appendix A) must be signed by a person with authority to legally bind your organization (in electronic applications, a typed-in name is legally equivalent to a signature³).

Proposal Narrative – Maximum 8 pages (required):

Project narratives should be concise, and adequately and clearly address all the following required elements.

- a. *Summary of Project* – Provide a clear and concise description of the project, including the need or problem being addressed, and why funding from the Air District is critical in meeting that need.
- b. *Strategic approach* – Include a detailed description of what the project will do, how it will do it, any partners and their specific roles, why this particular approach is proposed. Provide a table of major deliverables and estimated completion dates. Deliverables should include expected milestones and coincide with stated objectives of the project.
- c. *Connection with Air District's goal and objectives* – State specifically how the project and approach will support the grant program's goal and objectives, being clear as to which objectives the project will support. Quantify co-benefits as much as possible, clearly explaining the assumptions and methodologies used for making these estimations.
- d. *Potential for GHG Reduction* – Use the emissions quantification guidelines in Appendix B to estimate the GHG emission reductions expected to result from the project. Describe the basis for estimating the potential emission reductions. Discuss the likelihood that the proposed project activity will achieve the emission reduction goals (e.g., will implementation actions be mandatory versus voluntary; have incentive funds been secured). Provide a quantified estimate of annual GHG emission reductions achieved at the time of project completion. Include a discussion of how soon the project will begin demonstrating GHG reductions.
- e. *Measuring success* – Clearly state the metrics by which success will be evaluated. Describe the criteria to be used to determine if the project has achieved its goals and objectives. A combination of both qualitative and quantitative metrics can be used.

Project Budget – Maximum 2 pages (required)

Provide a full budget for the proposed activity, broken out by year (if applicable). The budget will enable evaluators to determine the likelihood of the full project being funded, how Air District funds might be leveraged, the relative weight of different elements of the

³ See the Electronic Signatures in Global and National Commerce Act, <http://www.ftc.gov/os/2001/06/esign7.htm>

proposed activity, etc. Identify budget line items funded by the Air District's Climate Protection Grant Program. List all other funders, their total contribution (including in-kind), and indicate whether that contribution has been secured (in-hand), committed, requested or not yet requested.

Include, at a minimum, the following line items:

- Salary – list project team members, hours for each and hourly rates for each
- Fringe/benefits – list fringe rate
- Consultants/sub-contractors – list estimated hours and rates if possible
- Meetings – convening of any public meetings, workshops, trainings, etc. required as part of your project (NOT internal project team meetings)
- Materials design & production (including web)
- Indirect expenses / overhead – list your indirect/overhead rate
- Other expenses

In addition, provide a brief budget narrative of 1-2 sentences for each line item to add clarity and specificity.

Partnership Letter of Commitment (optional)

If applicable, provide letters of commitment from any other public agencies, non-profit, business or other collaborators detailing what they are providing to the proposed project (technical support, matching funds, etc.).

Formatting

Proposals must be single-spaced, with a minimum of 1-inch margins and 12-point font. The Air District's Climate Protection Grant Cover Sheet (Appendix A) will serve as the proposal's cover sheet / title page. Proposals should have the name of the applying organization and page number on each page. Proposals must be submitted as a PDF.

Letter of Interest (optional)

A potential applicant may wish to submit a Letter of Interest if they would like Air District staff to preliminarily review their project concept and provide feedback. This may be particularly helpful if an applicant is planning to collaborate with other public agencies on a joint application, is looking to be matched with potential partner agencies, or simply if an applicant wishes to receive initial feedback about the eligibility or potential competitiveness of a proposed project. In addition, a Letter of Interest is required to be submitted prior to developing a full proposal if an applicant is planning to request more than \$300,000.

Deadline for submission of Letters of Interest is 5:00 pm on Friday, April 6, 2018. Detailed instructions and a template are located in Appendix C.

Electronic Submittal Process

Interested applicants must create an account through the Air District's Procurement Portal and use the link provided below to submit required applications, optional Letters of Interest and general questions. Faxed, mailed or couriered proposals will not be accepted.

Using the Air District's Procurement Portal to submit your application:

Step 1: Go to Procurement Portal at

<https://baaqmd.bonfirehub.com/opportunities/private/13c4ca1ed8371c0d39b1cfb350d2a5bb>

Step 2: Under the Login tab, create a Bonfire account under 'New Vendor Registration.' Fill out all fields and select 'Create account.' An Account Confirmation Email will be sent to the email address provided. Once received, open the email and follow instructions to confirm your account.

Step 3: Return to Bonfire account and create a 'Vendor Record.' Complete all fields and select 'Yes' for email notifications, to receive upcoming due date reminders, or other applicable information related to the grant program.

Step 4: Once saved, you will have access to the Climate Protection Grant Program option. Here you can download the grant program guidelines, upload completed applications and Letters of Interest, and view FAQs that will be developed and posted during the open application period.

Step 5: While logged in to the Climate Protection Grant Program, select 'Prepare Submission.' Upload your document (Letter of Interest or full application). Once submitted, you will receive a submission receipt and confirmation code.

Contact Information

Grant applicants are encouraged to discuss their grant proposals with Air District staff prior to submittal. The primary contact for the Climate Protection Grant Program is:

Geraldina Grunbaum
Senior Environmental Planner
climate@baaqmd.gov

SECTION V EVALUATION AND SCORING CRITERIA

Applications will be reviewed after the submittal deadline, and eligible projects will be evaluated and ranked according to the scoring criteria described below.

	Possible Points
Potential for GHG reduction	25
Support for Air District's goal and objectives	20
Strength and feasibility of strategic approach	20
Cost-effectiveness	15
Strength and feasibility of deliverables and timeline	10
Strength of budget	5
Benefit to CARE communities	5
TOTAL Points Possible	100 Total

- 1) Potential for GHG reduction [25 points]
Amount of annual GHG emission reductions achieved after full implementation of the project, including reasonableness of assumptions. While the maximum annual emissions reductions may occur in a future year, the extent to which near-term GHG reductions will be achieved should be discussed. Guidelines for estimating GHG reductions are included in Appendix B.
- 2) Support for Air District's goal and objectives [20 points]
Extent to which the proposed activity is consistent with and supports the goal and objectives of the Climate Protection Grant Program. Scoring will take into consideration the number of objectives the proposed activity supports, as well as how strongly the proposed activity supports a given objective. It is possible for an application that supports one or two objectives very strongly to score higher than a proposal that supports all six objectives superficially.
- 3) Strength and feasibility of strategic approach [20 points]
Achievability of the project's goals and objectives and likelihood that the strategic approach will be successful. Extent to which partners are used appropriately and effectively (if applicable). Extent to which the deliverables are commensurate with the level of funding requested. Extent to which the proposed project budget is adequate for successful implementation of the strategic approach and of achieving the deliverables of the project.
- 4) Cost-effectiveness [15 points]
Extent to which the GHG emission reductions estimated in the proposed project can be accomplished in a cost-effective manner. This is determined by dividing the total amount of funding requested under the Climate Protection Grant Program by the estimated annual GHG emission reductions achieved after full implementation of the project.
- 5) Feasibility of deliverables and timeline [10 points]
Viability of the schedule and likelihood that all deliverables will be completed within the proposed timeframe.

- 6) Strength of budget [5 points]
Scoring will take into consideration the extent to which Air District funds are leveraging additional funding, the extent to which full funding for the project has been secured, the balance between programmatic expenses (key staff time, project activities, etc.) and administrative costs, and the degree to which the applicant is providing matching funds (matching funds are not required). For scoring purposes, the value of in-kind resources, such as expected staff or volunteer hours, will be calculated at 50% of cash contributions.
- 7) Benefit to CARE communities (as described in Objective 4, page 3) [5 points]
Extent to which the proposed activity occurs within a CARE community⁴, serves a CARE community, and/or provides a benefit to a CARE community. Benefits might include lower air pollution, reduced energy need/use, financial savings, job creation, etc.

SECTION VI AFTER RECEIVING A GRANT

Award Process

Notification of awards are anticipated to be made in June, 2018. Applicants will be notified electronically after projects are preliminarily approved for funding by the Air District Board of Directors. However, final approval for funding occurs only when a funding agreement has been signed by both the project sponsor and the Air District (i.e., is fully executed). Air District staff will prepare funding agreements that set forth the terms, conditions, and monitoring and reporting requirements of each Climate Protection Grant. **Via funding agreements, project sponsors are legally bound to meet certain requirements**, including notifying the Air District of any change in project implementation, making periodic reports, and providing certificates of insurance. If a project sponsor does not comply with all the terms and conditions of a funding agreement, it may have to repay a portion or all of the funds granted, and the sponsor may be barred from future Air District grants. If the Air District awards an amount that differs from the amount requested, Air District staff will work with the awardee to align deliverables, outcomes and timelines appropriately. Upon execution of the grant contract, the awardee can commence work on its funded activities.

Payment of Grant Funds

The payment schedule will be established in the funding agreement for each project. No funds will be released until the funding agreement has been fully executed by the project sponsor and the Air District. In general, payment will be made on a reimbursement basis, after eligible project costs are incurred and documented. The final payment will be made upon adequate completion of all deliverables and submittal of a complete final report (including narrative and financial reporting).

Reporting

Grantees are required to report on the progress of their grant activities every six months. Interim reports (for the first six-month period) include narrative descriptions of progress

⁴ Geographic boundaries of CARE communities can be found at <http://www.baaqmd.gov/plans-and-climate/community-air-risk-evaluation-care-program>.

and financial accounting of the grant program to date. Annual reports include narrative descriptions of the second half of the year's activities and final fiscal accounting for the whole year. For one-year grants, the annual report is considered the final report. Interim reports are used by the Air District to identify potential problems with grant implementation, to intervene with grantees and modify approaches to ensure successful outcomes. Final reports are used to analyze the impact of the Air District's investments and assist in shaping future grant programs. All reports will be used to share information and promote successes among grantees and with the greater Bay Area community.

Report formats and requirements will be provided to grantees with their award materials.

Meetings/conferring

The Air District will convene a meeting for all its grantees after the first year of grant implementation to share program information and results, and to foster the creation of partnerships and important collaborations among public agencies throughout the Bay Area. Attendance at the annual meeting is strongly encouraged, but not required.

In addition, Air District staff will make every attempt to meet individually with all grantees midway through their project implementation.

MEETING HELD ON MARCH 15, 2018

APPENDIX A

Climate Protection Grant Cover Sheet

I. Applicant

Name of Jurisdiction:

Type of Public Agency: Local government Special District Community Choice Energy

Other (specify)

Primary Contact Person:

Phone #: ()

E-mail:

II. Project

Project Title:

Program Category: Reducing GHGs from Existing Buildings Fostering Innovative Strategies

Total Project Cost: \$

Funding Request: \$

Individual authorized to enter into a formal agreement with the Air District:

I authorize the submittal of this grant application and certify that all information is correct and accurately reflects the project scope, costs, timeline, and availability of funds.

Signature:

Print Name:

Title:

Date:

APPENDIX B

Guidelines for Estimating Greenhouse Gas (GHG) Emission Reductions

Applicants are encouraged to use the emission factors and equations provided below to determine GHG reductions from proposed projects. However, applicants may use established protocols and methodologies (such as the California Air Resources Board's GHG quantification guidance⁵) but must document these approaches. Total estimated GHG emission reduction units should be expressed in metric tons of CO₂ equivalent (MTCO₂e). Evaluation and scoring of applications with regard to GHG emission reductions will be based on estimated annual GHG emission reductions achieved after full implementation of the project.

Quantification should calculate the net GHG reduction from the proposed activity. This includes calculating the emission reductions, but also any associated emissions increases resulting from the proposed project. For example, a waste diversion project may achieve GHG reductions due to reducing the waste stream, but may also increase GHG emissions due to adding vehicle trips to and from recycling or composting facilities. Quantification of net GHG reductions should include an overall equation:

(GHG reductions from project) – (any associated GHG increases) = net project GHG impact

Determining GHG reductions from projects addressing building energy use:

Electricity emission factors:

If electricity is provided by PG&E:

(number of megawatt hours saved) X .197 = MTCO₂e reduced⁶

If electricity is provided by a Community Choice Energy (CCE) program: contact the CCE for its 2015 emission factor for CO₂e, and multiply by the amount of megawatt hours reduced by the project. If a 2015 emission factor is not available, please indicate the year that corresponds with the emission factor used.

Natural gas:

(number of therms saved) X 0.005 = MTCO₂e reduced⁷

Determining GHG reductions from projects addressing waste management:

Waste Diversion

Compost emission reduction factors by feedstock:⁸

Food waste: (tons diverted) X 0.62 = MTCO₂e reduced

Yard trimmings: (tons diverted) X 0.44 = MTCO₂e reduced

Mixed organics: (tons diverted) X 0.56 = MTCO₂e reduced

For other waste reduction projects (recycling, waste diversion, etc.), identify the type(s) of waste reduced, and simply specify the amount (in tons) reduced for each waste type:

⁵ CARB, <https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/quantification.htm>

⁶ This emission factor is the latest third-party verification for PG&E's 2015 delivered electricity.

⁷ U.S. EPA, <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

⁸ California Air Resources Board, www.arb.ca.gov/cc/waste/cerffinal.pdf

aluminum, glass, plastic, yard waste, food waste, newspaper, office paper, cardboard. If you do not know or cannot estimate waste reduction by waste type, estimate an aggregated amount of waste reduced and indicate the type as "mixed waste."

Determining GHG reductions from projects addressing transportation:

Transportation

On-road gasoline: (# gallons of gasoline saved) X 0.009 = MTCO₂e reduced⁹

On-road diesel: (# gallons of diesel saved) X 0.01 = MTCO₂e reduced¹⁰

Contact the Air District for additional guidance (climategrants@baaqmd.gov).

MEETING HELD ON MARCH 15, 2018

⁹ U.S. EPA, <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

¹⁰ U.S. EPA, <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

APPENDIX C

Letter of Interest Instructions and Template

Instructions

Applicants planning on requesting more than \$300,000 in Climate Protection Grant Program funding *must* submit a Letter of Interest prior to submittal of their application. Applicants seeking less than \$300,000 may, but are not required to, submit a Letter of Interest if they would like Air District staff to review their project concept and provide feedback. This may be particularly helpful if an applicant is planning to collaborate with other public agencies on a joint application, is looking to be matched with potential partner agencies, or simply if an applicant wishes to receive initial feedback about the eligibility or potential competitiveness of a proposed project.

Letters of Interest will not be taken into consideration during the final evaluation and scoring of applications.

Deadline for submission of Letters of Interest is 5:00 pm on Friday, April 6, 2018.

Letters of Interest must follow the template format below. A Letter of Interest may only address one proposed project.

Letters of Interest must be submitted via the Air District's Procurement Portal following the instructions on page 9 of these Guidelines.

Letter of Interest Template

Format requirements: No longer than 2 pages, single spaced with 12-point font, no attachments. Submissions longer than 2 pages will not be reviewed.

Provide Contact Information

Full Name of Public Agency

Contact Name

Contact Phone

Contact Email

Indicate Program Category

Specify the grant program category for which you expect to apply:

- Reduce GHGs from Existing Buildings
- Fostering Innovative Strategies

Provide a Project Summary

Succinctly describe the proposed project. Include information about the problem to be addressed and how the proposed project would address the problem. List other known and relevant information about the project that will help Air District staff provide useful feedback.

Provide a Project Timeline

Include a timeline that outlines major tasks and deliverables.

Provide a Budget Summary

Indicate the expected amount of funding sought from the Air District, and list any other major funders. Provide a description of anticipated expenses for major budget categories such as programmatic costs, staff time, consultants, etc.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Teresa Barrett and Members
of the Climate Protection Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 6, 2017

Re: Update on the Air District's Basin-Wide Methane Strategy

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The latest science has underscored the need to reduce emissions of short-lived greenhouses gases (GHG) in order to avoid the worse impacts of climate change (IPCC, 2014). Methane (CH₄) is a potent but short-lived GHG. It is 86 times more potent than carbon dioxide (CO₂) and it has a much shorter atmospheric lifespan of 12 years (vs. 20 – 200 years for CO₂) (IPCC, 2014). Due to these factors, actions to reduce methane emissions can provide significant and immediate climate benefits while CO₂ emissions are steadily reduced to achieve long-term climate stability. Curbing methane emissions would also reduce emissions of its co-pollutants resulting in improvements to public health and further climate benefits.

In recognition of these benefits, the Air Resources Board (ARB) adopted a short-lived climate pollutant (SLCP) reduction strategy for the State of California in March 2017. The strategy addresses emissions of methane (and other SLCPs) not intended to be reduced by ARB's Cap-and-Trade program. The SLCP Strategy was developed to help the State achieve its goal of reducing methane (and other SLCP) emissions 40 percent by the year 2030, set by SB 1383. In the document, ARB emphasizes the critical role that air districts can play in the success of the State's strategy by implementing short-lived climate pollutant emission reduction strategies in their own jurisdictions.

Methane is the second leading GHG in the Bay Area Air District. In 2015, sources in the Air District emitted an estimated 10 million metric tons of CO₂ equivalent (MMT CO₂e), about 10 percent of the GHG inventory. According to a recent study commissioned by the Air District to evaluate its methane inventory (Fischer and Jeong, 2016), three source categories represent approximately 84 percent of these emissions. These categories are mainly related to human activities; landfills are the largest source category by far, accounting for 53 percent of these emissions, followed by livestock (16 percent), and natural gas production and distribution (15 percent). These emissions estimates carry a large uncertainty (50 percent or more), consistent with a recent study that suggests that methane emissions in the Air District's "bottom-up" inventory are 1.5 – 2 times lower than expected from top-down measurements (Fairley and

Fischer, 2015). This “methane gap” has been repeatedly observed for the U.S. and California regions, where top-down observations that account for ambient methane concentrations suggest that there are large, unaccounted methane emissions that are not reflected in the bottom-up inventories.

Given the importance and potential co-benefits of controlling methane, the Air District has included a comprehensive basin-wide Methane Strategy (measure SS16) as part of its 2017 Clean Air Plan.

DISCUSSION

The Methane Strategy seeks to better quantify and reduce emissions of methane, and its co-pollutants, from all sources throughout the Air District, in support of ARB’s methane reduction goals. The Methane Strategy will accomplish these objectives by combining research, rulemaking, collaborations with state agencies, and other efforts such as incentive programs.

Elements of this strategy will include: 1) intensifying efforts to improve the Air District’s methane emissions inventory, 2) developing a rule to prohibit significant methane releases throughout the Air District as a backstop while source-specific rules are developed, 3) collaborating with state agencies on their methane rules under development, 4) identifying cost effective and technically feasible methane emissions reduction opportunities throughout the Bay Area, and 5) considering the removal of methane exemptions from existing Air District rules when appropriate.

Staff will present an update on the Methane Strategy efforts, including progress on the Air District’s first methane rule (Regulation 13, Rule 2: Significant Methane Releases), and describe new initiatives such as the development of an Organics Recovery Strategy.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Idania Zamora
Reviewed by: Victor Douglas

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 23, 2017

Re: Report of the Stationary Source Committee Meeting of March 19, 2018

RECOMMENDED ACTION

The Stationary Source Committee received only informational items and has no recommendations of approval by the Board of Directors.

BACKGROUND

The Committee met on Monday, March 19, 2018. Due to the extensive Public Comments on Non-Agendized items, the Committee did not receive the following reports:

- A) Update on the Preliminary Best Available Retrofit Control Technology (BARCT) Evaluation and Identification of Potential Rule Development Projects; and
- B) Update on Air District's Basin-Wide Methane Strategy

Action on these items was deferred to the next meeting of the Committee.

Chairperson John Gioia will provide an oral report of the Committee meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

- A) None; and
- B) None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Kristine Garcia
Reviewed by: Vanessa Johnson

Attachment 13A: 03/19/18 - Stationary Source Committee Meeting Agenda #3
Attachment 13B: 03/19/18 - Stationary Source Committee Meeting Agenda #4

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson John Gioia and Members
of the Stationary Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 12, 2018

Re: Update on the Preliminary Best Available Retrofit Control Technology (BARCT)
Evaluation and Identification of Potential Rule Development Projects

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Recently adopted legislation, AB 617, requires air districts to focus on communities disproportionately impacted by air pollution, such as those communities identified under the Air District's Community Air Risk Evaluation (CARE) Program. AB 617, also requires air districts in non-attainment of ambient air quality standards to conduct a best available retrofit control technology (BARCT) evaluation of sources at facilities subject to the AB 32 Cap-and-Trade program and determine which sources are suitable for rule development.

In conducting this evaluation, Air District staff developed a list of potentially affected facilities, sources, and emissions from the 2016 Reporting Year Emissions Inventory. This evaluation indicated that the Bay Area has 80 facilities subject to Cap-and-Trade, which encompass 3,246 individual sources in 61 source categories. Staff's process for developing the schedule of potential rule development projects involved: 1) screening out sources with limited potential emission reductions, 2) screening out sources already subject to recent BARCT rules, 3) conducting preliminary BARCT evaluations, and 4) identifying and prioritizing potential BARCT rule development projects.

Based on this process, ten potential rule development projects have been identified as candidates for the Expedited BARCT Implementation Schedule. Potential Rule Development Projects, including cement manufacturing (PM and SO₂), storage tanks (ROG), refinery fuel gas (SO₂), refinery fluid catalytic crackers and CO boilers (PM and SO₂), internal combustion (reciprocating) engines (PM and ROG), fiberglass manufacturing (PM and NO_x), landfills (PM and ROG), refinery wastewater treating (ROG), foundries (SO₂), and coke calcining (NO_x).

Through this process, staff also identified 15 other potential rule development projects for the remaining sources and source categories. These projects are not being proposed at this time because the potential emission reductions would be relatively small (less than ten tons per year), and are anticipated to have low impact on local communities. Action on these potential rule

development projects are more appropriately considered during the next phase when rules are developed, as part of local Community Action Plans.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: David Joe
Reviewed by: Victor Douglas

MEETING HELD ON MARCH 19, 2018

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson John Gioia and Members
of the Stationary Source Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 12, 2017

Re: Update on the Air District's Basin-Wide Methane Strategy

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The latest science has underscored the need to reduce emissions of short-lived greenhouses gases (GHG) in order to avoid the worse impacts of climate change (IPCC, 2014). Methane (CH₄) is a potent but short-lived GHG. It is 86 times more potent than carbon dioxide (CO₂) and it has a much shorter atmospheric lifespan of 12 years (vs. 20 – 200 years for CO₂) (IPCC, 2014). Due to these factors, actions to reduce methane emissions can provide significant and immediate climate benefits while CO₂ emissions are steadily reduced to achieve long-term climate stability. Curbing methane emissions would also reduce emissions of its co-pollutants resulting in improvements to public health and further climate benefits.

In recognition of these benefits, the Air Resources Board (ARB) adopted a short-lived climate pollutant (SLCP) reduction strategy for the State of California in March 2017. The strategy addresses emissions of methane (and other SLCPs) not intended to be reduced by ARB's Cap-and-Trade program. The SLCP Strategy was developed to help the State achieve its goal of reducing methane (and other SLCP) emissions 40 percent by the year 2030, set by SB 1383. In the document, ARB emphasizes the critical role that air districts can play in the success of the State's strategy by implementing short-lived climate pollutant emission reduction strategies in their own jurisdictions.

Methane is the second leading GHG in the Bay Area Air District. In 2015, sources in the Air District emitted an estimated 10 million metric tons of CO₂ equivalent (MMT CO₂e), about 10 percent of the GHG inventory. According to a recent study commissioned by the Air District to evaluate its methane inventory (Fischer and Jeong, 2016), three source categories represent approximately 84 percent of these emissions. These categories are mainly related to human activities; landfills are the largest source category by far, accounting for 53 percent of these emissions, followed by livestock (16 percent), and natural gas production and distribution (15 percent). These emissions estimates carry a large uncertainty (50 percent or more), consistent with a recent study that suggests that methane emissions in the Air District's "bottom-up" inventory are 1.5 – 2 times lower than expected from top-down measurements (Fairley and

Fischer, 2015). This “methane gap” has been repeatedly observed for the U.S. and California regions, where top-down observations that account for ambient methane concentrations suggest that there are large, unaccounted methane emissions that are not reflected in the bottom-up inventories.

Given the importance and potential co-benefits of controlling methane, the Air District has included a comprehensive basin-wide Methane Strategy (measure SS16) as part of its 2017 Clean Air Plan.

DISCUSSION

The Methane Strategy seeks to better quantify and reduce emissions of methane, and its co-pollutants, from all sources throughout the Air District, in support of ARB’s methane reduction goals. The Methane Strategy will accomplish these objectives by combining research, rulemaking, collaborations with state agencies, and other efforts such as incentive programs.

Elements of this strategy will include: 1) intensifying efforts to improve the Air District’s methane emissions inventory, 2) developing a rule to prohibit significant methane releases throughout the Air District as a backstop while source-specific rules are developed, 3) collaborating with state agencies on their methane rules under development, 4) identifying cost effective and technically feasible methane emissions reduction opportunities throughout the Bay Area, and 5) considering the removal of methane exemptions from existing Air District rules when appropriate.

Staff will present an update on the Methane Strategy efforts, including progress on the Air District’s first methane rule (Regulation 13, Rule 2: Significant Methane Releases), and describe new initiatives such as the development of an Organics Recovery Strategy.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Idania Zamora
Reviewed by: Victor Douglas

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 23, 2018

Re: Report of the Legislative Committee Meeting of March 22, 2018

RECOMMENDED ACTION

A) Consideration of New Bills

- 1) The Committee discussed and reviewed new bills and consider recommending positions on them to the Board of Directors.

Bill/Author	Subject	Staff recommendation
AB 1796 (Muratsuchi)	Addresses EV charging station installation in rent-controlled buildings	Support
AB 2061 (Frazier)	Increases truck weight limits for electric, fuel cell, or natural gas trucks	Support
AB 2940 (Caballero)	Exempts certain heavy-duty diesel low-use and agricultural vehicles from existing requirements that would prevent their registration	Oppose
AB 3059 (Bloom)	Authorizes congestion pricing demonstration projects	Support
SB 1144 (Dodd)	Increases civil stationary source air penalty ceilings for serious violations at power plants, petrochemical facilities, and refineries	There was a consensus of the Committee to recommend a “Seek Amendments” position
SB 1427 (Hill)	States legislative intent to improve enforcement of HOV and HOT lanes	Support
AB 2336 (Salas)	Moyer program spot bill	Oppose

B) Sacramento Update

- 1) None; receive and file.

BACKGROUND

The Committee met on Thursday, March 22, 2018, and received the following reports and recommendations:

A) Consideration of New Bills; and

B) Sacramento Update

Legislative Committee Chairperson, David Hudson, will give an oral report of the meeting.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Kristine Garcia
Reviewed by: Vanessa Johnson

Attachment 14A: 03/22/18 – Legislative Committee Meeting Agenda #3

Attachment 14B: 03/22/18 – Legislative Committee Meeting Agenda #4

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Legislative Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 12, 2018

Re: Consideration of New Bills

RECOMMENDED ACTION

The Committee will discuss and review new bills and consider recommending positions on them to the Board of Directors.

DISCUSSION

AB 1796 is authored by Assemblymember Al Muratsuchi (D-Torrance), and addresses electric vehicle (EV) charging in rent-controlled units. Since the passage of AB 2565 in 2014, landlords of California residential and commercial buildings, who are approached by a tenant who wants to install EV charging are generally required to allow this installation, provided the tenant bears all costs associated with the installation. This has helped expand the number of potential EV purchasers beyond just homeowners, accelerating EV market penetration. This general requirement, however, does not apply to rent-controlled buildings. AB 1796 would have this requirement apply to rent-controlled buildings. Because a significant portion of some Bay Area cities are subject to rent control, staff believe that this measure would help increase EV purchase and use in the region, both of new and used EVs. California has set ambitious goals for electrifying transportation via regulation, Executive Orders, and statute. AB 1796 will help achieve these goals, and staff are recommending a “**Support**” position.

AB 2061, authored by Assemblymember Jim Frazier (D-Discovery Bay), takes on the subject of truck weight limits. Specifically, it would allow battery electric, fuel cell, or natural gas big rig trucks, to exceed the current weight limit of 80,000 pounds (applicable to all trucks) by 2,000 pounds. Heavier propulsion systems for cleaner vehicles, in combination with existing uniform weight limits means, that they effectively have a lower payload than their diesel counterparts. Thus, cleaner trucks have to make more trips to haul a given quantity of material, which does not help climate, air quality, or congestion goals. This, in addition to significantly higher purchase pricing, means that the cleanest choices for moving goods over our highways are less attractive to potential purchasers. Federal law has increased the weight limit for the clean trucks, as have 24 other states. California has yet to do so, and AB 2061 would resolve this issue. Staff believe this bill will encourage adoption of cleaner technologies, and reduce emissions of greenhouse gases, criteria emissions, and air toxics. Staff recommend a “**Support**” position.

AB 2940 is authored by Assemblymember Anna Caballero (D-Salinas), and makes changes to the Air Resources Board's (ARB) Truck and Bus regulation. Sponsored by the California Farm Bureau Federation, it allows agricultural vehicles and vehicles driven less than 5,000 miles annually, to not comply with vehicle cleanup deadlines in ARB's regulation. The Truck and Bus regulation was adopted in 2008, in a full public process where all affected interests had substantial input and consideration given to their issues. Agricultural interests and vehicle owners in fact successfully secured substantial additional time to comply with cleanup requirements. Additionally, during the regulatory adoption process, ARB had to consider issues of cost-effectiveness and technological feasibility. Generally, trucks over 14,000 pounds used in ranching and farming are required to be upgraded to 2010 model year engines by 2023. Additionally, any truck driven less than 1,000 miles annually with an older, dirtier engine is exempt from cleanup requirements.

This bill would increase the annual mileage limitation to 5,000 miles annually, for any truck. It also delays for four years regulatory requirements on agricultural trucks. AB 2940 will thus significantly decrease the emission reductions of toxic diesel particulate matter, criteria emissions, and greenhouse gases that the current regulation will deliver, negatively affecting public health. Furthermore, staff believe it is inappropriate for the Legislature to circumvent the open public process and regulatory decision making at ARB, and effectively weaken air quality regulations by statute. Many thousands of owners of agricultural and other trucks have acted in good faith and complied with regulatory requirements, and spent significant funds to do so. AB 2940 would unfairly penalize these individuals and businesses by giving a significant financial advantage to less scrupulous competitors who have delayed complying. Thus, staff recommend an **"Oppose"** position.

AB 3059 is authored by Assemblymember Richard Bloom (D-Santa Monica). It would authorize four congestion pricing pilot projects, with two in southern California and two in northern California. Interested cities or counties could choose to participate by passing an ordinance and gaining approval of their congestion management agency. Projects must be done in a way to advance transportation equity.

Congestion pricing essentially uses price signals to encourage motorists to reduce discretionary driving during times of peak congestion. Cities like London and Stockholm have implemented programs, and have seen substantial congestion reduction as a result. The Air District has long had congestion pricing as a strategy in our Clean Air Plan, including in our 2017 current plan ("TR11-Value Pricing Strategies"). Staff are recommending a **"Support"** position.

SB 1144, authored by Senator Bill Dodd (D-Napa), would increase penalties for those who violate air quality regulations. Specifically, the bill would increase civil penalty ceilings for serious and serial violations at powerplants, refineries, and petrochemical plants. Senator Dodd's district contains three of the five Bay Area refineries. The extensive flaring and resulting community impacts in Benicia from the Valero refinery power outage last year are important triggers to this legislation being brought forward.

Over the last two decades, the Air District has sponsored multiple bills to increase penalty ceilings, and supported others. If the financial consequences of violating our regulations are too low, stationary sources have less incentive to comply with regulations, potentially jeopardizing public health. While for many violations the existing ceilings are adequate, unfortunately there are instances where they are clearly inadequate. For example, the Richmond Chevron refinery fire, which had roughly 15,000 people seeking medical attention, was an incident for which existing penalty ceilings were clearly inadequate. It triggered the District to sponsor SB 691 in 2013 (authored by Senator Loni Hancock), which ultimately failed on the Assembly Floor. The Air District was supportive of the language in last year's AB 617 (authored by Christina Garcia) that raised the strict liability penalty ceiling from \$1,000 per day to \$5,000 per day. However, that bill failed to raise the strict liability ceiling for federally-enforceable requirements at Title V facilities (such as refineries), so that ceiling today remains at \$10,000.

Staff are recommending a “**Support if Amended**” position on SB 1144. While we support the bill's intentions, we think it would benefit significantly from some revisions. For example, existing language in statute already requires that serious and serial violations be more heavily penalized. Additionally, the bill defines serious violations in ways we see as unintentionally problematic. The problem with current law is that for violators with deep pockets, today's ceilings are inadequate. Because over 90% of violations are in the strict liability category, and virtually all the rest are in the negligence category, we believe the bill should focus on increasing ceilings in these categories, especially given that AB 617 only increased strict liability ceilings for non-Title V sources. The author and his staff have requested our input on the issue, and adopting the above position will help direct that collaboration.

SB 1427 is authored by Senator Jerry Hill (D-Redwood City), and is sponsored by the Metropolitan Transportation Commission. Called the Roadway Reliability Improvement Act, it is being designed to increase enforcement of High-Occupancy Vehicle (HOV) lanes to improve compliance rates. Statewide, Caltrans found in 2016 that over two-thirds of the lanes failed to meet federal performance standards. The point of having these lanes is to encourage travelers to carpool or vanpool or take transit, and to purchase clean air vehicles which access the lanes via decals. All these behaviors have significant public health benefits and reduce greenhouse gas emissions. Unfortunately, poor performance and congestion in the lanes greatly reduces the incentives for these behaviors. In the Bay Area, cheaters in solo vehicles make up on average 24% of traffic in these lanes, and in some corridors the percentage is as high as 39%.

SB 1427 is designed to reduce cheating by increasing enforcement by the California Highway Patrol (CHP), authorizing toll agencies to share information with CHP, and piloting vehicle occupancy detection systems. Staff are recommending a “**Support**” position.

Copies of the bills discussed above are attached. Also attached is a lengthy list of bills with air quality implications that have been introduced in 2018. This year the bill introduction deadline was February 16, 2018, and bills cannot be amended for 30 days after introduction. Thus, staff expect many bills still in spot form as of the date of this memorandum will have more detailed language shortly thereafter. Therefore, staff may need to bring additional bills of significance to the committee for its consideration on March 22, 2018.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Thomas Addison

Attachment 3A: Assembly Bill No. 1796

Attachment 3B: Assembly Bill No. 2061

Attachment 3C: Assembly Bill No. 2940

Attachment 3D: Assembly Bill No. 3059

Attachment 3E: Senate Bill No. 1144

Attachment 3F: Senate Bill No. 1427

Attachment 3G: BAAQMD Bill Discussion List

MEETING HELD ON MARCH 22, 2018

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL**No. 1796****Introduced by Assembly Member Muratsuchi**

January 9, 2018

An act to amend Section 1947.6 of the Civil Code, relating to tenancy.

LEGISLATIVE COUNSEL'S DIGEST

AB 1796, as introduced, Muratsuchi. Rental property: electric vehicle charging stations.

Existing law requires a lessor of a dwelling to approve a written request of a lessee to install an electric vehicle charging station at a parking space allotted for the lessee in accordance with specified requirements. Existing law provides exemptions for specified dwellings, including an exemption for a dwelling that is subject to the residential rent control ordinance of a public entity.

This bill would eliminate that exemption, thereby requiring a lessor of a dwelling subject to the residential rent control ordinance of a public entity to approve a written request of a lessee to install an electric vehicle charging station in accordance with specified requirements.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1947.6 of the Civil Code is amended to
- 2 read:
- 3 1947.6. (a) For any lease executed, extended, or renewed on
- 4 and after July 1, 2015, a lessor of a dwelling shall approve a written
- 5 request of a lessee to install an electric vehicle charging station at

1 a parking space allotted for the lessee that meets the requirements
2 of this section and complies with the lessor’s procedural approval
3 process for modification to the property.

4 (b) This section does not apply to residential rental properties
5 where:

6 (1) Electric vehicle charging stations already exist for lessees
7 in a ratio that is equal to or greater than 10 percent of the designated
8 parking spaces.

9 (2) Parking is not provided as part of the lease agreement.

10 (3) A property where there are less than five parking spaces.

11 (4) A dwelling that is subject to the residential rent control
12 ordinance of a public entity. *This paragraph shall not apply to a*
13 *lease executed, extended, or renewed on and after January 1, 2019.*

14 (c) For purposes of this section, “electric vehicle charging
15 station” or “charging station” means any level of electric vehicle
16 supply equipment station that is designed and built in compliance
17 with Article 625 of the California Electrical Code, as it reads on
18 the effective date of this section, and delivers electricity from a
19 source outside an electric vehicle into a plug-in electric vehicle.

20 (d) A lessor shall not be obligated to provide an additional
21 parking space to a lessee in order to accommodate an electric
22 vehicle charging station.

23 (e) If the electric vehicle charging station has the effect of
24 providing the lessee with a reserved parking space, the lessor may
25 charge a monthly rental amount for that parking space.

26 (f) An electric vehicle charging station and all modifications
27 and improvements to the property shall comply with federal, state,
28 and local law, and all applicable zoning requirements, land use
29 requirements, and covenants, conditions, and restrictions.

30 (g) A lessee’s written request to make a modification to the
31 property in order to install and use an electric vehicle charging
32 station shall include, but is not limited to, his or her consent to
33 enter into a written agreement that includes, but is not limited to,
34 the following:

35 (1) Compliance with the lessor’s requirements for the
36 installation, use, maintenance, and removal of the charging station
37 and installation, use, and maintenance of the infrastructure for the
38 charging station.

1 (2) Compliance with the lessor’s requirements for the lessee to
2 provide a complete financial analysis and scope of work regarding
3 the installation of the charging station and its infrastructure.

4 (3) A written description of how, when, and where the
5 modifications and improvements to the property are proposed to
6 be made consistent with those items specified in the “Permitting
7 Checklist” of the “Zero-Emission Vehicles in California:
8 Community Readiness Guidebook” published by the Office of
9 Planning and Research.

10 (4) Obligation of the lessee to pay the lessor all costs associated
11 with the lessor’s installation of the charging station and its
12 infrastructure prior to any modification or improvement being
13 made to the leased property. The costs associated with
14 modifications and improvements shall include, but are not limited
15 to, the cost of permits, supervision, construction, and, solely if
16 required by the contractor, consistent with its past performance of
17 work for the lessor, performance bonds.

18 (5) Obligation of the lessee to pay as part of rent for the costs
19 associated with the electrical usage of the charging station, and
20 cost for damage, maintenance, repair, removal, and replacement
21 of the charging station, and modifications or improvements made
22 to the property associated with the charging station.

23 (h) The lessee shall maintain in full force and effect a lessee’s
24 general liability insurance policy in the amount of one million
25 dollars (\$1,000,000) and shall name the lessor as a named
26 additional insured under the policy commencing with the date of
27 approval of construction until the lessee forfeits possession of the
28 dwelling to the lessor.

AMENDED IN ASSEMBLY MARCH 5, 2018

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 2061

**Introduced by Assembly Member Frazier
(Principal coauthor: Assembly Member Gipson)
(Coauthors: Assembly Members Gonzalez Fletcher and Reyes)
(Coauthor: Senator Hueso)**

February 7, 2018

An act to amend Section 35551 of the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

AB 2061, as amended, Frazier. Near-zero-emission and zero-emission vehicles.

Existing law sets specified limits on the total gross weight imposed on the highway by a vehicle with any group of 2 or more consecutive axles.

This bill would authorize a near-zero-emission vehicle or a zero-emission vehicle, as defined, to exceed axle, tandem, gross, or bridge formula weight limits, up to a 2,000 pound maximum, by an amount equal to the difference between the weight of the vehicle attributable to the fueling *and propulsion* system carried by that vehicle and the weight of a comparable diesel ~~tank~~ *and fueling and propulsion* system.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 35551 of the Vehicle Code is amended
2 to read:

3 35551. (a) Except as otherwise provided in this section or
4 Section 35551.5, the total gross weight in pounds imposed on the
5 highway by any group of two or more consecutive axles shall not
6 exceed that given for the respective distance in the following table:

7	8					
9	10					
11	12					
13	14					
15	16					
17	18					
19	20					
21	22					
23	24					
25	26					
27	28					
29	30					
31	32					
33	34					
35	36					
37	38					
	Distance in					
	feet between					
	the extremes					
	of any group					
	of 2 or more					
	consecutive					
	axles	2 axles	3 axles	4 axles	5 axles	6 axles
4	.....	34,000	34,000	34,000	34,000	34,000
5	.....	34,000	34,000	34,000	34,000	34,000
6	.....	34,000	34,000	34,000	34,000	34,000
7	.....	34,000	34,000	34,000	34,000	34,000
8	.....	34,000	34,000	34,000	34,000	34,000
9	.....	39,000	42,500	42,500	42,500	42,500
10	.....	40,000	43,500	43,500	43,500	43,500
11	.....	40,000	44,000	44,000	44,000	44,000
12	.....	40,000	45,000	50,000	50,000	50,000
13	.....	40,000	45,500	50,500	50,500	50,500
14	.....	40,000	46,500	51,500	51,500	51,500
15	.....	40,000	47,000	52,000	52,000	52,000
16	.....	40,000	48,000	52,500	52,500	52,500
17	.....	40,000	48,500	53,500	53,500	53,500
18	.....	40,000	49,500	54,000	54,000	54,000
19	.....	40,000	50,000	54,500	54,500	54,500
20	.....	40,000	51,000	55,500	55,500	55,500
21	.....	40,000	51,500	56,000	56,000	56,000
22	.....	40,000	52,500	56,500	56,500	56,500
23	.....	40,000	53,000	57,500	57,500	57,500
24	.....	40,000	54,000	58,000	58,000	58,000
25	.....	40,000	54,500	58,500	58,500	58,500
26	.....	40,000	55,500	59,500	59,500	59,500
27	.....	40,000	56,000	60,000	60,000	60,000

1	28	40,000	57,000	60,500	60,500	60,500
2	29	40,000	57,500	61,500	61,500	61,500
3	30	40,000	58,500	62,000	62,000	62,000
4	31	40,000	59,000	62,500	62,500	62,500
5	32	40,000	60,000	63,500	63,500	63,500
6	33	40,000	60,000	64,000	64,000	64,000
7	34	40,000	60,000	64,500	64,500	64,500
8	35	40,000	60,000	65,500	65,500	65,500
9	36	40,000	60,000	66,000	66,000	66,000
10	37	40,000	60,000	66,500	66,500	66,500
11	38	40,000	60,000	67,500	67,500	67,500
12	39	40,000	60,000	68,000	68,000	68,000
13	40	40,000	60,000	68,500	70,000	70,000
14	41	40,000	60,000	69,500	72,000	72,000
15	42	40,000	60,000	70,000	73,280	73,280
16	43	40,000	60,000	70,500	73,280	73,280
17	44	40,000	60,000	71,500	73,280	73,280
18	45	40,000	60,000	72,000	76,000	80,000
19	46	40,000	60,000	72,500	76,500	80,000
20	47	40,000	60,000	73,500	77,500	80,000
21	48	40,000	60,000	74,000	78,000	80,000
22	49	40,000	60,000	74,500	78,500	80,000
23	50	40,000	60,000	75,500	79,000	80,000
24	51	40,000	60,000	76,000	80,000	80,000
25	52	40,000	60,000	76,500	80,000	80,000
26	53	40,000	60,000	77,500	80,000	80,000
27	54	40,000	60,000	78,000	80,000	80,000
28	55	40,000	60,000	78,500	80,000	80,000
29	56	40,000	60,000	79,500	80,000	80,000
30	57	40,000	60,000	80,000	80,000	80,000
31	58	40,000	60,000	80,000	80,000	80,000
32	59	40,000	60,000	80,000	80,000	80,000
33	60	40,000	60,000	80,000	80,000	80,000

34

35 (b) In addition to the weights specified in subdivision (a), two
36 consecutive sets of tandem axles may carry a gross weight of
37 34,000 pounds each if the overall distance between the first and
38 last axles of the consecutive sets of tandem axles is 36 feet or more.
39 The gross weight of each set of tandem axles shall not exceed

1 34,000 pounds and the gross weight of the two consecutive sets
2 of tandem axles shall not exceed 68,000 pounds.

3 (c) The distance between axles shall be measured to the nearest
4 whole foot. When a fraction is exactly six inches, the next larger
5 whole foot shall be used.

6 (d) This section does not affect the right to prohibit the use of
7 any highway or any bridge or other structure thereon in the manner
8 and to the extent specified in Article 4 (commencing with Section
9 35700) and Article 5 (commencing with Section 35750) of this
10 chapter.

11 (e) The gross weight limits expressed by this section and Section
12 35550 shall include all enforcement tolerances.

13 (f) (1) A near-zero-emission or zero-emission vehicle may
14 exceed axle, tandem, gross, or bridge formula weight limits by an
15 amount, not to exceed a maximum of 2,000 pounds, that is equal
16 to the difference between the weight of the vehicle attributable to
17 the fueling *and propulsion* system carried by that vehicle and the
18 weight of a comparable diesel ~~tank~~ *and fueling and propulsion*
19 system.

20 (2) For purposes of this subdivision, the terms
21 “near-zero-emission vehicle” and “zero-emission vehicle” have
22 the same meanings as defined in subdivisions (c) and (d) of Section
23 44258 of the Health and Safety Code.

ASSEMBLY BILL

No. 2940

Introduced by Assembly Members Caballero and Aguiar-Curry

February 16, 2018

An act to amend Sections 4000.15 and 4156 of the Vehicle Code, relating to vehicle emissions.

LEGISLATIVE COUNSEL'S DIGEST

AB 2940, as introduced, Caballero. Vehicle emissions.

Existing law, commencing January 1, 2020, prohibits the registration, or renewal or transfer of registration, for specified diesel-fueled commercial vehicles unless the vehicle is subject to exemption from that prohibition, or is compliant with specified air pollution control technology, in which case the Department of Motor Vehicles is authorized to register the vehicle.

This bill would additionally authorize the department to allow the registration, or renewal or transfer of registration, for low-use vehicles and agricultural vehicles that meet certain requirements.

Existing law authorizes the department, in its discretion, to issue a temporary permit to operate a vehicle when a payment of fees has been accepted in an amount to be determined by the department and paid to the department by the owner or other person in lawful possession of the vehicle. Existing law authorizes the department to issue a temporary permit to operate a diesel-fueled vehicle for which registration may be refused pursuant to specified emission standards requirements.

This bill would additionally require the department to issue the permit within 48 hours of a determination of noncompliance with current emission requirements.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 4000.15 of the Vehicle Code is amended
2 to read:
3 4000.15. (a) Effective January 1, 2020, the department shall
4 confirm, prior to the initial registration or the transfer of ownership
5 and registration of a diesel-fueled vehicle with a gross vehicle
6 weight rating of more than 14,000 pounds, that the vehicle is
7 compliant with, or exempt from, applicable air pollution control
8 technology requirements pursuant to Division 26 (commencing
9 with Section 39000) of the Health and Safety Code and regulations
10 of the State Air Resources Board adopted pursuant to that division.
11 (b) Except as otherwise provided in subdivision (c), for
12 diesel-fueled vehicles subject to Section 43018 of the Health and
13 Safety Code, as applied to the reduction of emissions of diesel
14 particulate matter, oxides of nitrogen, and other criteria pollutants
15 from in-use diesel-fueled vehicles, and Section 2025 of Title 13
16 of the California Code of Regulations as it read *on* January 1, 2017,
17 or as subsequently amended:
18 (1) The department shall refuse registration, or renewal or
19 transfer of registration, for a diesel-fueled vehicle with a gross
20 vehicle weight rating of 14,001 pounds to 26,000 pounds for the
21 following vehicle model years:
22 (A) Effective January 1, 2020, vehicle model years 2004 and
23 older.
24 (B) Effective January 1, 2021, vehicle model years 2007 and
25 older.
26 (C) Effective January 1, 2023, vehicle model years 2010 and
27 older.
28 (2) The department shall refuse registration, or renewal or
29 transfer of registration, for a diesel-fueled vehicle with a gross
30 vehicle weight rating of more than 26,000 pounds for the following
31 vehicle model years:
32 (A) Effective January 1, 2020, vehicle model years 2000 and
33 older.
34 (B) Effective January 1, 2021, vehicle model years 2005 and
35 older.

1 (C) Effective January 1, 2022, vehicle model years 2007 and
2 older.

3 (D) Effective January 1, 2023, vehicle model years 2010 and
4 older.

5 (c) (1) As determined by the State Air Resources Board,
6 notwithstanding effective dates and vehicle model years identified
7 in subdivision (b), the department may allow registration, or
8 renewal or transfer of registration, for a diesel-fueled vehicle that
9 has been reported to the State Air Resources Board, and is using
10 an approved exemption, or is compliant with applicable air
11 pollution control technology requirements pursuant to Division
12 26 (commencing with Section 39000) of the Health and Safety
13 Code and regulations of the State Air Resources Board adopted
14 pursuant to that division, ~~including vehicles equipped with the
15 required model year emissions equivalent engine or otherwise
16 using an approved compliance option.~~ *division and Section 2025
17 of Title 13 of the California Code of Regulations as it read on
18 January 1, 2017, or as subsequently amended, including any of
19 the following:*

20 (A) *Vehicles equipped with the required model year emissions
21 equivalent engine or otherwise using an approved compliance
22 option.*

23 (B) *Low-use vehicles that do not exceed 5,000 miles annually
24 after January 1, 2020, that meet the reporting and recordkeeping
25 requirements in accordance with paragraph (12) of subdivision
26 (r) of, and subdivision (s) of, Section 2025 of Title 13 of the
27 California Code of Regulations.*

28 (C) *Agricultural vehicles that have been reported as of January
29 31, 2019, and qualified for the provisions of subdivision (m) of
30 Section 2025 of Title 13 of the California Code of Regulations and
31 the reporting and recordkeeping requirements in accordance with
32 paragraph (14) of subdivision (r) of, and subdivision (s) of, Section
33 2025 of Title 13 of the California Code of Regulations.*

34 (2) The State Air Resources Board shall notify the department
35 of the vehicles allowed to be registered pursuant to this subdivision.

36 (3) *Any amendment of Section 2025 of Title 13 of the California
37 Code of Regulations required in connection with the changes made
38 to this subdivision by the act that added this paragraph shall be
39 limited in application to those vehicles described in subparagraphs
40 (B) and (C) of paragraph (1).*

1 SEC. 2. Section 4156 of the Vehicle Code is amended to read:
 2 4156. (a) Notwithstanding any other provision of this code,
 3 and except as provided in subdivision (b), the department in its
 4 discretion may issue a temporary permit to operate a vehicle when
 5 a payment of fees has been accepted in an amount to be determined
 6 by, and paid to the department, by the owner or other person in
 7 lawful possession of the vehicle. The permit shall be subject to the
 8 terms and conditions, and shall be valid for the period of time, that
 9 the department shall deem appropriate under the circumstances.

10 (b) (1) The department shall not issue a temporary permit
 11 pursuant to subdivision (a) to operate a vehicle for which a
 12 certificate of compliance is required pursuant to Section 4000.3,
 13 and for which that certificate of compliance has not been issued,
 14 unless the department is presented with sufficient evidence, as
 15 determined by the department, that the vehicle has failed its most
 16 recent smog check inspection.

17 (2) Only one temporary permit may be issued pursuant to this
 18 subdivision to a vehicle owner in a two-year period.

19 (3) A temporary permit issued pursuant to paragraph (1) is valid
 20 for either 60 days after the expiration of the registration of the
 21 vehicle or 60 days after the date that vehicle is removed from
 22 nonoperation, whichever is applicable at the time that the temporary
 23 permit is issued.

24 (4) A temporary permit issued pursuant to paragraph (1) is
 25 subject to Section 9257.5.

26 (c) (1) The department may issue a temporary permit pursuant
 27 to subdivision (a) to operate a vehicle for which registration may
 28 be refused pursuant to Section 4000.15. *The department shall issue*
 29 *the temporary permit within 48 hours of a determination of*
 30 *noncompliance with current emission requirements.*

31 (2) Only one temporary permit may be issued pursuant to this
 32 subdivision for any vehicle, unless otherwise approved by the State
 33 Air Resources Board.

34 (3) A temporary permit issued pursuant to paragraph (1) is valid
 35 for either 90 days after the expiration of the registration of the
 36 vehicle or 90 days after the date that vehicle is removed from
 37 nonoperation, whichever is applicable at the time the temporary
 38 permit is issued.

O

ASSEMBLY BILL

No. 3059

Introduced by Assembly Member Bloom
(Principal coauthor: Senator Wiener)

February 16, 2018

An act to add Chapter 2.55 (commencing with Section 65087) to Division 1 of Title 7 of the Government Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 3059, as introduced, Bloom. Congestion pricing demonstration pilot projects.

(1) Existing law provides for the development of a congestion management program for each county that includes an urbanized area by a designated congestion management agency. Existing law authorizes the Metropolitan Transportation Commission and the Bay Area Air Quality Management District to jointly adopt a commute benefit ordinance that requires covered employers operating within the common area of the 2 agencies with a specified number of covered employees to offer those employees certain commute benefits.

This bill would authorize 2 congestion pricing demonstration projects in northern California and 2 in southern California. The bill would define “congestion pricing” to mean the assessment of a charge on motor vehicles using local streets and roads in a participating jurisdiction, which charge could vary based on the time of day or the day of the week. The bill would require the governing body of an eligible participating jurisdiction, as defined, to adopt a congestion pricing ordinance containing various elements, and would require the proposed ordinance to be approved by the applicable congestion management agency subject to a finding that the proposed demonstration project is

likely to be successful. The bill would require a charge by a congestion pricing ordinance to be imposed consistent with the California Constitution and federal law. The bill would enact other related provisions.

(2) Existing law prohibits a local agency from imposing a tax, permit fee or other charge, except as specified, after December 31, 1990, unless the charge had been imposed prior to June 1, 1989.

This bill would provide that this prohibition does not apply within a jurisdiction undertaking a congestion pricing demonstration project for the duration of that demonstration project.

This bill, by imposing new duties on congestion management agencies, would impose a state-mandated local program.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Chapter 2.55 (commencing with Section 65087)
2 is added to Division 1 of Title 7 of the Government Code, to read:

3
4 CHAPTER 2.55. CONGESTION PRICING DEMONSTRATION PILOT
5 PROJECTS
6

7 65087. The Legislature finds and declares both of the following:

8 (a) It is the intent of the Legislature to authorize at least two
9 congestion pricing demonstration pilot projects in northern
10 California and two in southern California.

11 (b) It is the intent of the Legislature that the congestion pricing
12 demonstration pilot projects should be based on similar best
13 practice congestion pricing programs previously implemented
14 elsewhere in the world.

15 (c) It is the intent of the Legislature that any congestion pricing
16 demonstration pilot projects be implemented in such a way as to

1 advance transportation equity, whether through rebates,
2 exemptions, pricing structure, or revenue investment.

3 65087.1. For the purposes of this chapter, “congestion pricing”
4 means the assessment of a charge on motor vehicles using local
5 streets and roads in an eligible participating jurisdiction. The charge
6 may vary based on the time of day or the day of the week.

7 65087.2. An “eligible participating jurisdiction” means a city,
8 county, or a city and county that is able to comply with all of the
9 requirements of this chapter.

10 65087.3. Eligible participating jurisdictions shall be limited to
11 two congestion pricing demonstration pilot projects in northern
12 California and two in southern California.

13 65087.4. (a) A participating jurisdiction may elect to conduct
14 a congestion pricing demonstration pilot project by the adoption
15 of a congestion pricing ordinance by its governing body and
16 approval of the ordinance by the applicable congestion management
17 agency for the local jurisdiction designated pursuant to Chapter
18 2.6 (commencing with Section 65088). The congestion
19 management agency, before giving its approval, shall make a
20 finding that the demonstration project is likely to be successful.
21 Prior to approval, the participating jurisdiction and the congestion
22 management agency shall evaluate and recommend program design
23 features to maximize the benefits and minimize the impacts of any
24 congestion pricing demonstration project to disadvantaged
25 communities. An eligible jurisdiction electing to participate shall
26 also consult with the applicable transportation planning agency
27 and the California Transportation Commission in developing its
28 ordinance.

29 (b) The congestion pricing ordinance shall specify the duration
30 of the congestion pricing demonstration pilot project, the amount
31 of congestion pricing charges to be imposed, collection and
32 enforcement mechanisms, a financing plan to implement the
33 project, a transit and active transportation plan to implement
34 transportation alternatives, a public outreach plan, congestion
35 reduction objectives and goals to be achieved, and other necessary
36 and related matters.

37 (c) A charge imposed by a congestion pricing ordinance shall
38 be imposed consistent with the California Constitution and federal
39 law.

1 65087.5. (a) Before approving a participating jurisdiction’s
2 congestion pricing demonstration pilot project, the applicable
3 congestion management agency shall conduct at least two public
4 outreach meetings within the affected jurisdiction.
5 (b) A congestion management agency may incorporate a
6 congestion pricing demonstration pilot project into its congestion
7 management plan adopted pursuant to Chapter 2.6 (commencing
8 with Section 65088) of this division.
9 65087.6. Section 9400.8 of the Vehicle Code shall not apply
10 within a participating jurisdiction for the duration of the congestion
11 pricing demonstration pilot project.
12 65087.7. The applicable congestion management agency shall
13 evaluate the congestion pricing demonstration pilot project using
14 the following performance criteria:
15 (a) Reduction of vehicle miles traveled.
16 (b) Increase in transit usage within the participating jurisdiction,
17 and to and from the participating jurisdiction.
18 (c) Increase in the use of active transportation within the
19 participating jurisdiction, and to and from the participating
20 jurisdiction.
21 (d) Any vehicular traffic diversion impacts, including any
22 mitigation of those impacts.
23 (e) Improvement of public safety within the participating
24 jurisdiction.
25 (f) An assessment of whether the demonstration project achieved
26 its objectives and goals as outlined in the congestion pricing
27 ordinance.
28 SEC. 2. If the Commission on State Mandates determines that
29 this act contains costs mandated by the state, reimbursement to
30 local agencies and school districts for those costs shall be made
31 pursuant to Part 7 (commencing with Section 17500) of Division
32 4 of Title 2 of the Government Code.

Introduced by Senator DoddFebruary 14, 2018

An act to amend Sections 42400.7, 42402, 42403, and 42405.5 of, and to add Section 42402.7 to, the Health and Safety Code, relating to nonvehicular air pollution.

LEGISLATIVE COUNSEL'S DIGEST

SB 1144, as introduced, Dodd. Nonvehicular air pollution: penalties and fines.

(1) Existing law generally designates air pollution control and air quality management districts with the primary responsibility for the control of air pollution from all sources other than vehicular sources. Existing law establishes maximum criminal and civil penalties for any person, as defined, for violations of air pollution laws from nonvehicular sources. Existing law generally establishes the maximum criminal and civil penalties at \$5,000, annually adjusted based on the California Consumer Price Index.

This bill would establish additional civil penalties and fines on specified petroleum refineries, petrochemical plants, and fossil-fuel-burning, electricity-generating power plants that emit an air contaminant in violation of specified rules, regulations, emissions limitations, permits, or orders of a district or district hearing board and when the violation presents a serious threat to the health or welfare of the public. The bill also would make various conforming changes. By adding to the duties of air districts, this bill would impose a state-mandated local program.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 42400.7 of the Health and Safety Code
2 is amended to read:

3 42400.7. (a) The recovery of civil penalties pursuant to
4 Section 39674, 42401, 42402, 42402.1, 42402.2, 42402.3, ~~or~~
5 ~~42402.4~~ 42402.4, *or* 42402.7 precludes prosecution under Section
6 42400, 42400.1, 42400.2, 42400.3, 42400.3.5, or 42400.4 for the
7 same offense. When a district refers a violation to a prosecuting
8 agency, the filing of a criminal complaint is grounds requiring the
9 dismissal of any civil action brought pursuant to this article for
10 the same offense.

11 (b) If the pending civil action described in subdivision (a)
12 includes a request for injunctive relief, that portion of the civil
13 action shall not be dismissed upon the filing of a criminal complaint
14 for the same offense.

15 SEC. 2. Section 42402 of the Health and Safety Code is
16 amended to read:

17 42402. (a) Except as provided in Sections 42402.1, 42402.2,
18 42402.3, ~~and~~ 42402.4, *and* 42402.7, any person who violates this
19 part, any order issued pursuant to Section 42316, or any rule,
20 regulation, permit, or order of a district, including a district hearing
21 board, or of the state board issued pursuant to Part 1 (commencing
22 with Section 39000) to Part 4 (commencing with Section 41500),
23 inclusive, is strictly liable for a civil penalty of not more than five
24 thousand dollars (\$5,000).

25 (b) (1) Any person who violates any provision of this part, any
26 order issued pursuant to Section 42316, or any rule, regulation,
27 permit or order of a district, including a district hearing board, or
28 of the state board issued pursuant to Part 1 (commencing with
29 Section 39000) to Part 4 (commencing with Section 41500),
30 inclusive, is strictly liable for a civil penalty of not more than ten
31 thousand dollars (\$10,000).

1 (2) (A) If a civil penalty in excess of five thousand dollars
2 (\$5,000) for each day in which a violation occurs is sought, there
3 is no liability under this subdivision if the person accused of the
4 violation alleges by affirmative defense and establishes that the
5 violation was caused by an act that was not the result of intentional
6 conduct or negligent conduct.

7 (B) Subparagraph (A) shall not apply to a violation of federally
8 enforceable requirements that occur at a Title V source in a district
9 in which a Title V permit program has been fully approved.

10 (C) Subparagraph (A) does not apply to a person who is
11 determined to have violated an annual facility emissions cap
12 established pursuant to a market based incentive program adopted
13 by a district pursuant to subdivision (b) of Section 39616.

14 (c) Any person who owns or operates any source of air
15 contaminants in violation of Section 41700 that causes actual
16 injury, as defined in subdivision (d) of Section 42400, to the health
17 and safety of a considerable number of persons or the public, is
18 liable for a civil penalty of not more than fifteen thousand dollars
19 (\$15,000).

20 (d) Each day during any portion of which a violation occurs is
21 a separate offense.

22 SEC. 3. Section 42402.7 is added to the Health and Safety
23 Code, to read:

24 42402.7. (a) For purposes of this section, the following terms
25 have the following meanings:

26 (1) "Actual injury" means any physical injury that, in the opinion
27 of a physician, requires medical treatment involving more than a
28 physical examination.

29 (2) "Corrective action" has the same meaning as in Section
30 42400.2.

31 (3) "Person" means a Title V source that is a petroleum refinery,
32 petrochemical plant, or fossil-fuel-burning, electricity-generating
33 power plant.

34 (4) "Serious threat to the health or welfare of the public" means
35 either of the following:

36 (A) A violation involving a release of an air contaminant that
37 causes actual injury to one or more members of public.

38 (B) A violation of Section 41700 that affects 25 or more people
39 on any day.

1 (b) (1) A person shall be strictly liable for a civil penalty of not
2 more than thirty thousand dollars (\$30,000) per day if that person
3 emits an air contaminant in violation of this part or any rule,
4 regulation, emissions limitation, permit, or order of a district or
5 district hearing board and the violation presents a serious threat to
6 the health or welfare of the public. If that person has had two or
7 more prior serious violations within the 36 months prior to the
8 date of the violation, the civil penalty shall not be more than one
9 hundred thousand dollars (\$100,000) per day.

10 (2) The civil penalty assessed pursuant to this subdivision shall
11 not apply if the violation is caused by unforeseen and unforeseeable
12 criminal acts, acts of war, acts of terrorism, or civil unrest.

13 (c) A person shall be assessed a fine of not more than
14 seventy-five thousand dollars (\$75,000) per day if that person
15 negligently emits an air contaminant in violation of this part or
16 any rule, regulation, emissions limitation, permit, or order of a
17 district or district hearing board and the violation presents a serious
18 threat to the health or welfare of the public. If that person has had
19 two or more prior serious violations within the 36 months prior to
20 the date of the violation, the fine shall not be more than two
21 hundred fifty thousand dollars (\$250,000) per day.

22 (d) A person shall be liable for a civil penalty of not more than
23 one hundred twenty-five thousand dollars (\$125,000) per day if
24 that person knew of the emission of the air contaminant and failed
25 to take corrective action within a reasonable period of time under
26 the circumstances and the violation presents a serious threat to the
27 health or welfare of the public. If that person has had two or more
28 prior serious violations within the 36 months prior to the date of
29 the violation, the civil penalty shall not be more than three hundred
30 seventy-five thousand dollars (\$375,000) per day.

31 (e) A person shall be liable for a civil penalty of not more than
32 two hundred fifty thousand dollars (\$250,000) per day if that person
33 emits an air contaminant that is willful and intentional and the
34 violation presents a serious threat to the health or welfare of the
35 public. If that person has had two or more prior serious violations
36 within the 36 months prior to the date of the violation, the fine
37 shall not be more than five hundred thousand dollars (\$500,000)
38 per day.

39 (f) Each day during any portion of which a violation occurs is
40 a separate offense.

1 (g) If a higher penalty or fine described in this part may be
2 applied to a violation described in this section, that higher penalty
3 or fine shall be used as the maximum.

4 (h) The provisions of Section 42403 shall apply to this section.

5 SEC. 4. Section 42403 of the Health and Safety Code is
6 amended to read:

7 42403. (a) The civil penalties prescribed in Sections 39674,
8 42402.7, 42401, 42402, 42402.1, 42402.2, and 42402.3 shall be
9 assessed and recovered in a civil action brought in the name of the
10 people of the State of California by the Attorney General, by any
11 district attorney, or by the attorney for any district in which the
12 violation occurs in any court of competent jurisdiction.

13 (b) In determining the amount assessed, the court, or in reaching
14 any settlement, the district, shall take into consideration all relevant
15 circumstances, including, but not limited to, the following:

- 16 (1) The extent of harm caused by the violation.
- 17 (2) The nature and persistence of the violation.
- 18 (3) The length of time over which the violation occurs.
- 19 (4) The frequency of past violations.
- 20 (5) The record of maintenance.
- 21 (6) The unproven or innovative nature of the control equipment.
- 22 (7) Any action taken by the defendant, including the nature,
23 extent, and time of response of the cleanup and construction
24 undertaken, to mitigate the violation.
- 25 (8) The financial burden to the defendant.

26 SEC. 5. Section 42405.5 of the Health and Safety Code is
27 amended to read:

28 42405.5. (a) If any state or local government agency provides
29 assistance in the investigation, data collection, or monitoring,
30 preparation, or prosecution of an action to recover civil penalties
31 pursuant to Section 42401, 42402, 42402.1, ~~or~~ 42402.2, 42402.7,
32 and that assistance is provided in coordination with the state board
33 or a district prosecuting the action, that agency shall be reimbursed
34 out of the proceeds of the penalty collected for its costs and
35 expenses incurred in providing the assistance.

36 (b) If the penalty collected is insufficient to fully reimburse the
37 state board or district for the costs and expenses incurred in
38 preparing and prosecuting the case and another agency or agencies
39 for the costs and expenses incurred in assisting in the case, the
40 amount collected shall be prorated among the state board or district

1 and the assisting agency or agencies, on the basis of costs and
2 expenses incurred by each.

3 (c) This section does not apply where there is an express
4 agreement between the state board or district and another agency
5 or agencies regarding reimbursement for assistance services and
6 expenses.

7 SEC. 6. If the Commission on State Mandates determines that
8 this act contains costs mandated by the state, reimbursement to
9 local agencies and school districts for those costs shall be made
10 pursuant to Part 7 (commencing with Section 17500) of Division
11 4 of Title 2 of the Government Code.

Introduced by Senator HillFebruary 16, 2018

An act relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 1427, as introduced, Hill. High-occupancy vehicle and high-occupancy toll lanes.

Existing law provides that the Department of Transportation has full possession and control of the state highway system. Existing law authorizes the department to construct exclusive or preferential lanes for high-occupancy vehicles.

Existing law authorizes a regional transportation agency, as defined, in cooperation with the department to apply to the California Transportation Commission to develop and operate high-occupancy toll (HOT) lanes, including administration and operation of a value-pricing program and exclusive or preferential lane facilities for public transit, consistent with established standards, requirements, and limitations that apply to specified facilities.

Existing law also authorizes super ultra-low emission vehicles, ultra-low emission vehicles, partial zero-emission vehicles, or transitional zero-emission vehicles, as specified, that display a valid identifier issued by the Department of Motor Vehicles, to use HOV lanes, regardless of vehicle occupancy, until January 1, 2019, or as otherwise specified.

This bill would provide that it is the intent of the Legislature to enact legislation to improve the performance of HOV and HOT lanes by providing additional resources for, and authorizing new approaches to, the enforcement of lane occupancy requirements.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:
3 (a) Effective high-occupancy vehicle (HOV) lane performance
4 is critical to the state's clean air and climate protection strategy.
5 (b) The goal of HOV lanes is to reduce traffic congestion and
6 improve air quality by providing a time-saving incentive for
7 motorists to carpool or use shuttles or public transportation.
8 (c) Express lanes are high-occupancy toll (HOT) lanes that allow
9 eligible carpools and clean air vehicles to use the lanes for free,
10 or at a discounted toll, and allow single-occupancy vehicles to pay
11 a toll to use the lanes.
12 (d) According to the Department of Transportation, there were
13 1,765 miles of HOV lanes and express lanes in California in 2016.
14 (e) Statewide, approximately two-thirds of the 1,322 miles of
15 HOV and express lanes monitored by the department in 2016 failed
16 to achieve the minimum federal performance standard of speeds
17 of 45 miles-per-hour or more at least 90 percent of the time over
18 a consecutive 180-day period according to the 2016 California
19 High-Occupancy Vehicle Lane Degradation Determination Report.
20 (f) Of the total lane miles monitored by the department, 43
21 percent were extremely degraded, failing to achieve the federal
22 performance standard more than 75 percent of the time.
23 (g) In the San Francisco Bay Area and Los Angeles regions,
24 HOV and express lanes are failing the federal performance standard
25 at rates of 64 percent and 45 percent, respectively.
26 (h) Usage of HOV and express lanes in violation of their
27 occupancy requirements is a leading cause of HOV lane
28 degradation and a growing problem.
29 (i) Many corridors in the San Francisco Bay Area and Los
30 Angeles regions exhibit unacceptable violation rates above 20
31 percent.
32 SEC. 2. It is the intent of the Legislature to enact legislation
33 to improve the performance of HOV and HOT lanes by providing

- 1 additional resources for, and authorizing new approaches to, the
- 2 enforcement of applicable lane occupancy requirements.

O

BAAQMD BILL DISCUSSION LIST

February 20, 2018

BILL NO.	AUTHOR	SUBJECT	STATUS	POSITION (positions in italics are staff recommendations)
AB 1745	Ting	Generally requires that by 2040, new vehicles be ZEVs		
AB 1756	Brough	Repeals SB 1 (transportation funding measure of 2017)		Oppose
AB 1796	Muratsuchi	Addresses EV charging station installation in rent-controlled buildings		<i>Support</i>
AB 1866	Fong	Traffic Relief and Road Improvement Act		
AB 1933	Maienschein	Appropriates \$200M of GGRF to organics and solid waste infrastructure projects		
AB 1945	E. Garcia	Spot bill on GGRF 3-year investment plan		
AB 1975	Chu	Establishes South Bay Interagency Odor Taskforce		Support if amended
AB 1981	Limon	Spot bill on composting organic waste		
AB 2006	Eggman	Agricultural Worker Clean Transportation Investment Program		
AB 2008	Salas	Excludes Moyer grants from taxable income		Support
AB 2061	Frazier	Increases truck weight limits for electric, fuel cell, or natural gas trucks		<i>Support</i>
AB 2091	Grayson	Establishes a Prescribed Burning Board, with specified membership and duties		
AB 2120	Quirk	ARB to report on emissions trade-offs between wildfire and prescribed burning		
AB 2127	Ting	Directs CEC to do statewide assessment of EV charging infrastructure needs		
AB 2145	Reyes	Primarily changes to existing clean vehicle funding programs		
AB 2195	Chau	Climate adaptation spot bill		
AB 2268	Reyes	Vehicle license fee changes		
AB 2321	McCarty	Solid waste management spot bill		
AB 2336	Salas	Moyer program spot bill		
AB 2346	Quirk	Affects enforcement waivers for Renewable Portfolio Standard		

AB 2365	Acosta	State emissions standards spot bill		
AB 2377	Irwin	Establishes technical assistance grant program for Healthy Soils Program		
AB 2378	Salas	ARB regulations spot bill		
AB 2381	Carrillo	Requires ARB to increase efforts to detect defeat devices on new vehicles		
AB 2407	Ting	Intent bill on electric vehicles		
AB 2434	Bloom	Creates Health in All Policies taskforce at Strategic Growth Council		
AB 2453	E. Garcia	School Climate and Pollution Resilience Act of 2018; focuses on air pollution mitigation for schools in disadvantaged communities		
AB 2470	Grayson	Transfers \$10M of GGRF to new Invasive Species Council		
AB 2492	Salas	Spot bill on Moyer program		
AB 2506	Burke	Allows state fleet mandates for zero-emission heavy-duty vehicle purchases to include near-zero vehicles		
AB 2548	Friedman	Allows LA Metropolitan Transportation Authority and South Coast Air District to jointly require employers of 50 or more to offer pre-tax transit option		
AB 2551	Wood	Forest and Wildland Health Improvement and Fire Prevention Program		
AB 2564	Rodriguez	Requires ARB to review and update its statutorily-required policy for penalties		
AB 2570	Nazarian	Clean and Healthy Schools Act; focused on improving indoor air quality by only allowing cleaning products free of harmful chemicals in schools		
AB 2572	Calderon	When air districts issue unhealthy air warnings, schoolchildren to be kept indoors		
AB 2585	Patterson	Addresses liability of landowners for prescribed burns conducted with permits		
AB 2636	E. Garcia	Creates Environmental Justice Fund, to be used by the AG to support EJ cases		
AB 2645	Patterson	Appropriates \$525M annually from GGRF to Dept. of Forestry, for various programs including wildfire prevention		
AB 2672	Patterson	Requires ARB annual report comparing wildfire GHG emissions to reductions from regulatory programs		
AB 2809	Patterson	Defines large hydro facilities (those over 30 megawatts) as renewable per Renewable Portfolio Standard requirements		
AB 2814	Gray	Defines large hydro facilities (those over 30 megawatts) as renewable per Renewable Portfolio Standard requirements		

AB 2885	Rodriguez	Prioritizes and provides additional funding to Clean Vehicle Rebate Program incentives in CalEnviroScreen communities		
AB 2908	Berman	Various changes to tire fee laws paid on new tires		
AB 2940	Caballero	Exempts certain heavy-duty diesel low-use and agricultural vehicles from existing requirements that would prevent their registration		<i>Oppose</i>
AB 2951	Gloria	Spot bill on Bay Area Employer Commuter Benefit Program		
AB 2982	Gloria	Spot bill on motorcycle aftermarket exhaust equipment		
AB 3001	Bonta	California Zero-Emission Buildings Act		
AB 3015	Caballero	States legislative intent to codify various emissions regulations and goals in freight and marine sectors		
AB 3020	Flora	Prescribed burning spot bill		
AB 3059	Bloom	Authorizes congestion pricing demonstration projects		<i>Support</i>
AB 3070	Carillo	Spot bill on AB 32 (greenhouse gas emission reduction program)		
AB 3102	Gray	Spot bill on heavy-duty diesel emissions controls		
AB 3107	Baker	Spot bill on vehicle emissions standards		
AB 3113	Fong	Spot bill on AB 32 (greenhouse gas emission reduction program)		
AB 3146	Holden	Requires hydrocarbon testing during remediation of old oil and gas wells		
AB 3156	Mullin	Specifies that any EV charging, including cordless charging, is subject to existing EV charging laws regarding public accessibility		
AB 3165	Friedman	Affects at what point the CEC can stop providing funding for hydrogen refueling		
AB 3178	Rubio	Deals with alternative daily cover requirements at landfills		
AB 3201	Daly	States legislative intent to require ARB to cut public transit emissions		
AB 3232	Friedman	Sets goal of zero-energy new buildings by 2030, and 50% reduction in GHG emissions from existing buildings by 2030		
SB 957	Lara	Increases time-period for HOV decal validity for low income motorists		
SB 980	Cannella	Spot bill on HOV lanes		
SB 985	Morrell	Spot bill on renewables portfolio standard		
SB 1000	Lara	States legislative intent to promote neutrality and interoperability for ZEVs and their chargers		

SB 1002	Nielsen	Safe Forests and Grasslands Act of 2018		
SB 1013	Lara	Maintains and enhances ARB controls on CFCs with high GHG impacts		
SB 1014	Skinner	Moves vehicles used by transportation network companies to ZEV by 2028		
SB 1015	Allen	Establishes California Climate Resiliency Program, administered by Wildlife Conservation Board, using GGRF, with funds to CalEnviroscreen communities		
SB 1027	Pan	Requires adoption and tracking of GHG emission reduction targets for state agency employees or categories of employees		
SB 1035	Jackson	Requires local government general plan safety element updates to address fire and flood hazards and climate adaptation and resilience strategies		
SB 1072	Leyva	Provides GGRF funds to new Regional Climate Collaborative Programs, to assist under-resourced communities to get grants		
SB 1074	Moorlach	Requires gas stations to post all taxes and GHG compliance costs		
SB 1119	Newman	Changes to the GGRF-funded Low Carbon Transit Operations Program		
SB 1144	Dodd	Increases civil stationary source air penalty ceilings for serious violations at powerplants, petrochemical facilities, and refineries		<i>Support if amended</i>
SB 1162	Pan	Spot bill on AB 617 community air monitoring plan requirements		
SB 1163	Galgiani	Near-Zero Emission and Low Emission Ready-Mix Concrete Truck Replacement Pilot Program		
SB 1209	Leyva	Spot bill on AB 32 (greenhouse gas emission reduction program)		
SB 1330	Fuller	Toxic air contaminants spot bill		
SB 1347	Stern	Spot bill on Renewables Portfolio Standard		
SB 1377	Wilk	Spot bill on community air monitoring next to refineries		
SB 1380	Stern	Establishes Clean Energy Financing Clearinghouse		
SB 1399	Wiener	Affects PUC's net energy metering requirements		
SB 1401	Wieckowski	Office of Planning and Research required to seek feedback on their existing climate adaptation information clearinghouse		
SB 1427	Hill	States legislative intent to improve enforcement of HOV and HOT lanes		<i>Support</i>
SB 1434	Leyva	States legislative intent to affect electricity rates to increase alternative fuel medium- and heavy-duty ZEVs		
SB 1440	Hueso	States legislative intent to establish biomethane procurement goals		

SB 1444	Stone	Spot bill on wildfires		
SB 1463	Moorlach	Spot bill on AB 32 (greenhouse gas emission reduction program)		
SB 1477	Stern	Would require incentives for low-emission space and water heating technologies		
SB 1478	Leyva	Spot bill on AB 32 (greenhouse gas emission reduction program)		
SB 1487	Stern	Spot bill on transportation electrification, including charging infrastructure		

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Legislative Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 12, 2018

Re: Sacramento Update

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

The Committee will receive an update on recent events of significance in Sacramento.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Thomas Addison

MEETING HELD ON MARCH 22, 2018

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 23, 2018

Re: Report of the Executive Committee and Advisory Council Joint Meeting of March 26,
2018

RECOMMENDED ACTION

The Executive Committee (Committee) and Advisory Council (Council) received only informational items and has no recommendations of approval by the Board of Directors (Board).

BACKGROUND

The Committee and Council met on Monday, March 26, 2018, and received the following reports:

- A) Overview of the Air District's Advisory Council;
- B) Review of Air District Priorities; and
- C) Update on Assembly Bill 617 (AB 617)

Chairperson Dave Hudson will provide an oral report of the Committee meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

- A) None;
- B) None; and
- C) Staff has evaluated the impacts of AB 617 and has included a request for additional staffing and other resources in the Fiscal Year Ending 2019 proposed budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Kristine Garcia
Reviewed by: Vanessa Johnson

Attachment 15A: 03/26/2018 – Executive Committee Meeting Agenda #3
Attachment 15B: 03/26/2018 – Executive Committee Meeting Agenda #4
Attachment 15C: 03/26/2018 – Executive Committee Meeting Agenda #5

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members of the Executive Committee
Chairperson Stan Hayes and Members of the Advisory Council

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 15, 2018

Re: Overview of the Air District's Advisory Council

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Senate Bill 1415 (SB1415), effective July 1, 2015, reconstituted the membership of the Bay Area Air Quality Management District (Air District) Advisory Council to include seven appointed members “skilled and experienced in the fields of air pollution, climate change, or the health impacts of air pollution. Members shall be selected to include a diversity of perspectives, expertise and backgrounds.” The Council is “to advise and consult with the bay district board and the bay district air pollution control officer in effectuating the purposes of” the Air District.

ADVISORY COUNCIL OPINION

The Council deliberated during six full-day meetings on its first question regarding the efficacy of greenhouse gas emissions caps at local refineries.

Speakers representing a variety of viewpoints addressed the Council, including:

- California Air Resources Board
 - Richard Corey, Executive Officer
 - Sam Wade, Chief, Transportation and Fuels Branch
 - Jason Gray, Manager, Climate Change Market Monitoring Section
- California Energy Commission
 - Gordon Schremp, Senior Fuels Specialist
- Stakeholders
 - Communities for a Better Environment (CBE) – Greg Karras
 - 350 Bay Area – Letter
 - Gary Rubenstein, Sierra Research on behalf of CCEEB and WSPA

Based on the material that it considered, its deliberations, and its collective expertise and experience, the Council reached the following conclusions:

- **Conclusion on Key Question:** The Council concluded that facility-level caps on Bay Area refinery GHG emissions are unlikely to be effective in mitigating global climate change. GHG reduction policies are effective in providing climate protection only if total global GHG emissions are reduced, and if leakage occurs (that is, GHG emissions are shifted outside of the Bay Area to other locations instead of being reduced), which is likely with refinery GHG caps, such caps would not provide such protection.
- **Policy Recommendation:** The Council recommended that the Air District identify, systematically evaluate, prioritize, and adopt Bay Area GHG reduction policies and measures, including ones directed at refineries as appropriate, that are effective in reducing total global GHG emissions, minimize leakage risk, and complement and reinforce GHG reduction measures adopted by CARB (e.g., GHG cap-and-trade and methane reduction programs), USEPA, and others.
- **Policy Recommendation:** The Council recommended that the Air District address community concerns about toxics and criteria pollutants directly, through established programs, rather than indirectly as co-benefits of GHG reduction policies. The approach embodied in proposed rule 11-18 is consistent with this recommendation.

ADVISORY COUNCIL NEXT AREA OF FOCUS

The Council has been focused on identifying strategies that will be most effective in improving air quality related health outcomes in the Bay Area. In particular, the Council is focusing on local effects, as opposed to basin-wide criteria pollutants, and especially on the effects of fine particulate matter. This focus is consistent with the Air District's work related to Rule 11-18, and to AB 617.

MEMBERSHIP

The current five members of the Air District's Advisory Council represent an extraordinary resource to the District, and have provided invaluable service over the last two years. The members' backgrounds are provided below.

Stan Hayes (Current Chair)

Principal, Environ (Emeritus)

M.S., Aeronautics & Astronautics, Stanford University

B.S., Mechanical Engineering, Stanford University

- More than 40 years' experience, air pollution science and engineering, including air quality modeling and health risk assessment
- Fellow, Air & Waste Management Association

- Chair, Advisory Council, Bay Area Air Quality Management District (member: 1995-2007, 2009-)
- Member, U.S. EPA Science Advisory Board panel on EPA risk assessment methods
- Several hundred air dispersion and HRAs of a wide range of industrial facilities
- More than seventy scientific papers and presentations
- Several hundred technical reports on air-related topics

Severin Borenstein

*E.T. Grether Professor of Business Administration and Public Policy, Haas School of Business
 Research Associate of the Energy Institute at the Haas School of Business
 Affiliated Faculty, Energy & Resources Group, UC Berkeley
 Research Associate of the National Bureau of Economic Research*

Ph.D., Economics, MIT
 B.S., UC Berkeley

- Research focuses broadly on business competition, strategy, and regulation
- Published extensively on oil, gasoline, and electricity markets, and other industries
- Recent research on the impact of oil prices on gasoline markets, alternative models of retail electricity pricing, and the economics of renewable energy and climate change
- Past member of the editorial board of the *Journal of the Association of Environmental and Resource Economists*
- 1997-2003, member of the Governing Board of the California Power Exchange
- Served on the Emissions Market Assessment Committee, which advised the California Air Resources Board on the operation of California's Cap and Trade market
- Chaired California Energy Commission's Petroleum Market Advisory Committee from 2015 until 2017

Michael T. Kleinman (Current Vice Chair)

*Professor Environmental Toxicology
 Co-Director of the Air Pollution Health Effects Laboratory
 Adjunct Professor in College of Medicine
 University of California, Irvine*

Ph.D., Environmental Health Sciences, New York University, NY

- Expertise in the health effects of air pollution on animals and humans
- Development of analytical techniques for assessing biological and physiological responses to exposure to environmental contaminants
- Studies of the effects of ambient particles on blood pressure and heart rate
- Studies of the link between asthma and environmental exposures to ambient particles
- Mechanisms of cardiopulmonary injury following inhalation of toxic compounds
- Studies of inhalation exposures to manufactured and combustion-generated nanomaterials
- Biological mechanisms by which particulate matter exposure affects pathological and physiological changes in the heart and lungs

Tim Lipman

Co-Director UC Berkeley Transportation Sustainability Research Center

Lecturer and Researcher: Energy and environmental technology, economics, and policy

University of California - Berkeley.

Ph.D., Environmental Policy Analysis , Graduate Group in Ecology at UC Davis

M.S., Graduate Group in Transportation Technology and Policy at UC Davis

B.A., Stanford

- Co-Director for the campus' Transportation Sustainability Research Center
- Past Director: U.S. Department of Energy Pacific Region Clean Energy Application Center
- Research on the transformation of energy systems to support motor vehicles and buildings while reducing greenhouse gas emissions
- Research on electric-drive vehicles, fuel cell technology, combined heat and power systems, biofuels, renewable energy, and electricity and hydrogen energy systems infrastructure
- 2005 Climate Change Fellow with the Woods Institute at Stanford University

Jane CS Long

Senior Fellow and Council Member of the California Council on Science and Technology

Associate Director for Energy and Environment, retired, Lawrence Livermore National Lab

Ph.D., UC Berkeley

B.S., Engineering, Brown University

- Chairman of the California Council on Science and Technology's committee on California's Energy Future
- Current work involves strategies for dealing with climate change including reinvention of the energy system, geoengineering, and adaptation
- Past Dean of the Mackay School of Mines, University of Nevada, Reno
- Past Department Chair for the Energy Resources Technology and the Environmental Research Departments at Lawrence Berkeley National Lab.
- Fellow of the American Association for the Advancement of Science

Respectfully submitted,

Jack P. Broadbent

Executive Officer/APCO

Prepared by: Jeff McKay

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members of the Executive Committee
Chairperson Stan Hayes and Members of the Advisory Council

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 15, 2018

Re: Review of Air District Priorities

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Bay Area Air Quality Management District operates within a complex framework of regulatory authorities and other mandates that promote a healthy breathing environment.

DISCUSSION

Mr. Broadbent will provide an update on pending and planned Air District activities, and discuss priorities for the Air District with a focus on anticipated Advisory Council areas of focus.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Jeff McKay

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members of the Executive Committee
Chairperson Stan Hayes and Members of the Advisory Council

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 15, 2018

Re: Update on Assembly Bill 617 (AB 617)

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The California Legislature passed, and Governor Jerry Brown signed, a number of key legislative actions that included AB 617. This bill specifically addresses concerns about local air quality by requiring:

- Emission reduction plans for overburdened communities;
- Additional air monitoring in impacted communities;
- A state-wide clearing house for Best Available Retrofit Control Technology (BARCT);
- Adoption of rules requiring the latest BARCT for all criteria pollutants for which an area has not achieved attainment of California Ambient Air Quality Standards; and
- Uniform state-wide reporting of emissions inventories.

DISCUSSION

Staff will update the Executive Committee and Advisory Council on staff's initial work regarding AB 617 implementation, including discussions with the California Air Resources Board and how this moves the Air District's program beyond the target of attainment for criteria pollutants.

BUDGET CONSIDERATIONS/FINANCIAL IMPACTS

Staff has evaluated the impacts of AB 617 and has included a request for additional staffing and other resources in the Fiscal Year Ending 2019 proposed budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Jeff McKay

MEETING HELD ON MARCH 26, 2018

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 23, 2018

Re: Report of the Advisory Council Meeting of March 26, 2018

RECOMMENDED ACTION

The Advisory Council (Council) received only informational items and has no recommendations of approval by the Board of Directors (Board).

BACKGROUND

The Council met on Monday, March 26, 2018 and discussed the following items:

- A) Particulate Matter in the Bay Area; and
- B) Advisory Council Next Area of Focus: Continuation of Discussions of Particulate Matter

Board Secretary/Ex-Officio Advisory Council member, Rod Sinks, will provide an oral report of the Council meeting to the Board of Directors.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Kristine Garcia
Reviewed by: Vanessa Johnson

Attachment 16A: 03/26/18 – Advisory Council Meeting Agenda #4
Attachment 16B: 03/26/18 – Advisory Council Meeting Agenda #5

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Stan Hayes and Members
of the Advisory Council

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 15, 2018

Re: Particulate Matter in the Bay Area

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Particulate Matter (PM) may be the pollutant with the largest air quality impact on public health in disadvantaged communities.

DISCUSSION

MEETING HELD ON MARCH 26, 2018
The Air District continually seeks to enhance its information on pollution sources. PM has both mobile and stationary sources. Staff will describe current understanding of PM in the Bay Area, and will also describe ongoing work to refine those attributions.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Jeff McKay

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Stan Hayes and Members
of the Advisory Council

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 15, 2018

Re: Advisory Council Next Area of Focus: Continuation of Discussions of Particulate
Matter

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Previous discussions with the Advisory Council have suggested a focus on the highest levels of pollution-related health impacts in targeted, high-risk communities. Important work remains to further characterize the nature and source of the impacts and to prioritize actions. However, Particulate Matter (PM) is clearly a primary, if not the primary, driver for health impacts in many of these communities

DISCUSSION

The cumulative effect of multiple pollutants is of importance, and any single location may have multiple sources of PM impact. As has been previously discussed, particulate matter exists in a wide variety of forms, may serve as a carrier for other compounds, and may evolve rapidly after emission. Therefore, particulate matter is an appropriate first topic for review of the Air District's prioritization of actions to reduce public health effects from air pollution.

However, PM provides not only a need for complex analysis of speciation and source, but also an opportunity for immediate action on the largest source affecting disadvantaged communities. That source is diesel transport.

Air District staff will discuss an initial focus on aggressively curbing diesel transport emissions in Bay Area Communities, and will seek concurrence on a process to evaluate and possibly implement a variety of strategies, including strategies that use incentives and other non-regulatory methods.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Jeff McKay

MEETING HELD ON MARCH 26, 2018

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 23, 2018

Re: Report of the Budget and Finance Committee Meeting of March 28, 2018

RECOMMENDED ACTION

A) Proposed Amendments to Regulation 3: Fees

1) None; receive and file.

B) Discussion of Proposed Budget for Fiscal Year Ending (FYE) 2019

1) The Executive Officer/APCO request that the Budget and Finance Committee review the Proposed Budget for FYE 2019, and make any recommendations for further discussions to be held during the April 25, 2018 Budget and Finance Committee meeting.

BACKGROUND

The Committee will met on Wednesday, March 28, 2018, and received the following reports:

A) Proposed Amendments to Regulation 3: Fees; and

B) Discussion of Proposed Budget for Fiscal Year Ending (FYE) 2019.

Chairperson Carole Groom will provide an oral report of the Committee meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

A) The draft fee amendments would increase fee revenue in FYE 2019 by an estimated \$2.415 million from revenue that would otherwise results without a fee increase.

B) The proposed consolidated budget for FYE 2019 is a balanced budget; and

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Kristine Garcia
Reviewed by: Vanessa Johnson

Attachment 17A: 03/28/18 – Budget and Finance Committee Meeting Agenda #3
Attachment 17B: 03/28/18 – Budget and Finance Committee Meeting Agenda #4

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Budget and Finance Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 28, 2017

Re: Proposed Amendments to Regulation 3: Fees

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Staff develops amendments to the Air District's fee regulation as part of the budget preparation process. On March 7, 2012, the Board of Directors adopted a Cost Recovery Policy that established a goal of increasing fee revenue sufficient to achieve 85 percent recovery of regulatory program costs by Fiscal Year End 2016. Progress towards this target is reported to the Board annually by staff and is periodically reviewed by outside consultants. The latest cost recovery review is provided as Attachment 1.

DISCUSSION

Consistent with the Cost Recovery Policy, draft amendments to specific fee schedules were made in consideration of the June 30, 2017, Matrix Consultant Group cost recovery analysis. This work, conducted at the fee schedule-level, recommend larger increases being proposed for the schedules that have larger cost recovery gaps.

Existing fee schedules would be amended as follows:

- 3.1 percent increase for fee schedules that are recovering 95 to 110 percent of costs.
- 7 percent increase for fee schedules that are recovering 85 to 94 percent of costs.
- 8 percent increase for fee schedules that are recovering 75 to 84 percent of costs.
- 9 percent increase for fee schedules that are recovering 50 to 74 percent of costs.
- 15 percent increase for fee schedules that are recovering less than 50 percent of costs.

A number of fees that are administrative in nature; permit application filing fees, alternative compliance plan fees, permit to operate renewal processing fees, transfer fees, emissions banking filing and withdrawal fees, school public notice fees, toxic inventory maximum fees, and exemption fees would be increased by 3.1 percent. The annual Consumer Price Index for Bay Area Urban Wage Earners and Clerical Workers (CPI-W) increased 3.1 percent from 2016 to 2017.

The following additional amendments are proposed:

- Revise Section 3-302 to specify the fee rates applied. The fee rates applied are those in force when the applicant has provided all the information required per 2-1-402 (excluding 2-1-402.3 fees) to evaluate the project.
- Revise Section 3-342 to add Health Risk Assessment (HRA) review fees to recover the Air District's costs of reviewing HRAs completed by District-approved consultants as required pursuant to Regulation 11, Rule 18: Reduction of Risk from Air Toxic Emissions at Existing Facilities.
- Revise Section 3-405 to reduce fees charged to facilities that are more than 30 days late on paying their permit renewal invoice. Historically, these delinquent fees have been incurred at a disproportionately high frequency by small businesses such as gasoline dispensing facilities, dry cleaners, and auto body shops. To reduce this burden on small businesses, the proposed amendment would lower this delinquent fee from 50% to 25%.
- Add Section 3-418 to authorize the Air Pollution Control Officer to reduce the fees for transactions using the Air District's online production system. This would help to serve as an incentive for facilities to conduct these transactions online.
- Fee Schedule changes:
 - Revise Fee Schedule E: Solvent Evaporating Sources, to directly calculate the fee based on the net amount of organic solvent processed.
 - Clarify in Schedule G-1 that Sub-Slab Depressurization Equipment is subject to Schedule F permit fees, not Schedule G-1 permit fees.
 - Delete the formula for SL and its variables and definitions from Schedule N.
 - Clarify in Schedule P that Initial Fees do not apply to Title V Renewal applications.

Staff will provide the committee with additional details regarding the draft fee amendments, overall cost recovery and the proposed 6.5 percent average fee increase for the upcoming fiscal year. A summary of public comments received to date, including those received at a public workshop held on February 20, 2018 will be provided.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The draft fee amendments would increase fee revenue in FYE 2019 by an estimated \$2.415 million from revenue that would otherwise result without a fee increase.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Barry Young
Reviewed by: Pamela Leong

Attachment 4A: Cost Recovery & Containment Study

MEETING HELD ON MARCH 28, 2018

Cost Recovery & Containment Study

For Fiscal Year Ended June 30, 2017

BAY AREA AIR QUALITY MANAGEMENT DISTRICT, CA

MEETING HELD ON MARCH 28, 2018
FINAL REPORT



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Mountain View, CA 94040
v.650.858.0507 f.650.917.2310

February 2018

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MEETING HELD ON MARCH 28, 2018

1 Introduction & Executive Summary

The Matrix Consulting Group was retained by the Bay Area Air Quality Management District (BAAQMD) to provide a cost recovery and containment study. This assessment used multiple analytical tools to understand the current process for allocation of indirect costs, current cost recovery levels, and recommendations for cost recovery and savings. This report summarizes our findings, conclusions, and recommendations.

1 OVERVIEW OF THE STUDY

The Bay Area Air Quality Management District hired the Matrix Consulting Group to update the cost recovery and containment study conducted in 2012. The primary purpose of this study is to evaluate the indirect overhead associated with the District and the cost recovery associated with the fees charged by the District. The project team evaluated the District's current programs to classify them as direct or indirect costs, as well as the time tracking data associated with each of the different fee schedules. This report provides specific recommendations related to direct and indirect cost recovery for the District, as well as potential cost efficiencies.

2 STUDY METHODOLOGY

As part of this study, the project team took a phased approach that included the following activities:

- **Categorized Programs as Indirect or Direct:** The Matrix Consulting Group conducted interviews with different program staff regarding their role within the District as either a provider of direct service to the residents and consumers of District services or indirect support provided internally to District programs.
- **Reviewed General & Permit General BillCodes:** The project team conducted interviews with District staff and reviewed BillCode data associated with two major categories – General and Permit General.
- **Evaluated Cost Containment Strategies:** Recommendations from the previous cost recovery & containment study were evaluated in the context of the District's current operations, including a review and analysis of the District's new production system / online permitting system.
- **Assessed and Developed a Cost Recovery Software:** Key components of a cost recovery software were identified and incorporated into a cost recovery model that would enable District staff to evaluate cost recovery in a simplistic manner on an on-going basis.

- **Conducted an Analysis of Issues Identified:** Based on the initial findings, the project team evaluated additional data and analyzed operational issues and efficiencies. The analysis resulted in recommendations that are presented in the body of this final report, divided by the different functional areas of the recommendations.

The objective of the study was to review and update the current cost allocation methodology of the District. This included reviewing its current cost recovery levels, designing a new software, and identifying any cost containment strategies and their incorporation into future cost analysis studies. This report presents recommendations, along with an implementation plan for those recommendations.

3 SUMMARY OF KEY RESULTS AND IMPROVEMENT OPPORTUNITIES

The primary focus of the Cost Recovery and Containment study was to evaluate the District's cost recovery level status on a fee schedule by fee schedule basis. The following table shows the results of the cost recovery and containment study, comparing the total cost and revenue associated with each fee schedule.

Fee Schedule	Total Cost	Total Revenue	Annual Surplus / (Deficit)	Cost Recovery %
A	\$168,099	\$5,722	(\$162,377)	3%
B	\$9,322,314	\$9,599,477	\$277,163	103%
C	\$756,517	\$2,491,202	\$1,734,684	329%
D	\$6,811,754	\$5,548,181	(\$1,263,573)	81%
E	\$3,552,397	\$2,767,439	(\$784,958)	78%
F	\$2,543,093	\$2,351,500	(\$191,593)	92%
G1	\$6,165,542	\$2,556,491	(\$3,609,051)	41%
G2	\$1,027,393	\$561,626	(\$465,767)	55%
G3	\$606,529	\$648,892	\$42,362	107%
G4	\$3,442,094	\$959,093	(\$2,483,001)	28%
G5	\$364,040	\$979,704	\$615,663	269%
H	\$344,693	\$122,440	(\$222,253)	36%
I	\$184,091	\$5,439	(\$178,653)	3%
K	\$1,261,621	\$246,552	(\$1,015,070)	20%
L	\$3,997,627	\$4,108,669	\$111,042	103%
N	\$356,760	\$214,311	(\$142,449)	60%
P	\$5,812,842	\$5,088,243	(\$724,598)	88%
R	\$513,065	\$237,105	(\$275,961)	46%
S	\$98,105	\$101,934	\$3,829	104%
T	\$2,333,516	\$2,179,797	(\$153,719)	93%
V	\$1,088,002	\$151,781	(\$936,221)	14%
W	\$89,400	\$324,000	\$234,600	362%
X	\$502,547	\$1,131,169	\$628,622	225%
TOTAL	\$51,342,042	\$42,380,765	(\$8,961,277)	83%

Based upon the results, the District is under-recovering on an annual basis by \$8.96 million. The primary source of this deficit is G1 sources.

In addition to conducting a financial evaluation of the District’s operations, the project team also developed some recommendations that directly impact cost recovery. These recommendations are summarized in the table below.

Recommendation	Associated Area
<p>There should be some minor alterations to the allocation bases to simplify the cost allocation process. These changes include the following:</p> <ul style="list-style-type: none"> - Allocating Recruitments based on total number of full-time equivalents. - Allocating Penalties, Enforcement, & Settlement based on total number of full-time equivalents in Compliance & Enforcement and Engineering. - Allocating Facilities Maintenance based on total number of full-time equivalents in the facilities being maintained. <p>Implementing these changes will result in a simpler and more refined allocation methodology that better reflects the level of service provided.</p>	<p>Cost Allocation / Program Classification</p>
<p>A clear definition of activities that are considered “General” should be developed and distributed to all staff members within the District. This should also be included in the employee handbook to make it easier for dissemination during the onboarding process. This definition should be developed by District staff within Finance and Administration, and be approved by District Executive Management.</p>	<p>Cost Recovery / BillCodes</p>
<p>There should be an annual auditing and monitoring mechanism in place for supervisors to review the timesheets of staff members. This will ensure that staff are accurately recording time in the “General” category.</p>	<p>Cost Recovery / BillCodes</p>
<p>The “General” billcode category should be separated into two distinct categories – District General and Other General. The District General should refer to activities such as Executive Office, Finance, Payroll, etc. or activities that provide support to all programs internally within the District. The Other General should refer to unpermitted sources, mobile inspections, or activities that have no revenue source other than property tax.</p>	<p>Cost Recovery / BillCodes</p>
<p>District staff should be encouraged to code more time and thereby cost directly to the Fee Schedules rather than utilizing Permit General or even General to code the balance of time. Some of these activities include Litigation, Penalties, Enforcement, and Settlement, and Information Systems Software Development.</p>	<p>Cost Recovery</p>
<p>A threshold should be set up for Permit General calculation. The majority of staff positions and members should not be coding more than 25% of their time / cost to the Permit General Category. If at the end of the year, a staff member’s time exceeds 25% in the Permit General category, the supervisor should review that time coding and ensure that it is appropriate for that position to code more time to Permit General rather than to specific fee schedules or grant activities.</p>	<p>Cost Recovery</p>

Recommendation	Associated Area
<p>The District should expand the definition and sample activities associated with the Bill codes for Schedules T and B to include review work related to Schedules H, K, P, G1, G2, and G3 sources. This will ensure that District staff are appropriately coding their time while working on these activities and will mitigate the need for the District to reallocate expenses to those schedules on the back-end prior to the cost recovery calculation.</p>	<p>Cost Recovery / Bill Codes</p>
<p>The initial cost recovery level category should be expanded up to 110% to ensure that cost recovery levels are maintained even for those schedules that may show over 100% cost recovery in one year, but then may dip down the following year due to lack of fee increases. This practice will help maintain consistency in cost recovery levels for those full cost recovery fee schedules and is in line with best management practices.</p>	<p>Cost Recovery</p>
<p>An additional cost recovery level should be added to the fee increase table. The less than 50% category should have a 15% increase. The District should review schedules that are below 50%, and develop multi-year schedule based increase percentages to address the unique cost recovery issues associated with each schedule. This will help the District increase those fees and fee schedules that are significantly below the 75% mark at a much more significant rate.</p>	<p>Cost Recovery</p>
<p>The District should encourage online application submission through the New Production System. This encouragement should occur through a publicity campaign, as well as possibly implementing an online application fee discount.</p>	<p>New Production System</p>
<p>The District should review the metrics and statistics gathered in the New Production System and utilize it to publish key performance metrics and measure cycle times. This will help the District to better understand staff resource allocation as well as to present information to key internal and external stakeholders.</p>	<p>New Production System</p>

As the table above indicates there are several key recommendations as a result of this report. The majority of these recommendations are related to cost classifications and monitoring, either by definition of bill codes or auditing time and costs coded to the bill codes.

2 Cost Allocation Plan

One of the primary objectives of the study was to evaluate the District's current cost allocation methodology. The following chapter discusses the full cost allocation methodology, the results of the proposed methodology with recommendations for the District to consider, and a comparison between the results of the different methodologies.

1 COST ALLOCATION DESCRIPTION

The primary objective of a Cost Allocation Plan is to spread costs from central support departments, generally called "Central Service Departments" to those departments, divisions, cost centers, and/or funds that receive services in support of conducting their operations. In doing so, an organization can both better understand its full cost of providing specific services to the community, and also generate organizational awareness regarding indirect (overhead) costs associated with operations.

The Cost Allocation Plan is compiled in accordance with Generally Accepted Accounting Principles, and is also based on many of the methods of indirect cost allocation defined by the federal Office of Management and Budget's (OMB) Super Circular (formerly A-87). These principles can be summarized in the following points:

- Necessary and reasonable
- Determined by allocation "bases" that relate to benefit received

In addition, the circular defines a method for allocating indirect costs called the double-step down allocation method, which utilizes two "steps" or "passes" to fully allocate costs. The double-step down procedure is reflected in this plan, and ensures that the benefit of services between Central Service support departments are recognized first, before final allocations to receivers of services are made. For example:

- **First Step:** Central Service Department expenditures are allocated to other central service departments such as Human Resources, Information Technology, etc., as well as to Receiving Departments.
- **Second Step:** Distributes Central Service department expenses and first step allocations to the Receiving Departments only.

The current and proposed methodology both employ the Double Step-down procedure. The table on the following page shows the program title, a brief description of the program, and the recommended allocation basis for that program.

Program Title	Program Description	Allocation Basis
Executive Office	This program includes the Executive Officer/APCO, oversees staff, and directs the business of the Air District.	FTE per program
Board of Directors	This program handles administrative duties for Board of Director activities.	FTE per program
Advisory Council	Consisting of 7 members, the Advisory Council is asked to study and make recommendations for changes for specific topics from the Board of Directors or the Air Pollution Control Officer.	FTE per program
Community Engagement	This program interacts with the public to inform everyone about the Air Districts programs and air quality issues. They also develop clean-air partnerships with non-profit organizations.	FTE per program
Website Development & Maintenance	This program is responsible for development, support, and maintenance of the Air District's online websites.	FTE per program
Payroll	This program is responsible for the Air District's employee payroll and benefits related to payroll.	FTE per program
Benefits Administration	The Benefit Administration program handles administrative duties related to employee benefits as well as ergonomics and special events.	FTE per program
Organizational Development	This program manages wellness activities and events for employees and provides extensive career development training to retain a top performing and motivated workforce.	FTE per program
Employment Relations	The Employment Relations program manages employee Equal Employment Opportunity programs and provides staff consultations and support.	FTE per program
Recruitment & Testing	This program is responsible for finding and interviewing candidates for vacant positions.	FTE per program
Finance/Accounting	The Finance/Accounting program manages the District's budget by reviewing all receipts and expenditures, disbursements of District funds, and maintenance of Federal and State grant funds.	FTE per program

Program Title	Program Description	Allocation Basis
Facilities	This program provides all day to day operations for all buildings in the District.	FTE per program (Excluding offsite facilities)
Communications	The Communications program is responsible for the distribution of mail, reproduction, and subscription requests for the District.	FTE per program
375 Beale Street	This program is to pay for the District's main building lease payments.	FTE per program
Purchasing	The Purchasing program is responsible for the purchase of services, equipment, and supplies as well as property management administration of insurance policies and setting up the removal of extra equipment.	# of Purchase Orders per program
Shared Services	This program is responsible for business operations and technology functions that are shared between the Bay Area Air Quality District, Metropolitan Transportation Commission, and the Association of Bay Area Governments.	FTE per program
Vehicle Maintenance	The Vehicle Maintenance program maintains the District's 121 vehicles by getting the vehicles serviced, handling vehicle financing, and tracking and diagnostics of fuel records.	# of Vehicles per program
Legal Counsel	This program provides the District with legal services such as advising, counseling, preparing and reviewing contracts, and providing legal opinions and advice on rule development and governmental and general law issues.	FTE per program
Penalties Enforcement & Settlement	This program reaches settlements and pursues penalty enforcement actions to ensure enforcement of the District's rule set in place.	FTE per Compliance & Enforcement & Engineering Divisions
Litigation	The Litigation program represents the District when individuals, corporations, or organizations sue the Air District in State or Federal court.	FTE per program

MEETING HELD ON MARCH 28, 2018

Program Title	Program Description	Allocation Basis
Media Relations	The Media Relations program focuses on outreach to the public about air quality issues, the District’s programs and purpose, and functions of the agency.	FTE per program
Information Management Records & Content	This program maintains all official records for the District.	FTE per program
Information Technology Engineering & Operations	This program maintains all computer server infrastructure for District staff by handling all software, computer networks, office systems, computers and workstations, and database servers.	FTE per program

The table above and on the previous pages lists all of the programs that were classified and confirmed as District-wide support for the agency. Additionally, it also identifies the allocation bases utilized by the project team.

While the project team reviewed different methodologies associated with the different programs, the allocation bases listed above were arrived at after comparing the existing methodologies to the proposed methodologies. Some methodologies were altered for simplicity such as replacing number of recruitments with number of full-time equivalents; however, other bases were more refined such as allocating the costs associated with penalties to enforcement and engineering only. A summary of changes to the allocation methodology are discussed in the points below:

- Recruitments:** Proposing that recruitments be allocated based upon the number of full-time equivalents as that is a less volatile number, rather than having to rely on the fluctuation in recruitments within programs on an annual basis. The rationale behind using the number of full-time employees is that the more employees within a program, the higher the likelihood that there will be turnover and the need for recruitment support and services.
- Penalties, Enforcement, & Settlement:** Staff in Penalties, Enforcement, and Settlement primarily focus on work related to permitted activities, therefore, instead of allocating their support district-wide to all programs, their support has only been allocated based upon the number of staff within the permit-related programs. This ensures that permitted activities directly absorb the overhead associated with these activities.
- Facilities Maintenance:** Only employees that are housed at the District’s headquarters receive support from staff or through the management of facilities maintenance contracts by staff in facilities maintenance. Therefore, the project team revised the allocation to remove those employees that are located in offsite

facilities to ensure that support is only allocated to those employees that benefit from support provided by Facilities maintenance.

Implementing these changes to the cost allocation methodology simplifies the model, while also refining it to better reflect the level of service being provide.

In order to ensure that appropriate costs are being allocated, staff in the programs that are considered District Overhead should be coding their time to the General BillCode. The only exception to this should be if staff spend specific time on grant funded activities or fee schedule related activities. This will ensure that during the cost recovery calculation process those costs are appropriately identified and allocated.

Recommendation #1: There should be some minor alterations to the allocation bases to simplify the cost allocation process. These changes include the following:

- **Allocating Recruitments based on total number of full-time equivalents.**
- **Allocating Penalties, Enforcement, & Settlement based on total number of full-time equivalents in Compliance & Enforcement and Engineering.**
- **Allocating Facilities Maintenance based on total number of full-time equivalents in the facilities being maintained.**

Implementing these changes will result in a simpler and more refined allocation methodology that better reflects the level of service provided.

2 COST ALLOCATION RESULTS

The project team compiled the results of the Cost Allocation Plan based upon the District's current methodology, the recommended changes, and compared those results. The following subsections discuss each of those result components.

2.1 Current Cost Allocation Results

The following table shows the total costs allocated to the different district programs based upon the current allocation methodology.

Program #	Program Title	Total Costs Allocated
105	Joint Policy Committee	\$387
122	Hearing Board	\$24,208
125	My Air Online	\$452,888
126	Clean Power & Efficiency Program	\$12,921
202	Hearing Board Proceedings	\$102,199
303	Intermittent Control Programs	\$139,511
305	Spare the Air (CMAQ)	\$9,294
306	Intermittent Control Programs	\$513,710
307	Carl Moyer Program Administration	\$265,315
308	Transportation Fund for Clean Air	\$485,043

Program #	Program Title	Total Costs Allocated
310	Mobile Source Incentive Fund	\$341,677
311	Carbon Offset Fund	\$9,762
312	Vehicle Buyback	\$34,670
313	Grant Program Development	\$355,780
316	Miscellaneous Incentive Program	\$10,549
317	Regional Electric Vehicle Deployment	\$53,627
318	Enhanced Mobile Source Inspections	\$229,247
323	California Goods Movement Bond Administration	\$331,222
401	Enforcement	\$2,386,697
402	Compliance Assistance & Operations	\$1,451,842
403	Compliance Assurance	\$3,409,387
501	Permit Evaluation	\$2,446,852
502	Permit Renewals	\$490,336
503	Air Toxics	\$991,895
504	Permit Operations	\$401,456
506	Title V	\$473,312
507	Engineering Special Projects	\$348,007
601	Source Inventories	\$486,320
602	Air Quality Plans	\$383,110
603	Air Quality Modeling Support	\$363,207
604	Air Quality Modeling & Research	\$347,729
605	Mobile Source Measures	\$482,475
608	Climate Protection	\$877,548
609	Community Air Risk Evaluation (CARE)	\$339,972
611	Rule Development	\$817,243
725	Information Systems Software Development	\$709,832
802	Ambient Air Monitoring	\$1,843,810
803	Laboratory	\$659,022
804	Source Test	\$1,307,517
805	Meteorology	\$405,560
807	Air Monitoring Instrument Performance Evaluation	\$357,877
809	BioWatch Monitoring	\$16,382
810	Infrastructure and Records Management	\$150,891
811	Mobile Monitoring	
TOTAL		\$25,320,289

As the table shows the total costs allocated through the District's current full cost allocation methodology results in a total cost of \$25.3 million allocated to different District programs. The primary receivers of support are Compliance and Enforcement at 29% and Engineering at 20%. This suggests that fee-related programs receive approximately 49% of the overall support of the District.

2.2 Proposed Cost Allocation Results

The proposed cost allocation model not only incorporated the recommended allocation bases, but also altered the order of direct cost exclusions. The following table shows the total costs allocated to the different district programs based upon the recommended /

proposed allocation methodology.

Program #	Program Title	Total Costs Allocated
105	Joint Policy Committee	\$287
122	Hearing Board	\$17,617
125	My Air Online	\$346,033
126	Clean Power & Efficiency Program	\$8,575
202	Hearing Board Proceedings	\$35,524
303	Intermittent Control Programs	\$110,717
305	Spare the Air (CMAQ)	\$6,899
306	Intermittent Control Programs	\$411,569
307	Carl Moyer Program Administration	\$214,476
308	Transportation Fund for Clean Air	\$379,902
310	Mobile Source Incentive Fund	\$283,358
311	Carbon Offset Fund	\$273
312	Vehicle Buyback	\$22,086
313	Grant Program Development	\$282,096
316	Miscellaneous Incentive Program	\$8,316
317	Regional Electric Vehicle Deployment	\$38,523
318	Enhanced Mobile Source Inspections	\$180,551
323	California Goods Movement Bond Administration	\$225,851
401	Enforcement	\$2,891,820
402	Compliance Assistance & Operations	\$1,824,636
403	Compliance Assurance	\$4,139,889
501	Permit Evaluation	\$3,126,887
502	Permit Renewals	\$536,515
503	Air Toxics	\$1,014,287
504	Permit Operations	\$474,238
506	Title V	\$515,406
507	Engineering Special Projects	\$351,490
601	Source Inventories	\$423,405
602	Air Quality Plans	\$319,986
603	Air Quality Modeling Support	\$308,361
604	Air Quality Modeling & Research	\$294,273
605	Mobile Source Measures	\$392,626
608	Climate Protection	\$757,169
609	Community Air Risk Evaluation (CARE)	\$269,193
611	Rule Development	\$654,758
725	Information Systems Software Development	\$618,217
802	Ambient Air Monitoring	\$1,298,697
803	Laboratory	\$530,141
804	Source Test	\$948,167
805	Meteorology	\$295,756
807	Air Monitoring Instrument Performance Evaluation	\$279,154
809	BioWatch Monitoring	\$11,418
810	Infrastructure and Records Management	\$129,381
811	Mobile Monitoring	\$287
TOTAL		\$24,978,814

As the table above shows, under the proposed / revised methodology a total of \$24.98 million costs was allocated. Similar to the current methodology, the primary receivers of support are Compliance and Enforcement at 36% and Engineering at 24%. The proposed methodology increases indirect costs for fee-related programs by approximately 11%.

2.3 Cost Allocation Comparison

The table on the following page compares the total cost allocation between the two different methodologies, showing the total costs currently allocated, proposed costs allocated, and the difference.

Prog. #	Program Title	Current Costs Allocated	Proposed Costs Allocated	Difference in Costs
105	Joint Policy Committee	\$387	\$287	(\$100)
122	Hearing Board	\$24,208	\$17,617	(\$6,591)
125	My Air Online	\$452,888	\$346,033	(\$106,855)
126	Clean Power & Efficiency Program	\$12,921	\$8,575	(\$4,346)
202	Hearing Board Proceedings	\$102,199	\$35,524	(\$66,675)
303	Intermittent Control Programs	\$139,511	\$110,717	(\$28,793)
305	Spare the Air (CMAQ)	\$9,294	\$6,899	(\$2,394)
306	Intermittent Control Programs	\$513,710	\$411,569	(\$102,141)
307	Carl Moyer Program Administration	\$265,315	\$214,476	(\$50,839)
308	Transportation Fund for Clean Air	\$485,043	\$379,902	(\$105,141)
310	Mobile Source Incentive Fund	\$341,677	\$283,358	(\$58,318)
311	Carbon Offset Fund	\$9,762	\$273	(\$9,489)
312	Vehicle Buyback	\$34,670	\$22,086	(\$12,584)
313	Grant Program Development	\$355,780	\$282,096	(\$73,684)
316	Miscellaneous Incentive Program	\$10,549	\$8,316	(\$2,232)
317	Regional Electric Vehicle Deployment	\$53,627	\$38,523	(\$15,104)
318	Enhanced Mobile Source Inspections	\$229,247	\$180,551	(\$48,696)
323	California Goods Movement Bond Administration	\$331,222	\$225,851	(\$105,372)
401	Enforcement	\$2,386,697	\$2,891,820	\$505,124
402	Compliance Assistance & Operations	\$1,451,842	\$1,824,636	\$372,794
403	Compliance Assurance	\$3,409,387	\$4,139,889	\$730,502
501	Permit Evaluation	\$2,446,852	\$3,126,887	\$680,035
502	Permit Renewals	\$490,336	\$536,515	\$46,179
503	Air Toxics	\$991,895	\$1,014,287	\$22,392
504	Permit Operations	\$401,456	\$474,238	\$72,782
506	Title V	\$473,312	\$515,406	\$42,095
507	Engineering Special Projects	\$348,007	\$351,490	\$3,482
601	Source Inventories	\$486,320	\$423,405	(\$62,915)
602	Air Quality Plans	\$383,110	\$319,986	(\$63,124)
603	Air Quality Modeling Support	\$363,207	\$308,361	(\$54,845)
604	Air Quality Modeling & Research	\$347,729	\$294,273	(\$53,456)
605	Mobile Source Measures	\$482,475	\$392,626	(\$89,849)
608	Climate Protection	\$877,548	\$757,169	(\$120,379)
609	Community Air Risk Evaluation (CARE)	\$339,972	\$269,193	(\$70,779)

Prog. #	Program Title	Current Costs Allocated	Proposed Costs Allocated	Difference in Costs
611	Rule Development	\$817,243	\$654,758	(\$162,484)
725	Information Systems Software Development	\$709,832	\$618,217	(\$91,615)
802	Ambient Air Monitoring	\$1,843,810	\$1,298,697	(\$545,113)
803	Laboratory	\$659,022	\$ 530,141	(\$128,881)
804	Source Test	\$1,307,517	\$948,167	(\$359,350)
805	Meteorology	\$405,560	\$295,756	(\$109,803)
807	Air Monitoring Instrument Performance Evaluation	\$357,877	\$279,154	(\$78,723)
809	BioWatch Monitoring	\$16,382	\$11,418	(\$4,965)
810	Infrastructure and Records Management	\$150,891	\$129,381	(\$21,510)
811	Mobile Monitoring		\$287	\$287
TOTAL		\$25,320,289	\$24,978,814	(\$341,475)

As the table above and on the previous page shows the proposed methodology results in approximately a decrease of \$341,000. The primary difference in costs allocated is related to the classification of certain indirect costs as more directly associated with fees and permit-related activities in the proposed methodology.

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3 BillCodes

Currently, all staff within the District code and track their time based on major activity using an associated bill code. The following chapter discusses the BillCodes utilized by the District.

1 BILLCODES

There are ninety-nine (99) BillCodes in place. Each BillCode is associated with an activity at the district. The following table lists all of the different activities and Fee Schedules that are associated with each of the billcodes.

Activity / Fee Schedule Title			
ARB Inspection	FS_E-Solvent Evaporation	FS_N-AB2588	Mobile Diesel
Carbon Offset Fund	FS_F-Misc.	FS_P-Title V	NatOccAsb
DHS	FS_G1-Misc.	FS_R-Registration	PM Speciation
EA	FS_G2-Misc.	FS_S-NatOccAsbBillable	Reg6-3WoodBurning
EPAG	FS_G3-Misc.	FS_T	SR_CarlMoyer
Fed Grant 103	FS_G4-Misc.	FS_V-Prescribed Burning	SR_CGMB
Fed Grant 105	FS_G5-Misc.	FS_W_Refinery Emissions Tracking	SR_MSIF
FS_8-PermitGeneral	FS_H-Semiconductor	FS_X	SR_TFCA
FS_B-Combustion of Fuel	FS_I-Drycleaners	General	zAg Waste Chipping
FS_C-Storage Organic Liquid	FS_K-Waste Disposal	Grants-Development	zBIA Public Records Act Request
FS_D-Gasoline Dispensing/Bulk Terminals	FS_L-Asbestos	Grants-Other	zPublic Records

As the table above shows there is the ability for the District to code time across the different fee schedules as well as grants and other specific District programs. The two activity titles and bill code classifications that the project team focused on were: General and Permit General, as these codes are further reallocated during the cost recovery process.

2 GENERAL – 01 BILLCODE

The BillCode 01 refers to the “General” Billcode. The General BillCode is intended to capture support services activities that benefit the entire district. The primary purpose of the General BillCode is to record the time and cost associated with indirect services such as the Executive Board, Administrative Resources Division, Communications, etc. There are also additional services that are considered District-Wide support, such as non-fee schedule based enforcement activities or litigation activities that are meant to support and benefit the general public and residents of the District.

The following table shows the total dollars associated with BillCode 01, as well as the overall total dollars associated with all District Billing Codes, and the percentage of cost associated with BillCode 01.

Category	Personnel Cost
BillCode 01	\$11,618,961
Overall	\$36,147,926
Percentage	32%

As the above table indicates, BillCode 01 comprises 32% of the salaries and benefits paid to employees of the District. The following table shows the breakout of the cost by District program.

ProgNo	Program Title	Total Cost	% of Cost
104	Executive Office	\$1,527,683	13%
106	Payroll	\$79,902	1%
107	Benefit Administration	\$133,525	1%
109	Organizational Development	\$102,467	1%
111	Employment Relations	\$146,907	1%
114	Recruitment & Testing	\$274,406	2%
121	Board of Directors	\$75,909	1%
122	Hearing Board	\$19,097	0%
123	Advisory Council	\$7,923	0%
126	Clean Power & Efficiency Program	\$9,949	0%
201	Legal Counsel	\$927,564	8%
202	Hearing Board Proceedings	\$49,908	0%
203	Penalty Enforcement & Settlement	\$117,829	1%
205	Litigation	\$191,421	2%
301	Public Information	\$703,594	6%
302	Community Engagement	\$576,697	5%
303	Intermittent Control Programs	\$443	0%
306	Intermittent Control Programs	\$1,109	0%
309	Website Development & Maintenance	\$127,418	1%
401	Enforcement	\$91,789	1%
402	Compliance Assistance & Operations	\$33,439	0%
403	Compliance Assurance	\$53,531	0%
501	Permit Evaluation	\$7,223	0%
503	Air Toxics	\$25,349	0%
507	Engineering Special Projects	\$6,391	0%
601	Source Inventories	\$132,285	1%
602	Air Quality Plans	\$386,560	3%
603	Air Quality Modeling Support	\$208,371	2%
604	Air Quality Modeling & Research	\$197,937	2%
605	Mobile Source Measures	\$544,256	5%
608	Climate Protection	\$717,970	6%
609	Community Air Risk Evaluation (CARE)	\$221,983	2%
611	Rule Development	\$102,185	1%
701	Finance/Accounting	\$773,583	7%

ProgNo	Program Title	Total Cost	% of Cost
702	Strategic Facilities	\$297,898	3%
703	Communications	\$227,025	2%
708	Purchasing	\$234,543	2%
710	Vehicle Maintenance	\$93,142	1%
712	Information Management Records & Content	\$106,853	1%
725	Information Systems Software Development	\$423,862	4%
726	Information Technology Engineering & Operations	\$1,115,989	10%
802	Ambient Air Monitoring	\$90,858	1%
803	Laboratory	\$108,607	1%
804	Source Test	\$122,277	1%
805	Meteorology	\$30,401	0%
807	Air Monitoring Instrument Performance Evaluation	\$20,441	0%
810	Infrastructure and Records Management	\$170,461	1%
	Grand Total	\$11,618,961	100%

As the table above and on the previous page indicates, the largest source of BillCode 01 Cost comes from the following six programs: Executive Office, Information Technology Engineering & Operations, Legal Counsel, Finance / Accounting, and Public Information and Climate Protection. These programs comprise approximately 50% of BillCode 01.

It is important to note that of the top six programs, five are considered indirect support to the District and are allocated to various programs through the Cost Allocation Plan. There is only one program – Climate Protection – that is not part of the Cost Allocation Plan. Therefore, the project team extrapolated from the data above those codes that do not flow through the cost allocation plan. The following table shows those program codes, titles, cost, and percentage of the total General BillCode:

ProgNo	Program Title	Total Cost	% of Cost
122	Hearing Board	\$19,097	1%
126	Clean Power & Efficiency Program	\$9,949	0%
202	Hearing Board Proceedings	\$49,908	1%
303	Intermittent Control Programs	\$443	0%
306	Intermittent Control Programs	\$1,109	0%
401	Enforcement	\$91,789	3%
402	Compliance Assistance & Operations	\$33,439	1%
403	Compliance Assurance	\$53,531	1%
501	Permit Evaluation	\$7,223	0%
503	Air Toxics	\$25,349	1%
507	Engineering Special Projects	\$6,391	0%
601	Source Inventories	\$132,285	4%
602	Air Quality Plans	\$386,560	11%
603	Air Quality Modeling Support	\$208,371	6%
604	Air Quality Modeling & Research	\$197,937	5%
605	Mobile Source Measures	\$544,256	15%
608	Climate Protection	\$717,970	20%
609	Community Air Risk Evaluation (CARE)	\$221,983	6%
611	Rule Development	\$102,185	3%
725	Information Systems Software Development	\$423,862	12%

ProgNo	Program Title	Total Cost	% of Cost
802	Ambient Air Monitoring	\$90,858	3%
803	Laboratory	\$108,607	3%
804	Source Test	\$122,277	3%
805	Meteorology	\$30,401	1%
807	Air Monitoring Instrument Performance Evaluation	\$20,441	1%
	Grand Total	\$3,606,221	100%

As the table above and on the previous page shows, the total costs associated with Non-support services are \$3.6 million. The costs represent approximately 31% of the total General BillCode costs and 10% of the overall cost of the District. The District currently has no revenue source for recovering these costs, which are funded through the General Fund or Property Tax.

Even though, the majority of the services in this section should be funded by Property Tax, there are certain programs that should not code any time to General BillCode 01. Staff within programs such as Permit Evaluation and Information Systems Software Development should be coding their time to BillCode 08 – Permit General rather than BillCode 01 – General.

In order to clearly delineate the difference between General – District-wide indirect support and General – non-cost recovery district wide support, there should be two different billing codes. Creating a separate billing code for these services will ensure that those services that are “direct” programs but “unfunded” are represented in a different category and do not filter through or get layered onto fees. Based upon the review of current costs and bill code usage the project team has identified the following major issues with BillCode 01:

- Definition:** There should be a clear definition of BillCode 01 – General that is provided to all Programs and Divisions. This definition should not only provide a brief summary of what is considered to be “General” activities for the District but also the types of activities that are eligible to be coded as General Activities specific to each program. This should be distributed to all employees as well as added to an Employee handbook for ease of distribution to new employees. The definition of “General” should be developed by staff in Finance and Administration and then be approved by the Air Pollution Control Officer and the Board.
- Monitoring:** Supervisors and Management in each program should be carefully monitoring the staff and hours coded to BillCode 01 to ensure that those are eligible activities for that BillCode. This will also ensure that hours that are being provided in support of fee-related schedules are not being coded as General Hours. This is the case in Legal Services for Penalties and Litigation and also for the Information Systems Software Development. These programs should be coding costs to BillCode 08 – Permit General. Supervisors and time sheet approvers should be auditing the hours coded to the BillCodes at a minimum on an annual basis. If there

are any adjustments to the billcodes those should be made retroactively to ensure that time and cost is flowing through to the appropriate activities.

- **Other General Support:** Creation of an additional BillCode that captures those support and general activities that are “unfunded”. This will enable the District staff to clearly and easily identify indirect support associated with a particular program, and determine if those costs should be “unfunded” or allocated through another methodology.

As the points above indicate there are some opportunities for improvement as it relates to BillCode 01 – General. Clarifying the expectations associated with BillCode 01 will help the District better track its indirect costs, as well as ensure that District support is coded appropriately.

Recommendation #2: A clear definition of activities that are considered “General” should be developed and distributed to all staff members within the District. This should also be included in the employee handbook to make it easier for dissemination during the onboarding process. This definition should be developed by District staff within Finance and Administration, and be approved by the Executive Management Office.

Recommendation #3: There should be an annual auditing and monitoring mechanism in place for supervisors to review the timesheets of staff members. This will ensure that staff are accurately recording time in the “General” category.

Recommendation #4: The “General” billcode category should be separated into two distinct categories – District General and Other General. The District General should refer to activities such as Executive Office, Finance, Payroll, etc. or activities that provide support to all programs internally within the District. The Other General should refer to unpermitted sources, mobile inspections, or activities that have no revenue source other than property tax.

3 PERMIT GENERAL – 08 BILLCODE

The primary purpose of the Permit General bill code is to capture the support associated with Permit-related activities specifically. The Finance staff takes the Permit General costs and layers it onto all of the fee-related services as fee overhead. The project team evaluated the total costs associated with BillCode 08. The following table shows the Permit General cost as a proportion of total district-wide cost.

Category	Personnel Cost
BillCode 08	\$7,512,767
Overall	\$36,147,926
Percentage	21%

As the table shows, BillCode 08 comprises 21% of the total District wide personnel costs. The project team evaluated the programs that made up the total permit general costs. The following table shows by program number and title, the total costs coded to Permit General in FY 16-17.

ProgNo	Program Title	Total Cost	% of Cost
104	Executive Office	\$271,910	4%
111	Employment Relations	\$1,261	0%
125	My Air Online	\$460,057	6%
203	Penalty Enforcement & Settlement	\$74,062	1%
303	Intermittent Control Programs	\$67	0%
401	Enforcement	\$558,191	7%
402	Compliance Assistance & Operations	\$746,041	10%
403	Compliance Assurance	\$764,636	10%
501	Permit Evaluation	\$872,325	12%
502	Permit Renewals	\$235,137	3%
503	Air Toxics	\$394,782	5%
504	Permit Operations	\$429,898	6%
506	Title V	\$81,953	1%
507	Engineering Special Projects	\$256,673	3%
601	Source Inventories	\$213,680	3%
603	Air Quality Modeling Support	\$113,927	2%
604	Air Quality Modeling & Research	\$99,856	1%
605	Mobile Source Measures	\$3,714	0%
608	Climate Protection	\$264,907	4%
609	Community Air Risk Evaluation (CARE)	\$148,407	2%
611	Rule Development	\$424,477	6%
701	Finance/Accounting	\$75,257	1%
712	Information Management Records & Content	\$40,546	1%
725	Information Systems Software Development	\$441,969	6%
803	Laboratory	\$140,645	2%
804	Source Test	\$358,007	5%
805	Meteorology	\$34,638	0%
807	Air Monitoring Instrument Performance Evaluation	\$5,743	0%
Grand Total		\$7,512,767	100%

As the table above shows, the top sources of Permit General are the following programs: Permit Evaluation, Compliance Assurance, Compliance Assistance & Operations, Enforcement, and My Air Online, Permit Operations, and Rule Development. These programs comprise approximately 57% of the cost. All of the programs that have cost and time coded to Permit General (BillCode 08) should account for general permit related activities.

The project team also evaluated BillCode 08 – Permit General personnel costs and time coded as a percentage of fee-related Bill Codes. The following table shows the Permit General cost as a proportion of fee-related only cost.

Category	Personnel Cost
BillCode 08	\$7,512,767
Fee-Related	\$17,903,107
Percentage	42%

As the table above shows BillCode 08 comprises 42% of the fee-related cost. This is a significant portion of time that is coded as general permit support. The benchmark for general permit support is typically in the range of 25%-33%, with the remaining portion of staff time being spent directly on permitted activities.

It is recommended that where possible more time and thereby cost should be coded to specific types of permits in the BillCode system. This ensures that those costs are directly captured for that specific permit and source rather than being layered upon all permits and sources. A clear example of this is that nearly 30% of Permit Evaluation's personnel costs are coded to Permit General, those costs should be examined to ensure that all of those hours and cost should truly be classified as "Permit General".

The District should develop a threshold upon which Program Supervisors and Managers should review time coding to ensure that time is being appropriately coded to the Permit General category. This threshold should be set at a minimum of 25%. Therefore, if any program codes 25% or more of its time annually to Permit General, the Supervisors should meet with staff and ensure that all of those activities and costs should have been classified as Permit General. For certain programs, it will be acceptable for them to be overhead to all fees such as Enforcement, whereas for other programs such as Permit Evaluation or Permit Renewal, it will be important to monitor the time and costs coded to BillCode 08 – Permit General.

The project team has recommended through the review of cost classifications of central services and indirect support that the following programs code more time directly as Permit General:

- Penalties, Enforcement, & Settlement
- Litigation
- Information Systems Software Development

Staff within these programs should code time to Permit General to ensure that costs filter through appropriately to fee-based schedules and allow the district to fully recover the costs associated with issuing permits.

Recommendation #5: District staff should be encouraged to code more time and thereby cost directly to the Fee Schedules rather than utilizing Permit General or even General to code the balance of time. Some of these activities include Litigation, Penalties, Enforcement, and Settlement, and Information Systems Software Development.

Recommendation #6: A threshold should be set up for Permit General calculation. The majority of staff positions and members should not be coding more than 25% of their time / cost to the Permit General Category. If at the end of the year, a staff member's time exceeds 30% in the Permit General category, the supervisor should review that time coding and ensure that it is appropriate for that position to code more time to Permit General rather than to specific fee schedules or grant activities.

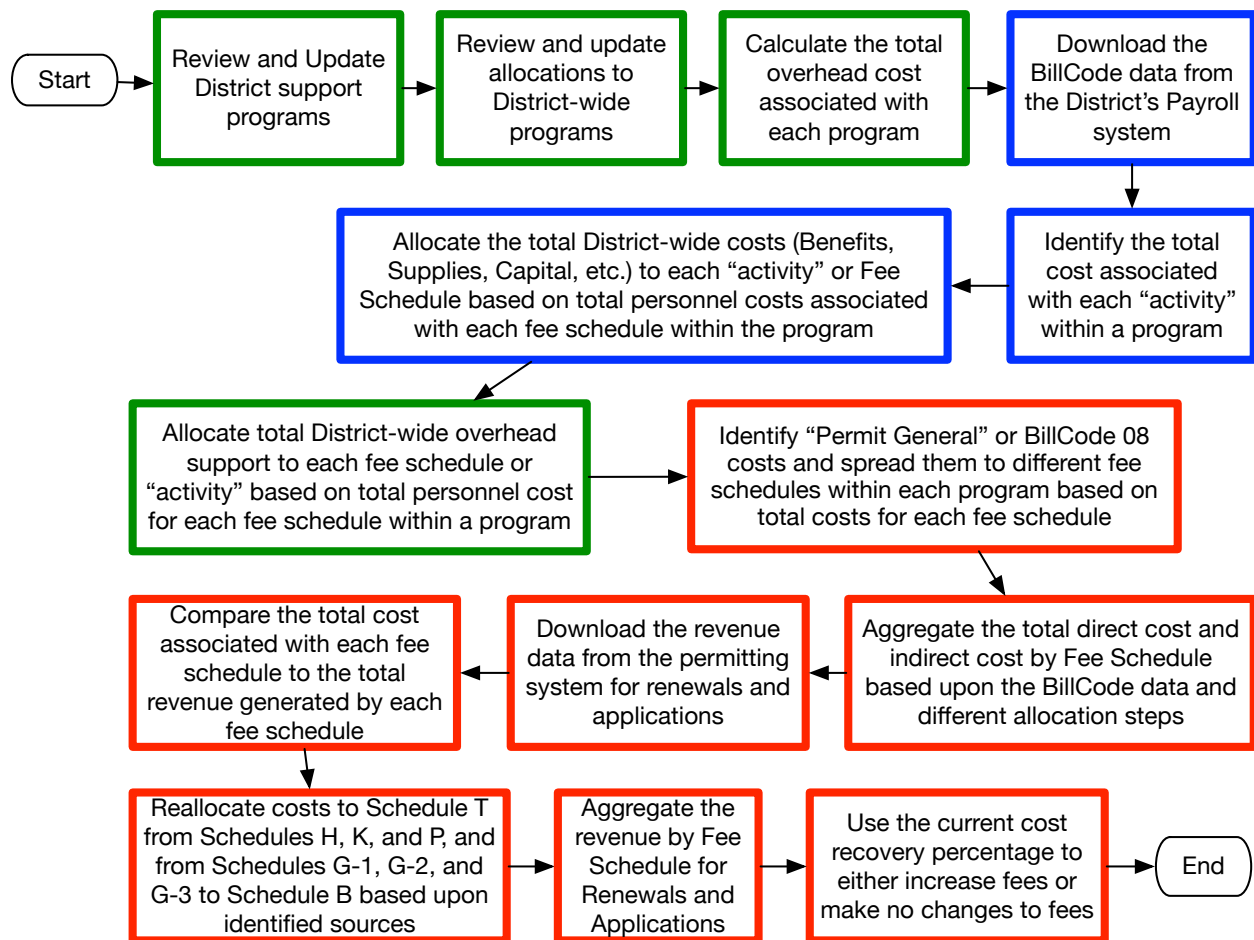
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4 Cost Recovery Model – Fee Study

In addition to the Cost Allocation Methodology, the project team also evaluated the District’s current and potential cost recovery. The following chapter discusses the methodology for determining cost recovery and the results of the current and proposed methodology.

1 COST RECOVERY MODEL PROCESS

In order to evaluate the District’s current cost recovery levels and develop a cost recovery model the project team evaluated the District’s current cost recovery model. The project team distilled the development of the cost recovery model and its results into a simplified flowchart. The following flowchart describes how the District staff takes the information from the Cost Allocation Plan and the BillCodes and uses that to develop and calculate its current cost recovery levels and affect the fees.



Green = Cost Allocation Plan
Blue = Bill Codes
Red = Fee Schedule / Cost Recovery

The flowchart shows the different types of costs that are allocated to the different fee schedules based upon the total personnel costs associated with each fee schedule. All direct and indirect costs are allocated using this method. The costs are allocated in different steps to ensure that the appropriate level of cost is being recorded, with direct costs allocated first, then district-wide overhead, and lastly permit-related overhead.

It is important to note that the permitting system records revenue to all fee schedules. However, not all staff code time to all fee schedules. Certain fee schedules within the District are related to the overall monitoring of a specific type of program or source, and as such, when District staff are working on those permits that time is coded to a different fee schedule, rather than the appropriate fee schedule. Therefore, the District reallocates those costs based upon the types of sources from one schedule into another schedule.

This cost reallocation occurs for only two schedules: Schedule T and Schedule B. Costs are allocated to Schedule T from Schedules H, K, and P, while costs are allocated to Schedule B from Schedules G1, G2, and G3. In order to mitigate the back-end re-allocation of costs that are distributed based upon the sources in those schedules, it is recommended that additional descriptions be added to the BillCodes. The District provides staff with a list of BillCodes and the types of activities associated with each BillCode. The project team recommends that the BillCode Description for Schedules T and B be expanded to include review of relevant sources in the context of Greenhouse Gases or Gasoline Dispensing Facilities to be coded to those specific schedules rather than to another schedule. This change in the process will ensure that costs are coded to the appropriate schedules, without having to do additional calculations each year.

Recommendation #7: The District should expand the definition and sample activities associated with the Bill codes for Schedules T and B to include review work related to Schedules H, K, P, G1, G2, and G3 sources. This will ensure that District staff are appropriately coding their time while working on these activities and will mitigate the need for the District to reallocate expenses to those schedules on the back-end prior to the cost recovery calculation.

2 COST RECOVERY CALCULATION REGULATIONS AND GUIDELINES

Based upon the process outlined in the previous section the District calculates the total cost recovery associated with each specific fee schedule. It is important for the district to annually calculate its cost recovery status to ensure that for its fees for service that are being charged, it is in compliance with California State laws and propositions associated with user fee charges.

A “user fee” is a charge for service provided by a governmental agency to a public citizen or group. In California, several constitutional laws such as Propositions 13, 4, and 218, State Government Codes 66014 and 66016, and more recently Prop 26 and the Attorney General’s Opinion 92-506 set the parameters under which the user fees typically

administered by local government are established and administered. Specifically, California State Law, Government Code 66014(a), stipulates that user fees charged by local agencies "...may not exceed the estimated reasonable cost of providing the service for which the fee is charged".

In addition to the user fee regulations in Prop 26, the District is also governed by the Health and Safety Code. In the post-Prop 13 era, the State Legislature determined that the cost of programs to address air pollution should be borne by the individuals and businesses that cause air pollution through regulatory and service fees. The primary authority for recovering the cost of District programs and activities related to stationary sources is given in Section 42311 of the Health and Safety Code (HSC), under which the District is authorized to:

- Recover the costs of programs related to permitted stationary sources
- Recover the costs of programs related to area-wide and indirect sources of emissions which are regulated, but for which permits are not issued
- Recover the costs of certain hearing board proceedings
- Recover the costs related to programs that regulate toxic air contaminants

The measure of the revenue that may be recovered through stationary source fees is the full cost of all programs related to these sources, including all direct program costs and a commensurate share of indirect program costs, unless otherwise funded. Such fees are valid so long as they do not exceed the reasonable cost of the service or regulatory program for which the fee is charged, and are apportioned amongst fee payers such that the costs allocated to each fee-payer bears a fair or reasonable relationship to its burden on, and benefits from, the regulatory system.

3 PROJECTED COST RECOVERY MODEL RESULTS

The project team took the information from the revised cost allocation plan and applied it to the District's current cost allocation methodology. Additionally, the project team took the District's FY17 expenditures and allocated it to the different fee schedules based upon the total cost associated with a fee schedule within a program. Finally, the project team reviewed the renewals and applications data from the District's permitting database and allocated revenue to the identified fee schedule in the permitting system. The following table shows the results based on the cost recovery model developed by the project team.

Fee Schedule	Direct Cost	Indirect Cost	Total Cost	Total Revenue	Annual Surplus / (Deficit)	Cost Recovery %
A	\$114,967	\$53,132	\$168,099	\$5,722	(\$162,377)	3%
B	\$6,049,140	\$3,273,174	\$9,322,314	\$9,599,477	\$277,163	103%
C	\$459,222	\$297,296	\$756,517	\$2,491,202	\$1,734,684	329%
D	\$4,435,464	\$2,376,290	\$6,811,754	\$5,548,181	(\$1,263,573)	81%

Fee Schedule	Direct Cost	Indirect Cost	Total Cost	Total Revenue	Annual Surplus / (Deficit)	Cost Recovery %
E	\$2,187,565	\$1,364,832	\$3,552,397	\$2,767,439	(\$784,958)	78%
F	\$1,698,342	\$844,751	\$2,543,093	\$2,351,500	(\$191,593)	92%
G1	\$4,057,641	\$2,107,901	\$6,165,542	\$2,556,491	(\$3,609,051)	41%
G2	\$685,054	\$342,339	\$1,027,393	\$561,626	(\$465,767)	55%
G3	\$373,912	\$232,618	\$606,529	\$648,892	\$42,362	107%
G4	\$2,411,867	\$1,030,228	\$3,442,094	\$959,093	(\$2,483,001)	28%
G5	\$218,556	\$145,484	\$364,040	\$979,704	\$615,663	269%
H	\$209,350	\$135,343	\$344,693	\$122,440	(\$222,253)	36%
I	\$113,384	\$70,708	\$184,091	\$5,439	(\$178,653)	3%
K	\$795,821	\$465,800	\$1,261,621	\$246,552	(\$1,015,070)	20%
L	\$2,670,703	\$1,326,923	\$3,997,627	\$4,108,669	\$111,042	103%
N	\$226,118	\$130,642	\$356,760	\$214,311	(\$142,449)	60%
P	\$3,870,921	\$1,941,921	\$5,812,842	\$5,088,243	(\$724,598)	88%
R	\$306,095	\$206,971	\$513,065	\$237,105	(\$275,961)	46%
S	\$59,384	\$38,721	\$98,105	\$101,934	\$3,829	104%
T	\$1,584,464	\$749,052	\$2,333,516	\$2,179,797	(\$153,719)	93%
V	\$681,720	\$406,282	\$1,088,002	\$151,781	(\$936,221)	14%
W	\$76,145	\$13,255	\$89,400	\$324,000	\$234,600	362%
X	\$330,655	\$171,891	\$502,547	\$1,131,169	\$628,622	225%
TOTAL	\$33,616,489	\$17,725,553	\$51,342,042	\$42,380,765	(\$8,961,277)	83%

As the table shows, the overall cost recovery level calculated for the District is 83% under the projected model and represents a \$8.96 million deficit. The primary source of this deficit is \$3.6 million related to G1 sources, which comprises approximately 40% of the overall deficit.

4 COST RECOVERY LEVELS AND FEE UPDATES

As discussed in the last step of the process, the District utilizes the current cost recovery level calculated through the cost recovery process to update its fees. The following table shows how the fees were changed for fiscal year 2018 based on the cost recovery level.

Cost Recovery Level	Fee Increase
95-100%	2.7% (COLA factor)
85-95%	7%
75-84%	8%
Less than 75%	9%

As the table above indicates, the District is following a best management practice of increasing its 100% cost recovery fees annually by a cost factor. This increase ensures

that those fees for which the District is recovering a 100% of its costs continue to maintain that recovery level. Additionally, the other percentages reflect a gradual increase in the fees to bring the cost recovery levels closer each year and move them up to the next cost recovery level bracket.

Some of the District's current fee schedules are recovering more than 100% of their costs. It is the recommendation that a cost recovery level of 110% is generally considered acceptable as it accounts for revenue generation in one year and review / monitoring activities through multiple years. Therefore, the first category on the cost recovery level and fee increase table should be expanded to include up to 110% and the increase should be based on the COLA increases.

The table above groups all cost recovery levels below 75% at the same level. It is the project team's recommendation that another level be added to the fee increase table. For fees at less than 50% cost recovery there should be a 15% increase. This will enable the District to bridge the gap much sooner for these large sources of deficit.

The District currently reviews and updates fee increase percentages annually. Review of increases allows the District to manage impacts to applicants, as well as ensure that increases are not abnormally absorbent. The District should consider developing multi-year target percentages for fees that are below the 75% cost recovery threshold. These multi-year targets would provide guidance on how quickly fees should be increased to get them into the 75% cost recovery range, and may need to be fee schedule specific. For example, the District may want to be more aggressive in increasing fees associated with Schedule K permits than Schedule I permits. Therefore, the District may want to establish separate annual increase percentages based on each under-recovering fee schedule.

Recommendation #8: The initial cost recovery level category should be expanded up to 110% to ensure that cost recovery levels are maintained even for those schedules that may show over 100% cost recovery in one year, but then may dip down the following year due to lack of fee increases. This practice will help maintain consistency in cost recovery levels for those full cost recovery fee schedules and is in line with best management practices.

Recommendation #9: An additional cost recovery level should be added to the fee increase table. The less than 50% category should have a 15% increase. The District should review schedules that are below 50%, and develop multi-year schedule based increase percentages to address the unique cost recovery issues associated with each schedule. This will help the District increase those fees and fee schedules that are significantly below the 75% mark at a much more significant rate.

5 Cost Containment Strategies

This chapter provides an overview of the assessment of cost containment strategies, especially as it pertains to the New Production System. The District conducted a Cost Recovery and Containment study in 2010. As a result of the study there were several different cost containment strategies that were recommended for implementation for the District. The following sections discuss some general cost containment strategies and efficiencies implemented by the District since the previous study, as well as a discussion of the New Production System.

1 GENERAL COST CONTAINMENT STRATEGIES

In the past five years since the previous study was completed, the District has implemented several cost containment and efficiency-based strategies. Some of these strategies include the following:

- 1. Timekeeping:** Since the previous study the District has implemented a timekeeping system that allows employees within each District program to directly code / identify their time spent on fee-related activities. This time can be allocated either directly to a specific fee schedule or can be coded as a general permit activity – i.e. data entry, permit routing, intake, etc. This ensures that all costs that are directly associated with permit activities are captured.
- 2. Greater Field Capabilities:** There is the ability of inspectors in the enforcement and compliance section to utilize equipment in the field. This enables there to be elimination of duplication of effort that exists between having to take notes in the field and then re-transcribe those notes into the legacy system at the District. Additionally, the utilization of satellite offices minimizes the travel and drive time between assigned facilities.
- 3. Annual Updates to Cost Recovery:** A policy was developed for the District to annually assess their cost recovery level as it pertains to fees, including monitoring the expenses and revenues associated with schedules. Schedules are adjusted accordingly, but also monitored for any spikes or significant decreases in revenue or expenditure activity. Additionally, it also ensures a slow or gradual increase to fee schedules as necessary to incorporate any efficiencies or cost savings immediately rather than waiting for fee studies to be conducted every 3-5 years.
- 4. Public Education:** The District has provided for the public a list of all of its fees in a single PDF document on the website for public convenience. Additionally, there is a permitting handbook available that outlines the general permitting process and provides examples of different facilities and the schedule(s) that would be

applicable to those fees. The availability of this information on the website helps minimize the time associated with general permit inquiries.

- 5. **Online Applications:** The New Production System allows certain types of facilities to submit online applications for the different types of permits. This allows District staff to review information provided by applicants, rather than transcribing submitted applications into the legacy system.
- 6. **Permit Statuses:** Facilities can now view their permit status online through the New Production System. The availability of this information on the website helps minimize the time associated with basic permit inquiries.

As the points above illustrate, the District has made significant strides in implementing strategies that have resulted in efficiencies as well as the ability to reduce time spent doing paperwork or answering general permit-related questions to conducting inspections or evaluating permit applications.

Additionally, the annual monitoring of cost recovery levels while not cost saving, is a cost efficiency strategy that enables the District to continuously monitor its costs associated with each schedule and ensure that fees are increased to enable the District to maintain designated cost recovery levels.

2 COMPARISON OF NEW PRODUCTION SYSTEMS TO RECOMMENDATIONS

The District is in the process of rolling out a New Production System as it relates to its permitting activities. The New Production System was developed based on the recommendations from the previous Cost Allocation and Cost Recovery study conducted by the District. The project team had conversations with the District staff working on the New Productions system including a brief demonstration of the capabilities of the system.

The table that follows reviews the ability of the New Production System to meet the best management standards identified in the previous study as well as a discussion regarding how the implementation of this new system effects fee-related time. If the District meets or has implemented the recommendation fully, the project team has marked the recommendation with an X. If there are any qualifications to the implementation of the recommendation, or portions of recommendations that were not implemented those recommendations have a discussion regarding the potential for future implementation.

Recommendation	Implemented
The current information management system, Data Bank / IRIS, is not web-based. The District, however, should be designing and implementing a new permit information management system (i.e., the "Production System") that is web-based, allowing access from any computer terminal.	X

Recommendation	Implemented
Current District permit applicants do not have the access to online information regarding the status of their respective permit application. The new Production System should be designed and / or implemented with online capabilities.	X
The new Production System should be designed and / or implemented to readily provide web-based capabilities to see the status of permit applications.	X
Data Bank / IRIS does not have wireless capabilities. With the implementation of the Production System, the District should utilize wireless interfaces and capabilities, especially for the field inspectors, in order to view permit history, update comments, etc.	X
The current Data Bank / IRIS system is utilizing a dated mainframe for data (HP 3000 / 9000) and custom in-house code for data management. The new Production System should utilize a relational database management system (such as Oracle).	X
The new Production System should utilize a centralized client server to standardize operations and management (e.g., system updates).	X
Data Bank / IRIS are not fully integrated with other District information management systems (i.e., the financial system and the inspector / enforcement system). The new Production System should be designed and / or integrated with the disparate systems to promote consistency and efficiency among the operating units (i.e., permitting, invoicing, and inspections).	X
The Production System should be designed and / or implemented to support GIS capabilities.	X
The new Production System should be designed and / or implemented with automated features that minimize manual data input errors (i.e., utilizing, smart forms, automated fee calculations, standard permit conditions, etc.).	X
Data Bank / IRIS has a limited audit trail for each permit application showing the date, time, and specific staff member who handled the permit application folder. Data Bank / IRIS also has a limited audit trail for modification of data in the system (e.g., time, date, personnel stamp, etc.). The new Production System should be designed and / or implemented with audit trail capabilities, which specifically track the user and types of changes made to a record (including date and time), including capturing the identification of all staff who was assigned to that permit application during its lifetime (i.e., the current system does not track when permit is re-assigned).	X

Recommendation	Implemented
The new Production System should be designed and / or implemented to integrate with email and calendar systems, which, for example, can facilitate such features as automatic emails to supervisors regarding overdue permit applications.	X
Data Bank / IRIS has limited capabilities to notify of status changes. The new Production System should be designed and / or implemented with these automated auditing features.	X
Data Bank / IRIS does not support online submission of permit applications. The new Production System should be designed and / or implemented with electronic submittal capabilities for both permit applications and renewals.	X
Data Bank / IRIS are not a web-based system which supports automated submissions, and does not support the electronic receipt of data from the facilities (e.g., such as emissions information during the renewal process). Currently, permit holders must contact the District to retain copies of update questionnaires or permit invoices. The new Production System should be designed and / or implemented to allow online submission for high volume source categories, such as for auto-body shops, dry cleaners, etc.	X
Data Bank / IRIS does not automatically generate fees for permit applications (as the fee calculations are currently done manually). The new Production System should be designed and / or implemented for automated fee calculations based on emissions and other factors (requiring the system to be table driven).	X
The Production System should be designed and / or implemented to allow for online payments, especially for “smaller” applicants that meet certain criteria, who should be allowed to automatically pay for permits at time of online submittal (thus limiting processing time and manual involvement by District staff).	X
The Production System should be integrated with JD Edwards and the invoicing process to automatically adjust invoice amounts.	X
Data Bank / IRIS does not have receipt issuance capabilities. The new Production System should be designed and / or implemented (with JD Edwards integration) to support receipt issuance.	X
Data Bank / IRIS does not support web-based storage of information on each permit application file, such as scanned documents or images, etc. The new Production System should be designed and / or implemented to electronically store information related to the application (including engineer comments, etc.).	X

Recommendation	Implemented
<p>The new Production System should be designed and / or implemented to store approved template permit conditions for reference by engineers, inspectors, and other pertinent staff. The system should automatically assign the permit conditions based on source type.</p>	<p>Engineers can assign specific conditions to the permit, but automatic condition generation is not integrated in the system.</p>
<p>The District should have a consolidated and centralized document archive.</p> <p>The new Production System should be designed and / or implemented to upload and store necessary scanned and other electronic documents for permit applications.</p>	<p>X</p>
<p>Data Bank / IRIS does not make automatic assignment of permit applications (this is manually checked and will be assigned based on whether it is a new facility).</p> <p>The new Production System should provide automated assignment and routing of permit applications (based on both qualitative and quantitative factors) in order to promote better time management and workload balancing among staff.</p> <p>Additionally, the new Production System should be configurable to allow managers to set cycle time objectives (i.e., number of days from permit application submittal) that are different from the regulatory dates.</p>	<p>X</p>
<p>Data Bank / IRIS does not store and / or automatically populate applicant information.</p> <p>The new Production System should be designed and / or implemented to utilize more “auto-populating” capabilities.</p>	<p>X</p>
<p>Data Bank / IRIS does not support management processes to fully understand the activity, date, and assigned staff through the lifecycle of the permitting process.</p> <p>The new Production System should be designed and / or implemented to track and manage all tasks and activities throughout the lifecycle of the permitting process, and should generally have an adequate number of descriptors to promote case management and ability of managers to identify the exact status of a permit application.</p>	<p>X</p>
<p>Data Bank / IRIS does not automatically generate application numbers or assign permits based on permit application type.</p> <p>The new Production System should be designed and / or implemented for automated routing and tracking features.</p>	<p>X</p>

Recommendation	Implemented
<p>Data Bank / IRIS allow only a limited number of users to have access to the same permit application, and does not support District-wide access to the permit application simultaneously.</p> <p>The new Production System should be designed and / or implemented to allow for enterprise wide access.</p>	X
<p>The new Production System should be designed and / or implemented with more comprehensive and integrated “dashboards” to support the proactive management of permit applications and processes, including staff caseload balance and activity levels.</p>	X
<p>The new Production System should be designed and / or implemented to allow for all divisions; for example, Technical Services, to input source test results, and Toxics to enter risk screening results and data.</p>	<p>There is some variability regarding accessibility and it must be requested depending on the type of application.</p>
<p>The new Production System should be designed and / or implemented to identify each piece of equipment/source and its respective historical and emissions data.</p>	X
<p>The new Production System should be designed / implemented to identify those applications which may require risk screening analyses, and route as necessary to the modeler for simultaneous review.</p> <p>The electronic permit application should allow multiple staff the ability to review an application at the same time.</p>	<p>It requires additional documentation, but may not automatically route to appropriate staff.</p>
<p>The District should integrate the conditions of approval within the Production System based on business rules and application types in order to expedite the review process.</p>	<p>The Engineer has the ability to add the conditions of approval, but they are not automatically integrated. Additionally, all approvals require supervisory sign-off.</p>
<p>The new Production System should be designed / implemented to inform the permit holder of the applicable rules and regulations.</p>	X
<p>The District currently utilizes various functional units during permit application processing, including resources from the Toxics Evaluation Section, Permit Evaluation Section, Permit Systems Section, and Engineering Projects Sections.</p> <p>With the implementation of the new Production System, the District will achieve greater efficiencies during the review process (e.g., less data entry, less manual review and routing, etc.).</p>	X

Recommendation	Implemented
The new Production System should be designed / implemented that allows online application submission and receipt of the respective permit for the smaller, routine applications.	X
The District should provide an online tool for permit applicants to determine the applicable fees. This will improve the standardization and consistency of fee calculations and reduce errors.	X
The new Production System should be designed / implemented to calculate preliminary fees at time of submittal.	
The new Production System should be designed / implemented with various features (or capabilities) to identify the applicable triggers for review (based on the application type or source category).	X
The new Production System should be designed and / or implemented to include all Authorities to Construct, Permits to Operate and registered equipment in a single document.	X
Data Bank / IRIS are not fully integrated with the inspections information management system.	
The new Production System should be designed and / or implemented for full integration with the inspector management system (which also provides inspectors insights regarding permit history, conditions of approval, etc.).	X
The new Production System should be designed and / or implemented with online capabilities for field inspectors. This will decrease the amount of manual data entry and enhance efficiency.	X
The Production System should be designed and /or implemented to support automated GPS capabilities. Highly accurate facility and/or equipment locations will allow improved health risk modeling. Current notebook computers with wireless cards do not have GPS capability.	X
The new Production System should be designed and / or implemented with automated features that minimize data input errors (i.e., utilizing smart forms).	Certain types of complex facilities may be integrated into the system, when feasible.

As the recommendation table above and on the previous pages indicate, the New Production System has implemented the majority of the recommendations from the previous cost containment study. The primary focus of the New Production System has been to increase the efficiency of the District by impacting the following elements:

- Data Entry:** There is the ability for data entry in the field, which reduces extra work generated from having to wait to come back into the office or satellite offices to update electronic records associated with a facility.

- **Workflow Processes:** The New Production System automates the workflow between the different divisions and programs within the District. This eliminates the paper routing and reduces time spent related to permit general activities and reallocates that effort to permit review or inspections.
- **Shifting of Workload:** The New Production System eliminates data entry for high volume facilities by having the facilities directly input their information into the system. This shifts the workload from District staff to the applicant and reduces the time spent on those high-volume applications, allowing staff to spend more time on the review and conditions portion of the evaluation. This will help shift the cost from BillCode 08 (Permit General) to specific fee schedules and strengthen the nexus and defensibility associated with increasing fees.
- **Accessibility of Data:** Permit holders and District staff members can access information in the system online regarding the status of their permits, as well as current and past invoices for the facility. The availability of this information online eliminates extra inquiries directed towards District staff members regarding permit statuses and invoices.
- **Automatic Fee Calculation:** The New Production System automatically calculates the relevant fees for each facility. This reduces time spent by staff in Finance and in Permit Evaluation related to invoice generation.

MEETING HELD ON MARCH 28, 2018

As the points above illustrate, the New Production System incorporates significant efficiencies for the District, while providing a higher service level. The impact to cost efficiency is primarily due to the shifting of workload from District staff to the applicant, as it pertains to application data entry. This results in higher level District staff being able to spend more time reviewing applications. Additionally, this staff time then becomes more easily identifiable to specific BillCodes, and therefore can be directly attributable to specific fee schedules rather than layering it as permit general on all of the fee schedules.

3 FUTURE COST CONTAINMENT STRATEGIES

The District has been able to port over roughly 70% of their facilities to the New Production System, consisting mostly of low emitting sources including dry cleaners and gas stations. Staff are now focusing on integrating high emitters, such as refineries, into the New Production System. The District's goal is to incorporate the remaining 30% of facilities by early 2019.

While the New Production System is live, it is incumbent upon the applicant to use the system for new applications, renewals, invoice monitoring, and payments. As such, in order for the District to fully realize efficiency goals associated with the New Production System, public education will need to continue. This includes outreach to current facilities, as well as brochures and handouts for new applicants.

The District should work with the Community Outreach and Engagement Program to better market the New Production System. Some incentives for encouraging applicants to utilize the New Production system could be implementing a discount for online application submissions, associated with reduced staff time and paperwork associated with non-online submissions.

The New Production System is set up with the ability to track various metrics associated with facilities, sources, and inspections, including cycle times and performance measures. The District should review this information, and begin a formal tracking process to better understand how services are being provided and staff resources allocated. District staff should conduct a quarterly download of this information and publish it within the quarterly reports generated by each division for board review as well as the annual budget report. This will help internal stakeholders (i.e. APCO, Deputy APCO, Board members) and external stakeholders (i.e. permit holders) gain a better understanding of the different types of sources within the Districts as well as allocation of staffing resources.

Recommendation #10: The District should encourage online application submission through the New Production System. This encouragement should occur through a publicity campaign, as well as possibly implementing an online application fee discount.

Recommendation #11: The District should review the metrics and statistics gathered in the New Production System and utilize it to publish key performance metrics and measure cycle times. This will help the District to better understand staff resource allocation as well as to present information to key internal and external stakeholders.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Carole Groom and Members
of the Budget and Finance Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 20, 2018

Re: Discussion of Proposed Budget for Fiscal Year Ending (FYE) 2019

RECOMMENDED ACTION

The Executive Officer/APCO requests that the Budget and Finance Committee review the Proposed Budget for FYE 2019, and make any recommendations for further discussions to be held during the April 25, 2018 Budget and Finance Committee meeting.

BACKGROUND

At the March 7, 2018, Regular Board of Directors meeting, the FYE 2019 Proposed Budget document was referred to the Budget and Finance Committee for review at the Committee's March 28, 2018 meeting.

DISCUSSION

Air District staff will present the Proposed Budget for FYE 2019. The Proposed Budget is balanced, with the use of reserves to pay for one-time costs.

Air District staff will publish, prior to April 11, 2018, a notice to the general public that the first of two public hearings on the budget will be conducted on May 16, 2018 and that the second hearing will be conducted on June 20, 2018. Staff requests that the Budget and Finance Committee complete its review and take action on the Proposed Budget at the April 25, 2018 Budget and Finance Committee meeting. This will allow staff the necessary time required to amend, if necessary, the budget for the first public hearing to be held on May 16, 2018.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The proposed consolidated budget for FYE 2019 is a balanced budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Stephanie Osaze
Reviewed by: Jeff McKay

Attachment 3A: Proposed Budget for Fiscal Year Ending 2019

MEETING HELD ON MARCH 28, 2018



**BAY AREA
AIR QUALITY**

MEETING HELD ON MARCH 28, 2018
MANAGEMENT

DISTRICT

PROPOSED BUDGET
FOR
FISCAL YEAR ENDING 2019

March 21 2018

The Bay Area Air Quality Management District
is committed to
PROTECT AND IMPROVE PUBLIC HEALTH, AIR QUALITY, AND
THE GLOBAL CLIMATE

CORE VALUES

- Excellence*** Air District programs and policies are founded on science, developed with technical expertise, and executed with quality.
- Leadership*** The Air District will be at the forefront of air quality improvement and will pioneer new strategies to achieve healthy air and protect the climate.
- Collaboration*** Involving, listening, and engaging all stakeholders, including partner agencies, to create broad acceptance for healthy air solutions.
- Dedication*** Committed staff that live and believe the Air District's mission.
- Equity*** All Bay Area residents have the right to breathe clean air.

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BUDGET MESSAGE

Jack P. Broadbent, Executive Officer/APCO

EXECUTIVE SUMMARY

This document presents the proposed budget for the Bay Area Air Quality Management District (Air District) for Fiscal Year Ending (FYE) 2019. The Air District continues its commitment to fulfill its mission, goals and objectives, through activities which focus on core and mandated programs, fiscally conservative internal controls, long range financial planning and the development of short and long-term sustainable approaches toward achieving cleaner air to protect the public's health and the environment.

The proposed budget for FYE 2019 reflects the priorities established at the Board of Directors (Board) retreat of January 17, 2018, which includes maintenance and enhancement of Air District core functions as well as work on the following **key policy initiatives**:

Assembly Bill 617 Implementation – Assembly Bill (AB) 617, passed by the Legislature and signed by the Governor in 2017, establishes new, comprehensive air quality planning requirements for the California Air Resources Board (CARB) and local air districts. The bill requires CARB and the Air District to engage with communities to analyze and reduce localized cumulative exposure to air pollution to improve health in the most disproportionately impacted communities. CARB and the Air District will: 1) identify impacted communities in the Bay Area; 2) develop and implement monitoring programs to better understand local air pollution sources and exposures, and; 3) develop and implement community action plans to reduce local emissions and exposures. Air District AB 617 implementation activities will cut across all divisions, and will represent a major focus for the agency in FYE 2019 and beyond.

Climate Protection Grant Program – Staff will administer the \$4.5 million Climate Protection Grant Program established by the Board of Directors. The grant program will provide resources to local governments to support implementation of local climate action plans and programs.

Toxics Risk Reduction Rule Implementation – On November 15, 2017, the Air District Board of Directors adopted Regulation 11, Rule 18, Reduction of Risk from Air Toxic Emissions at Existing Facilities (Rule 11-18). Under this rule, facility-wide health risk assessments (HRAs) will be required for about 400 existing Air District facilities to determine if they are required to reduce their risk. As part of the implementation of Rule 11-18, the Air District plans to evaluate 60 facilities that are likely to have the highest health impacts during the first two years of implementation of this rule. These sites are expected to include refineries, cement manufacturing, metal melting, large chemical plants, large power plants, and landfills. The remaining 340 facilities will be evaluated in later years as part of rule implementation plan. Additional staff were added to the FYE 2018 budget for the implementation of this rule.

2017 Clean Air Plan – The Air District will continue to implement the 2017 Clean Air Plan: Spare the Air, Cool the Climate (2017 Plan), adopted by the Board of Directors in April 2017. The 2017 Plan identifies Air District projects and programs to reduce emissions of ozone precursors, fine particulates, air toxics and greenhouse gases (GHG), to improve air quality, public health and the global climate. Implementation activities cut across the agency and include rule development, permitting, enforcement, grants and incentives, collaboration with state, regional and local partners, research and technical analyses, community engagement, and public education.

Loan Program for Climate Technologies for Stationary Sources – The Air District's new Technology Implementation Office is exploring the launch a new stationary loan and loan guarantee program. This loan program would leverage other sources of funding through partnerships with state agencies and private lenders. This TIO program would support Bay Area's industrial and municipal facilities in implementing new technologies that can reduce their greenhouse gas emissions, support more efficient operations and lower costs.

Grants for Zero Emissions Mobile Source Projects – The Air District's grants programs will be prioritizing and targeting projects that achieve zero-and near-zero emissions reductions from replacement of older on- and off-road mobile sources, fleet expansion for on-road cars, trucks and buses, and single-occupancy vehicle trip reduction strategies that target the region's residents and commuters. In addition, funding for early actions will also be prioritized for communities that are identified through the Community Air Quality Protection AB 617 process.

Clean Transportation for Low-Income Consumers – Through a grant from the California Air Resources Board, the Air District is starting a new incentive program for low-income consumers in disadvantaged communities which will allow them to access cleaner transportation options, including plug-in hybrid vehicles, battery electric vehicles, or transit. The incentive levels and application requirements are established by the ARB. As part of the launch of the program in FYE 2019, the TIO will be responsible for: implementing an application system and procedures; hiring case managers to support applicants; devising outreach materials and events; formalizing relationships with car dealers, scrappers, and community development lenders.

FINANCIAL SUMMARY

Total fee revenue for FYE 2019 is projected to increase, on average, by approximately 5.8%. This is mainly due to an average 6% proposed increase to the fee schedules. The proposed fee schedules are in accordance with the Cost Recovery Policy previously adopted by the Board. The budgeted amount for County revenue reflects a 5.6% increase over last year based upon projected increases in assessed valuations in the Bay Area. Additionally, Department of Motor Vehicle registration revenues received for the Transportation Fund for Clean Air (TFCA) and the Mobile Source Incentive Fund (MSIF) will be fully expended for eligible projects and costs of administration.

The total Proposed General Fund Budget Expenditures for FYE 2019 of \$99.2 million represents an increase of approximately \$4.3 million or 4.5% over the FYE 2018 GF budget (excluding transfers from Reserves). This increase is primarily due to a combination of the following:

- \$6.9 million increased in Personnel Costs reflecting increased in budgeted FTE positions, increased health benefits premiums, and higher CalPERS employer contributions for FYE 2019.
- \$2.5 million decrease in services and supplies and capital equipment purchases for FYE 2019.

The Proposed Consolidated Budget Expenditures of \$159.7 million (net of program distributions) a minimal increase of approximately \$0.2 million, or 0.1%.

The proposed budget is balanced, reflecting a \$4.0 million transfer from General Fund reserves to cover one-time costs related to establishing a five-year revolving loan program by the Technology Implementation Office. The FYE 2019 Proposed Budget includes an economic contingency reserve policy of 20% of operating budget. This policy allows for sound financial footing and allows the District the ability to operate for a minimum of three months in the event of a total loss of projected revenue. See Appendix C for further details on District's Fund Balance.

REVENUES AND AVAILABLE FINANCING

Details of the FYE 2019 General Fund and Special Revenue Fund are displayed in Table I and Table 2. In addition, FYE 2017 (actual revenues) through FYE 2019 (projected revenues) by major categories for the General Fund is displayed in Appendix D, Figure 1.

Fee Revenue

This budget year, the Air District will continue the process of implementing fee increases as allowed under the *Health and Safety Code*. In FYE 2019, the approved fee schedule increases at an average overall rate of 6%. This increase reflects the Board's adoption of a cost recovery policy in accordance with the recommendations of the cost recovery study undertaken in 2010. An independent review of the Air District's cost recovery and containment process is underway and anticipated completion is expected by April 2019.

County Revenue

The County revenue budget is based on property values in the nine Bay Area counties. For the FYE 2019 budget, staff is projecting a \$1.7 million or 5.6% increase in property taxes receipts over the FYE 2018 Budget primarily due to increased property valuations.

Other Sources of General Fund Revenue

Federal grants from EPA and other federal agencies show an increase of \$3.9 million or 159.4%; which is primarily due anticipated funds from the State for AB 617 implementation. As in the past, should the Air District receive supplemental Federal grants, the amounts will be presented to the Air District's Board for approval. The State Subvention grant for FYE 2019 is budgeted at \$1.7 million based on actual collections in prior year. Penalties and Settlements fluctuate from time to time; and the FYE 2019 projection is \$2.8 million.

INCENTIVES REVENUE

Transportation Fund for Clean Air (TFCA)

In 1991, the California State Legislature authorized the Air District to impose a \$4 surcharge on motor vehicles registered within its nine-county jurisdiction to fund projects that reduce on-road motor vehicle emissions. The Air District allocates these funds to eligible projects through the Transportation Fund for Clean Air (TFCA) program. The statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code Sections 44241 and 44242. The Air District expends a portion of the funds collected for administrative purposes and provides the remainder of the funds to project sponsors that implement eligible projects or programs.

Sixty percent (60%) of the TFCA funds received are awarded directly by the Air District to eligible District programs (e.g., Smoking Vehicle, Enhanced Enforcement, and Spare the Air) and to a program referred to as the TFCA Regional Fund. The remaining forty percent (40%) of TFCA funds are forwarded to the designated congestion management agency within each Bay Area county to be distributed through the TFCA County Program Manager Fund program. Funding from the TFCA is used to support eligible zero-emissions on-road passenger vehicle, truck, and bus replacement and fleet expansion projects, and single-occupancy vehicle trip reduction strategies that target the region's residents and commuters.

Mobile Source Incentive Fund (MSIF)

Assembly Bill 923 (AB 923 - Firebaugh), enacted in 2004 (codified as Health and Safety Code Section 44225), authorized local air districts to increase their motor vehicle registration surcharge up to an additional \$2 per vehicle. The revenues from the additional \$2 surcharge are deposited in the Air District's Mobile Source Incentive Fund (MSIF). The Health & Safety Code stipulates that air districts may use the revenues generated by the additional \$2 surcharge for projects eligible for funding under the following programs: Carl Moyer Program, Lower Emission School Bus Program, Light-Duty Vehicle Scrap Program, and Agricultural Assistance Program. Funds may also be used for alternative fuel and electric infrastructure projects. The Air District provides these incentives to public and private entities for the implementation of eligible projects within the region. The Air District expends a portion of the funds collected for administrative purposes and provides the remainder to project sponsors that implement eligible projects. After successful reauthorization efforts in 2013, funding for the program will be available until 2024. Revenues from this funding source are separate from the General Fund budget for accounting purposes.

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Carl Moyer Program (CMP)

The Air District has participated in the Carl Moyer Program (CMP), in cooperation with the California Air Resources Board, since the program began in fiscal year 1998-1999. The CMP provides grants to public and private entities to reduce emissions of oxides of nitrogen (NOx), reactive organic gases (ROG) and particulate matter (PM) from existing heavy-duty engines by either replacing or retrofitting them. Eligible heavy-duty diesel engine applications include on-road trucks and buses, off-road equipment, marine vessels, locomotives, stationary agricultural pump engines and forklifts. Funds available through the CMP are a result of State legislation, and are administered through CARB. After successful reauthorization efforts in 2013, funding for the program will be available until 2024.

Community Protection Air Quality Grant Program (AB 617/134)

The Air District will be awarding \$50 million from AB 134 (2017) for emissions reduction projects that provide early actions of the AB 617 process through a Community Air Quality Protection Grant Program. Consistent with the AB 134 legislation, this funding will be primarily administered through the CMP to help target reductions in exposure to diesel emissions in identified local communities. The AB 134 funds must be awarded to emissions reduction projects by June 2019 and spent by June 2021."

OPERATING EXPENDITURES

A summary of the General Fund Expenditures by Division from FYE 2017 (actual expenditures) through FYE 2019 (projected expenditures) is displayed in Table X. In addition, the General Fund Expenditures by major categories from FYE 2015 (actuals) through FYE 2019 (projected expenditures) are displayed in Appendix E, Figure 2.

PERSONNEL EXPENDITURES

The FYE 2019 budget provides for the filling of 397 FTE, an increase of 38 FTE over the initial approved FYE 2018 budget. During the second quarter of FYE 2018, the board approved an additional 22 FTE to address new and expanded programs because of State Assembly Bill 617. This budget also projects a 2.7% salary savings due to vacancies.

The FYE 2019 budget also projects a cost of living adjustment of 3.1% based on the annual average increase in CPI for the Bay Area region, which is consistent with the Board's approved Memorandum of Understanding with the Employee's Association.

CAPITAL EXPENDITURES

The budget for FYE 2019 funds capital expenditures from both operating revenue and reserves for a total of \$4.7 million, and is distributed across General Fund programs. Table IX provides details of the individual capital items. In addition, the proposed budget includes various reserves to address future capital needs of the Air District as represented in Appendix C.

PLANNING FOR THE FUTURE AND COST CONTAINMENT

Future projections anticipate adequate revenue to meet projected expenditures with the assumption of continued attention to cost and permit fee analysis. The Air District continues to be fiscally prudent by maintaining its reserves. Reserves address future capital equipment and facility needs, uncertainties in State funding and external factors affecting the economy that could impact the Air District's ability to balance its budgets.

While the increased pickup of pension costs by employees reduced the Air District's annual obligation, premiums in employee health benefit, pension costs and OPEB obligations continue to grow. Over the last few years, the Air District has made significant efforts in funding its obligations for OPEB by making additional contributions to fund its unfunded liability. Based on June 30, 2016 actuarial valuation study for OPEB, the Air District's plan is approximately 68% funded; leaving an unfunded liability of 32% or \$19 million. As a part of the FYE 2016 Budget, the Board adopted a minimum OPEB funding target policy of 90%. The FYE 2019 Budget includes the continuation of this funding with a \$4.0 million contribution.

The Air District's pension obligation is also growing; especially with recent changes in actuarial assumptions by CalPERS. As a result, CalPERS anticipates increased employer rates over the next 5 years. Based on the June 30, 2016 CalPERS actuarial valuation study, the Air District is currently funded at approximately 73%; leaving an unfunded liability of 27% or approximately \$76 million. Given these potential impacts, the FYE 2019 Budget contributes \$1.0 M in discretionary contributions towards this account, which will be used for the sole purpose of reducing the unfunded liability to minimize the impact of future rate increases for the Air District.

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DISTRICT-WIDE REVENUE AND EXPENDITURE BUDGETS

MEETING HELD ON MARCH 28, 2018

	FYE 2017 AUDITED ACTUALS			FYE 2018 AMENDED BUDGET			FYE 2019 PROPOSED BUDGET		
	GENERAL FUND	SPECIAL FUNDS	TOTAL FUNDS	GENERAL FUND	SPECIAL FUNDS	TOTAL FUNDS	GENERAL FUND	SPECIAL FUNDS	TOTAL FUNDS
REVENUES									
County Revenues	\$30,541,028		\$30,541,028	\$31,518,760		\$31,518,760	\$33,274,701		\$33,274,701
Permits/Fees	\$42,698,788		\$42,698,788	\$44,606,480		\$44,606,480	\$47,172,396		\$47,172,396
Grant Revenues	\$2,668,743	\$41,804,132	\$44,472,875	2,437,239	\$59,379,701	\$61,816,940	\$6,323,921	\$60,150,463	\$66,474,384
Other Revenues	\$5,999,699		\$5,999,699	\$5,217,000		\$5,217,000	\$5,473,349		\$5,473,349
Sub Total	\$81,908,259	\$41,804,132	\$123,712,391	\$83,779,479	\$59,379,701	\$143,159,180	\$92,244,367	\$60,150,463	\$152,394,830
Reimbursements Programs	\$1,937,722		\$1,937,722	\$2,234,249		\$2,234,249	\$2,056,805		\$2,056,805
Transfer in	\$541,767		\$541,767	\$976,358	\$492,661	\$1,469,019	\$849,835	\$412,830	\$1,262,665
Transfer from / (to) Reserves	\$3,891,782		\$3,891,782	\$7,350,000		\$7,350,000	\$4,000,000		\$4,000,000
TOTAL REVENUE	\$88,279,529	\$41,804,132	\$130,083,661	\$94,840,086	\$59,872,362	\$154,712,448	\$99,151,007	\$60,563,293	\$159,714,300
EXPENDITURES									
Personnel & Benefits	\$53,651,002	\$3,324,978	\$56,975,980	57,459,820	4,890,377	\$62,350,197	\$64,405,260	\$5,140,771	\$69,546,032
Services and Supplies	\$18,299,191	\$6,117,563	\$24,416,754	31,195,830	\$10,079,375	\$41,275,205	\$29,676,361	\$9,959,245	\$39,635,606
Capital Expenditures	3,626,490.00		\$3,626,490	\$5,691,775		\$5,691,775	\$4,656,556		\$4,656,556
Other Financing Uses	\$10,700,000		\$10,700,000						
Sub Total	\$86,276,682	\$9,442,541	\$95,719,224	\$94,347,425	\$14,969,752	\$109,317,177	\$98,738,177	\$15,100,016	\$113,838,194
Program Distributions	\$2,002,847	\$31,827,200	\$33,830,047		\$43,926,252	\$43,926,252		\$44,613,442	\$44,613,442
Transfer Out		\$534,390	\$534,390	\$492,661	\$976,358	\$1,469,019	\$412,830	\$849,835	\$1,262,665
TOTAL EXPENDITURE	\$88,279,529	\$41,804,132	\$130,083,661	\$94,840,086	\$59,872,362	\$154,712,448	\$99,151,007	\$60,563,293	\$159,714,300

**TABLE II
CONSOLIDATED REVENUES**

	FYE 2017 Audited Revenue	FYE 2018 Amended Revenue	FYE 2019 Proposed Budget	Dollar Change	Percent Change
GENERAL FUND					
<u>County Revenues:</u>					
Alameda	\$5,353,331	\$5,559,000	\$5,990,947	\$431,947	7.77%
Contra Costa	\$3,480,957	\$3,596,000	\$3,977,286	\$381,286	10.60%
Marin	\$1,433,759	\$1,487,000	\$1,505,345	\$18,345	1.23%
Napa	\$965,897	\$1,001,000	\$956,045	(\$44,955)	(4.49%)
San Francisco	\$4,523,815	\$4,468,760	\$4,893,600	\$424,840	9.51%
San Mateo	\$4,179,210	\$4,126,000	\$4,300,430	\$174,430	4.23%
Santa Clara	\$8,443,882	\$8,988,000	\$9,370,827	\$382,827	4.26%
Solano	\$759,102	\$799,000	\$836,834	\$37,834	4.74%
Sonoma	\$1,401,075	\$1,494,000	\$1,443,387	(\$50,613)	(3.39%)
Total County Revenues	\$30,541,028	\$31,518,760	\$33,274,701	\$1,755,941	5.57%
<u>Permits/Fees:</u>					
Annual Plant Renewal	\$30,962,348	\$33,285,555	\$35,067,943	\$1,782,388	5.35%
Title V Permit Fees	\$5,021,094	\$5,467,881	\$5,810,627	\$342,746	6.27%
Asbestos Fees	\$4,210,603	\$2,500,000	\$2,500,000		
Toxic Inventory Fees (AB2588)	\$211,380	\$363,081	\$506,806	\$143,725	39.58%
Registration Fees	\$154,629	\$216,195	\$312,326	\$96,131	44.46%
Hearing Board Fees (Variances)	\$5,722	\$20,000	\$8,000	(\$12,000)	(60.00%)
Greenhouse Gas Fees	\$2,133,012	\$2,753,768	\$2,966,694	\$212,926	7.73%
Total Permit Fees	\$42,698,788	\$44,606,480	\$47,172,396	\$2,565,916	5.75%
<u>Grant Revenues:</u>					
Federal Grants	\$2,658,675	\$2,437,239	\$1,523,921	(\$913,318)	(37.47%)
Other Grants	\$10,068		\$4,800,000	\$4,800,000	
Total Grant Revenues	\$2,668,743	\$2,437,239	\$6,323,921	\$3,886,682	159.47%
<u>Other Revenues:</u>					
Penalties and Settlements	\$3,335,649	\$2,750,000	\$2,750,000		
State Subvention	\$1,727,036	\$1,732,000	\$1,726,553	(\$5,447)	(0.31%)
PERP (Portable Equip Registration)		\$400,000	\$400,000		
Interest Income	\$669,209	\$285,000	\$496,796	\$211,796	74.31%
Miscellaneous Revenue	\$267,804	\$50,000	\$100,000	\$50,000	100.00%
Total Other Revenues	\$5,999,699	\$5,217,000	\$5,473,349	\$256,349	4.91%
Total Operating Revenues	\$81,908,259	\$83,779,479	\$92,244,367	\$8,464,888	10.10%
<u>Reimbursement Programs:</u>					
CMAQ Funding	\$823,094	\$885,000	\$885,000		
DHS Biowatch Funding	\$1,114,628	\$1,349,249	\$1,171,805	(\$177,444)	(13.15%)
Total Reimbursement Programs	\$1,937,722	\$2,234,249	\$2,056,805	(\$177,444)	(7.94%)
<u>Transfer from/ (to) Reserves:</u>	\$3,891,782	\$7,850,000	\$4,000,000	(\$3,850,000)	(49.04%)
<u>Transfer In:</u>	\$541,767	\$976,358	\$849,835	(\$126,523)	(12.96%)
Total General Fund Revenues	\$88,279,529	\$94,840,086	\$99,151,007	\$4,310,921	4.55%
SPECIAL REVENUE FUNDS					
<u>Grant Programs:</u>					
Carl Moyer Fund	\$6,328,872	\$7,168,324	\$15,409,032	\$8,240,708	114.96%
Mobile Source Incentives Fund	\$7,053,161	\$12,020,139	\$12,522,712	\$502,573	4.18%
California Goods Movement Bond	\$1,042,148	\$16,150,000	\$150,000	(\$15,999,999)	(99.07%)
Transportation Fund for Clean Air	\$17,877,643	\$18,213,686	\$24,271,452	\$6,057,766	33.26%
Other Grants Revenue	\$9,502,309	\$5,827,553	\$7,797,267	\$1,969,714	33.80%
Transfer In		\$492,661	\$412,830	(\$79,831)	(16.20%)
Total Special Revenue Funds	\$41,804,132	\$59,872,362	\$60,563,293	\$690,931	1.15%
TOTAL CONSOLIDATED REVENUES	\$130,083,661	\$154,712,448	\$159,714,300	\$5,001,852	3.23%

**TABLE III
CONSOLIDATED EXPENDITURES**

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	329	359	397	38	10.60%
Personnel Expenditures					
Permanent Salaries	\$36,415,741	\$41,081,189	\$46,130,610	\$5,049,421	12.29%
Overtime Salaries	\$364,359	\$420,538	\$430,196	\$9,658	2.30%
Temporary Salaries	\$587,906	\$77,554	\$95,958	\$18,404	23.73%
Payroll Taxes	\$681,497	\$589,731	\$667,291	\$77,561	13.15%
Pension Benefits	\$5,685,584	\$7,693,291	\$9,250,472	\$1,557,181	20.24%
FICA Replacement Benefits	\$635,476	\$617,847	\$685,863	\$68,016	11.01%
Group Insurance Benefits	\$8,027,225	\$9,261,516	\$9,438,503	\$176,987	1.91%
Employee Transportation Subsidy	\$401,646	\$490,365	\$459,989	(\$30,377)	(6.19%)
Workers' Compensation	\$119,116	\$230,000	\$230,000		
Other Post-Employment Benefits	\$3,992,480	\$4,000,000	\$4,000,000		
Board Stipends	\$64,950	\$92,000	\$92,000		
Vacancy Savings		(\$2,203,833)	(\$1,934,850)	\$268,982	(12.21%)
Total Personnel Expenditures	\$56,975,980	\$62,350,197	\$69,546,032	\$7,195,834	11.54%
Services & Supplies Expenditures					
Travel In-State	\$123,435	\$244,332	\$259,682	\$15,350	6.28%
Travel Out-Of-State	\$96,018	\$178,425	\$215,125	\$36,700	20.57%
Training & Education	\$303,311	\$756,221	\$719,129	(\$37,092)	(4.90%)
Repair & Maintenance (Equipment)	\$599,913	\$888,795	\$1,029,007	\$140,212	15.78%
Communications	\$723,084	\$770,431	\$805,231	\$34,800	4.52%
Building Maintenance	\$79,381	\$316,221	\$469,977	\$153,756	48.62%
Utilities	\$107,962	\$226,726	\$241,881	\$15,155	6.68%
Postage	\$10,859	\$14,340	\$15,340	\$9,500	6.56%
Printing & Reproduction	\$319,754	\$483,139	\$436,539	(\$46,600)	(9.65%)
Equipment Rental	\$57,659	\$30,000	\$33,000	\$3,000	10.00%
Rents & Leases	\$1,352,539	\$2,975,670	\$3,029,751	\$54,081	1.82%
Professional Services & Contracts	\$19,137,640	\$31,746,415	\$29,807,077	(\$1,939,338)	(6.11%)
General Insurance	\$361,193	\$691,000	\$400,000	(\$291,000)	(42.11%)
Shop & Field Supplies	\$382,290	\$572,963	\$570,657	(\$2,306)	(0.40%)
Laboratory Supplies	\$129,607	\$163,741	\$164,329	\$588	0.36%
Gasoline & Variable Fuel	\$192,425	\$230,000	\$230,000		
Computer Hardware & Software	\$326,531	\$639,437	\$747,365	\$107,928	16.88%
Stationery & Office Supplies	\$39,558	\$122,852	\$130,150	\$7,298	5.94%
Books & Journals	\$29,785	\$76,444	\$74,863	(\$1,581)	(2.07%)
Minor Office Equipment	\$3,810	\$17,553	\$117,503	\$99,950	569.42%
Other Financing Resource	\$10,700,000				
Total Services & Supplies Expenditures	\$35,116,754	\$41,275,205	\$39,635,606	(\$1,639,599)	(3.97%)
Capital Expenditures					
Leasehold Improvements		\$75,000	\$75,000		
Building & Grounds	\$30,221				
Office Equipment	\$56,554	\$100,000	\$50,000	(\$50,000)	(50.00%)
Computer & Network Equipment	\$2,597,837	\$3,300,000	\$2,640,000	(\$660,000)	(20.00%)
Motorized Equipment	\$34,000	\$32,000	\$25,000	(\$7,000)	(21.88%)
Lab & Monitoring Equipment	\$907,879	\$1,761,275	\$1,466,556	(\$294,719)	(16.73%)
Communications Equipment		\$400,000	\$400,000		
General Equipment		\$23,500		(\$23,500)	(100.00%)
Total Capital Expenditures	\$3,626,490	\$5,691,775	\$4,656,556	(\$1,035,219)	(18.19%)
Total Expenditures	\$95,719,224	\$109,317,177	\$113,838,194	\$4,521,016	4.14%
Transfer Out	\$534,390	\$1,469,019	\$1,262,665	(\$206,354)	(14.05%)
Program Distributions	\$33,830,047	\$43,926,252	\$44,613,442	\$687,190	1.56%
Total Expenditures Including Program Distributions	\$130,083,661	\$154,712,448	\$159,714,300	\$5,001,852	3.23%

**TABLE IV
GENERAL FUND**

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	309.09	329.67	364.85	35.18	10.67%
Revenue					
General Revenues	\$87,737,762	\$93,871,307	\$98,301,172	\$4,429,865	4.72%
Transfer in from TFCA/MSIF	\$541,767	\$968,779	\$849,835	(\$118,944)	(12.28%)
Total Revenue	\$88,279,529	\$94,840,086	\$99,151,007	\$4,310,921	4.55%
Personnel Expenditures					
Permanent Salaries	\$34,242,744	\$37,922,915	\$42,671,415	\$4,748,500	12.52%
Overtime Salaries	\$261,757	\$298,038	\$375,196	\$77,158	25.89%
Temporary Salaries	\$555,227	\$77,554	\$95,958	\$18,404	23.73%
Payroll Taxes	\$648,799	\$543,308	\$617,040	\$73,733	13.57%
Pension Benefits	\$5,345,840	\$7,103,634	\$8,587,259	\$1,483,625	20.89%
FICA Replacement Benefits	\$607,411	\$583,732	\$630,355	\$46,622	7.99%
Group Insurance Benefits	\$7,680,085	\$8,704,341	\$8,943,031	\$238,690	2.74%
Employee Transportation Subsidy	\$378,031	\$453,481	\$440,457	(\$13,024)	(2.87%)
Workers' Compensation	\$112,478	\$211,222	\$211,372	\$150	0.07%
Other Post-Employment Benefits	\$3,753,678	\$3,673,428	\$3,676,028	\$2,601	0.07%
Board Stipends	\$64,950	\$92,000	\$92,000		
Vacancy Savings		(\$2,203,833)	(\$1,934,850)	\$268,982	(12.21%)
Total Personnel Expenditures	\$53,651,002	\$57,459,820	\$64,405,260	\$6,945,440	12.09%
Services & Supplies Expenditures					
Travel In-State	\$115,738	\$209,332	\$215,282	\$5,950	2.84%
Travel Out-Of-State	\$96,018	\$176,125	\$194,025	\$17,900	10.16%
Training & Education	\$300,783	\$736,021	\$691,429	(\$44,592)	(6.06%)
Repair & Maintenance (Equipment)	\$599,913	\$888,795	\$1,029,007	\$140,212	15.78%
Communications	\$717,897	\$764,331	\$801,131	\$36,800	4.81%
Building Maintenance	\$79,381	\$316,221	\$460,977	\$153,756	48.62%
Utilities	\$107,796	\$226,326	\$241,481	\$15,155	6.70%
Postage	\$50,859	\$135,740	\$145,240	\$9,500	7.00%
Printing & Reproduction	\$314,754	\$454,639	\$408,039	(\$46,600)	(10.25%)
Equipment Rental	\$57,659	\$30,000	\$33,000	\$3,000	10.00%
Rents & Leases	\$1,327,843	\$2,945,670	\$2,999,751	\$54,081	1.84%
Professional Services & Contracts	\$13,071,689	\$21,827,540	\$20,041,972	(\$1,785,568)	(8.18%)
General Insurance	\$361,193	\$691,000	\$400,000	(\$291,000)	(42.11%)
Shop & Field Supplies	\$382,290	\$565,463	\$563,157	(\$2,306)	(0.41%)
Laboratory Supplies	\$129,607	\$163,741	\$164,329	\$588	0.36%
Gasoline & Variable Fuel	\$192,425	\$230,000	\$230,000		
Computer Hardware & Software	\$325,782	\$626,537	\$734,465	\$107,928	17.23%
Stationery & Office Supplies	\$33,969	\$117,252	\$124,550	\$7,298	6.22%
Books & Journals	\$29,785	\$75,444	\$73,923	(\$1,521)	(2.02%)
Minor Office Equipment	\$3,810	\$15,653	\$115,603	\$99,950	638.54%
Other Financing Resource	\$10,700,000				
Total Services & Supplies Expenditures	\$28,999,191	\$31,195,830	\$29,676,361	(\$1,519,469)	(4.87%)
Capital Expenditures					
Leasehold Improvements		\$75,000	\$75,000		
Building & Grounds	\$30,221				
Office Equipment	\$56,554	\$100,000	\$50,000	(\$50,000)	(50.00%)
Computer & Network Equipment	\$2,597,837	\$3,300,000	\$2,640,000	(\$660,000)	(20.00%)
Motorized Equipment	\$34,000	\$32,000	\$25,000	(\$7,000)	(21.88%)
Lab & Monitoring Equipment	\$907,879	\$1,761,275	\$1,466,556	(\$294,719)	(16.73%)
Communications Equipment		\$400,000	\$400,000		
General Equipment		\$23,500		(\$23,500)	(100.00%)
Total Capital Expenditures	\$3,626,490	\$5,691,775	\$4,656,556	(\$1,035,219)	(18.19%)
Transfer Out		\$492,661	\$412,830	(\$79,831)	(16.20%)
Total Expenditures	\$86,276,682	\$94,840,086	\$99,151,007	\$4,310,921	4.55%
Program Distributions	\$2,002,846				
Total Expenditures Including Program Distributions	\$88,279,529	\$94,840,086	\$99,151,007	\$4,310,921	4.55%

**TABLE V
CARL MOYER FUND**

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	2.33	2.62	5.39	2.77	105.73%
Revenue					
Admin Cost Income	\$406,554	\$457,441	\$961,036	\$503,595	110.09%
Program Revenues	\$5,922,319	\$6,710,883	\$14,447,996	\$7,737,113	115.29%
General Fund Subsidy					
Total Revenue	\$6,328,872	\$7,168,324	\$15,409,032	\$8,240,708	114.96%
Personnel Expenditures					
Permanent Salaries	\$258,616	\$283,005	\$564,784	\$281,780	99.57%
Overtime Salaries					
Temporary Salaries					
Payroll Taxes	\$3,890	\$4,003	\$8,071	\$4,069	101.66%
Pension Benefits	\$40,341	\$52,862	\$107,057	\$54,195	102.52%
FICA Replacement Benefits	\$3,190	\$3,050	\$9,268	\$6,218	203.90%
Group Insurance Benefits	\$40,967	\$49,683	\$78,273	\$28,589	57.54%
Employee Transportation Subsidy	\$2,692	\$2,891	\$4,855	\$1,964	67.94%
Workers' Compensation	\$790	\$1,679	\$3,123	\$1,444	86.02%
Other Post-Employment Benefits	\$28,420	\$29,194	\$54,307	\$25,113	86.02%
Total Personnel Expenditures	\$378,907	\$426,366	\$829,738	\$403,373	94.61%
Services & Supplies Expenditures					
Travel In-State	\$199	\$2,000		(\$2,000)	(100.00%)
Travel Out-Of-State					
Training & Education		\$1,500	\$1,500		
Repair & Maintenance (Equipment)					
Communications					
Building Maintenance					
Utilities					
Postage					
Printing & Reproduction		\$1,500	\$1,500		
Equipment Rental					
Rents & Leases					
Professional Services & Contracts	\$27,379	\$22,875	\$125,098	\$102,223	446.88%
General Insurance					
Shop & Field Supplies		\$1,000	\$1,000		
Laboratory Supplies					
Gasoline & Variable Fuel					
Computer Hardware & Software		\$1,000	\$1,000		
Stationery & Office Supplies	\$68	\$600	\$600		
Books & Journals		\$100	\$100		
Minor Office Equipment		\$500	\$500		
Depreciation & Amortization					
Non-Capital Assets					
Total Services & Supplies Expenditures	\$27,646	\$31,075	\$131,298	\$100,223	322.52%
Capital Expenditures					
Office Equipment					
Computer & Network Equipment					
Motorized Equipment					
General Equipment					
Total Capital Expenditures					
Transfer Out					
Total Expenditures	\$406,554	\$457,441	\$961,036	\$503,596	110.09%
Program Distributions	\$5,922,319	\$6,710,883	\$14,447,996	\$7,737,113	115.29%
Total Expenditures Including Program Distributions	\$6,328,872	\$7,168,324	\$15,409,032	\$8,240,709	114.96%

**TABLE VI
MOBILE SOURCE INCENTIVE FUND (MSIF)**

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	4.03	4.22	3.44	(0.78)	(18.43%)
Revenue					
Admin Cost Income	\$5,939,413	\$762,811	\$782,669	\$19,858	2.60%
Program Revenues	\$1,113,748	\$11,257,327	\$11,740,043	\$482,716	4.29%
Transfer in from General Fund		\$11,551		(\$11,551)	(100.00%)
Total Revenue	\$7,053,161	\$12,031,689	\$12,522,712	\$491,023	4.08%
Personnel Expenditures					
Permanent Salaries	\$447,531	\$446,197	\$390,637	(\$55,560)	(12.45%)
Overtime Salaries	\$677	\$7,500		(\$7,500)	(100.00%)
Temporary Salaries					
Payroll Taxes	\$6,780	\$6,417	\$5,589	(\$828)	(12.90%)
Pension Benefits	\$70,302	\$83,310	\$75,301	(\$8,009)	(9.61%)
FICA Replacement Benefits	\$5,513	\$4,909	\$5,940	\$1,031	21.01%
Group Insurance Benefits	\$70,791	\$79,854	\$60,897	(\$18,957)	(23.74%)
Employee Transportation Subsidy	\$4,639	\$5,233	\$1,942	(\$3,291)	(62.89%)
Workers' Compensation	\$1,374	\$2,702	\$1,993	(\$709)	(26.24%)
Other Post-Employment Benefits	\$49,413	\$46,989	\$34,660	(\$12,329)	(26.24%)
Board Stipends					
Total Personnel Expenditures	\$657,020	\$683,111	\$576,959	(\$106,152)	(15.54%)
Services & Supplies Expenditures					
Travel In-State	\$636	\$2,000	\$2,000		
Travel Out-Of-State					
Training & Education		\$1,500	\$1,500		
Repair & Maintenance (Equipment)					
Communications	\$209	\$100	\$100		
Building Maintenance					
Utilities					
Postage					
Printing & Reproduction		\$1,500	\$1,500		
Equipment Rental					
Rents & Leases					
Professional Services & Contracts	\$5,168,881	\$7,270,000	\$7,270,000		
General Insurance					
Shop & Field Supplies					
Laboratory Supplies					
Gasoline & Variable Fuel					
Computer Hardware & Software		\$3,000	\$3,000		
Stationery & Office Supplies		\$500	\$500		
Books & Journals		\$200	\$200		
Minor Office Equipment		\$1,000	\$1,000		
Non-Capital Assets					
Total Services & Supplies Expenditures	\$5,169,726	\$7,279,800	\$7,279,800		
Capital Expenditures					
Computer & Network Equipment					
Motorized Equipment					
Communications Equipment					
General Equipment					
Total Capital Expenditures					
Transfer Out	\$112,667		\$126,010	\$126,010	
Total Expenditures	\$5,939,413	\$7,962,911	\$7,982,769	\$19,858	0.25%
Program Distributions	\$1,113,748	\$4,068,779	\$4,539,943	\$471,164	11.58%
Total Expenditures Including Program Distributions	\$7,053,161	\$12,031,690	\$12,522,712	\$491,022	4.08%

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**TABLE VII
CALIFORNIA GOODS MOVEMENT BOND (CGMB)**

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	2.62	3.16	2.73	(0.43)	(13.61%)
Revenue					
Admin Cost Income	\$64,361	\$150,000	\$150,000		
Program Revenues	\$977,787	\$16,000,000		(\$16,000,000)	(100.00%)
Transfer in from General Fund		\$481,110	\$412,830	(\$68,280)	(14.19%)
Total Revenue	\$1,042,148	\$16,631,110	\$562,830	(\$16,068,280)	(96.62%)
Personnel Expenditures					
Permanent Salaries	\$290,700	\$361,613	\$328,124	(\$33,489)	(9.26%)
Overtime Salaries	\$268				
Temporary Salaries	\$6,182				
Payroll Taxes	\$4,366	\$5,111	\$4,698	(\$413)	(8.09%)
Pension Benefits	\$45,455	\$67,504	\$63,145	(\$4,359)	(6.46%)
FICA Replacement Benefits	\$3,686	\$3,678	\$4,723	\$1,045	28.40%
Group Insurance Benefits	\$46,591	\$60,956	\$41,693	(\$19,264)	(31.60%)
Employee Transportation Subsidy	\$3,300	\$5,011	\$1,359	(\$3,651)	(72.87%)
Workers' Compensation	\$882	\$2,025	\$1,582	(\$443)	(21.88%)
Other Post-Employment Benefits	\$31,713	\$35,211	\$27,506	(\$7,705)	(21.88%)
Board Stipends					
Total Personnel Expenditures	\$433,143	\$541,110	\$472,830	(\$68,279)	(12.62%)
Services & Supplies Expenditures					
Travel In-State	\$1,275	\$2,000	\$2,000		
Travel Out-Of-State					
Training & Education	\$150	\$1,500	\$1,500		
Repair & Maintenance (Equipment)					
Communications					
Building Maintenance					
Utilities	\$166	\$400	\$400		
Postage		\$100	\$100		
Printing & Reproduction		\$500	\$500		
Equipment Rental					
Rents & Leases	\$24,696	\$30,000	\$30,000		
Professional Services & Contracts	\$42,693	\$50,000	\$50,000		
General Insurance					
Shop & Field Supplies		\$3,000	\$3,000		
Laboratory Supplies					
Gasoline & Variable Fuel					
Computer Hardware & Software		\$1,500	\$1,500		
Stationery & Office Supplies		\$1,000	\$1,000		
Books & Journals					
Minor Office Equipment					
Non-Capital Assets					
Total Services & Supplies Expenditures	\$68,980	\$90,000	\$90,000		
Capital Expenditures					
Office Equipment					
Computer & Network Equipment					
Motorized Equipment					
Communications Equipment					
General Equipment					
Total Capital Expenditures					
Transfers Out	(\$437,762)				
Total Expenditures	\$64,361	\$631,110	\$562,830	(\$68,279)	(10.82%)
Program Distributions	\$977,787	\$16,000,000		(\$16,000,000)	(100.00%)
Total Expenditures Including Program Distributions	\$1,042,148	\$16,631,110	\$562,830	(\$16,068,279)	(96.62%)

**TABLE VIII
TRANSPORTATION FUND FOR CLEAN AIR (TFCA)**

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	10.11	17.03	11.97	(5.05)	(29.68%)
Revenue					
Admin Cost Income	\$972,152	\$1,702,577	\$1,616,919	(\$85,658)	(5.03%)
Program Revenues	\$16,905,490	\$16,511,109	\$22,654,533	\$6,143,424	37.21%
Total Revenue	\$17,877,643	\$18,213,686	\$24,271,452	\$6,057,766	33.26%
Personnel Expenditures					
Permanent Salaries	\$1,120,665	\$1,812,906	\$1,227,197	(\$585,709)	(32.31%)
Overtime Salaries	\$101,454	\$115,000	\$30,000	(\$85,000)	(73.91%)
Temporary Salaries	\$26,497				
Payroll Taxes	\$16,833	\$27,301	\$17,967	(\$9,334)	(34.19%)
Pension Benefits	\$175,141	\$338,542	\$237,501	(\$101,041)	(29.85%)
FICA Replacement Benefits	\$15,063	\$19,821	\$20,620	\$799	4.03%
Group Insurance Benefits	\$180,462	\$322,053	\$195,715	(\$126,337)	(39.23%)
Employee Transportation Subsidy	\$12,297	\$19,761	\$8,133	(\$11,628)	(58.85%)
Workers' Compensation	\$3,424	\$10,910	\$6,937	(\$3,973)	(36.42%)
Other Post-Employment Benefits	\$123,158	\$189,744	\$120,647	(\$69,097)	(36.42%)
Board Stipends					
Total Personnel Expenditures	\$1,774,992	\$2,856,038	\$1,864,717	(\$991,321)	(34.71%)
Services & Supplies Expenditures					
Travel In-State	\$5,587	\$17,200	\$17,200		
Travel Out-Of-State			\$4,000	\$4,000	
Training & Education		\$11,700	\$12,200	\$500	4.27%
Repair & Maintenance (Equipment)					
Communications	\$4,979	\$6,000	\$4,000	(\$2,000)	(33.33%)
Building Maintenance					
Utilities					
Postage		\$9,000	\$9,000		
Printing & Reproduction	\$5,000	\$25,000	\$25,000		
Equipment Rental					
Rents & Leases					
Professional Services & Contracts	\$775,374	\$2,151,000	\$1,803,007	(\$347,993)	(16.18%)
General Insurance					
Shop & Field Supplies		\$3,500	\$3,500		
Laboratory Supplies					
Gasoline & Variable Fuel					
Computer Hardware & Software	\$749	\$7,400	\$7,400		
Stationery & Office Supplies	\$5,522	\$3,000	\$3,000		
Books & Journals		\$500	\$440	(\$60)	(12.00%)
Minor Office Equipment		\$400	\$400		
Non-Capital Assets					
Total Services & Supplies Expenditures	\$797,210	\$2,234,700	\$1,889,147	(\$345,553)	(15.46%)
Capital Expenditures					
Office Equipment					
Computer & Network Equipment					
Motorized Equipment					
Lab & Monitoring Equipment					
Communications Equipment					
General Equipment					
Total Capital Expenditures					
Transfers Out	\$859,485	\$976,358	\$723,825	(\$252,533)	(25.86%)
Total Expenditures	\$3,431,688	\$6,067,096	\$4,477,689	(\$1,589,407)	(26.20%)
Program Distributions	\$14,445,955	\$12,146,590	\$19,793,763	\$7,647,173	62.96%
Total Expenditures Including Program Distributions	\$17,877,643	\$18,213,686	\$24,271,452	\$6,057,766	33.26%

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**TABLE IX
OTHER GRANTS REVENUE FUND**

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	0.49	2.28	8.62	6.34	277.66%
Revenue					
Admin Cost Income	\$134,916	\$827,553	\$1,965,527	\$1,137,974	137.51%
Program Revenues	\$9,367,392	\$5,000,000	\$5,831,740	\$831,740	16.63%
Total Revenue	\$9,502,309	\$5,827,553	\$7,797,267	\$1,969,714	33.80%
Personnel Expenditures					
Permanent Salaries	\$55,486	\$254,553	\$948,452	\$693,900	272.60%
Overtime Salaries	\$202		\$25,000	\$25,000	
Temporary Salaries					
Payroll Taxes	\$827	\$3,592	\$13,926	\$10,334	287.71%
Pension Benefits	\$8,506	\$47,439	\$180,209	\$132,770	279.87%
FICA Replacement Benefits	\$613	\$2,657	\$14,957	\$12,300	462.97%
Group Insurance Benefits	\$8,328	\$44,628	\$118,894	\$74,266	166.41%
Employee Transportation Subsidy	\$687	\$3,989	\$3,243	(\$746)	(18.69%)
Workers' Compensation	\$170	\$1,462	\$4,994	\$3,532	241.48%
Other Post-Employment Benefits	\$6,097	\$25,434	\$86,851	\$61,418	241.48%
Board Stipends					
Total Personnel Expenditures	\$80,915	\$383,753	\$1,396,527	\$1,012,774	263.91%
Services & Supplies Expenditures					
Travel In-State		\$11,800	\$23,200	\$11,400	96.61%
Travel Out-Of-State		\$2,300	\$17,100	\$14,800	643.48%
Training & Education	\$2,378	\$4,000	\$11,000	\$7,000	175.00%
Repair & Maintenance (Equipment)					
Communications					
Building Maintenance					
Utilities					
Postage					
Printing & Reproduction					
Equipment Rental					
Rents & Leases					
Professional Services & Contracts	\$51,623	\$425,000	\$517,000	\$92,000	21.65%
General Insurance					
Shop & Field Supplies					
Laboratory Supplies					
Gasoline & Variable Fuel					
Computer Hardware & Software					
Stationery & Office Supplies		\$500	\$500		
Books & Journals		\$200	\$200		
Minor Office Equipment					
Non-Capital Assets					
Total Services & Supplies Expenditures	\$54,001	\$443,800	\$569,000	\$125,200	28.21%
Capital Expenditures					
Office Equipment					
Computer & Network Equipment					
Motorized Equipment					
Lab & Monitoring Equipment					
Communications Equipment					
General Equipment					
Total Capital Expenditures					
Transfers Out					
Total Expenditures	\$134,916	\$827,553	\$1,965,527	\$1,137,974	137.51%
Program Distributions	\$9,367,392	\$5,000,000	\$5,831,740	\$831,740	16.63%
Total Expenditures Including Program Distributions	\$9,502,309	\$5,827,553	\$7,797,267	\$1,969,714	33.80%

**TABLE X
GENERAL FUND EXPENDITURES BY DIVISION**

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Executive Office					
Executive	\$3,640,637	\$4,473,255	\$4,826,228	\$352,972	7.89%
Bay Area Regional Collaborative (BARC)	\$233,749	\$255,000	\$255,000		
Board of Directors	\$234,336	\$235,610	\$303,708	\$68,098	28.90%
Hearing Board	\$41,502	\$100,927	\$89,316	(\$11,611)	(11.50%)
Advisory Council	\$29,451	\$47,503	\$35,150	(\$12,354)	(26.01%)
My Air Online	\$2,997,505	\$3,399,979	\$3,154,548	(\$245,431)	(7.22%)
Community Outreach	\$1,270,951	\$1,435,280	\$2,511,345	\$1,076,065	74.97%
Website Development & Maintenance	\$1,283,768	\$1,170,912	\$1,383,031	\$212,119	18.12%
Rule Development	\$1,600,627	\$1,659,681	\$1,988,094	\$328,414	19.79%
Finance/Accounting	\$1,852,244	\$1,947,458	\$2,064,453	\$116,995	6.01%
Total Executive	\$13,184,769	\$14,725,605	\$16,610,872	\$1,885,267	12.80%
Administrative Resources Division					
Payroll	\$219,687	\$250,619	\$374,661	\$124,042	49.49%
Benefit Administration	\$2,845,605	\$3,223,353	\$2,984,072	(\$239,280)	(7.42%)
Organizational Development	\$291,525	\$324,413	\$381,551	\$57,138	17.61%
Employment Relations	\$590,454	\$629,393	\$585,706	(\$43,687)	(6.94%)
Diversity Equity & Inclusion		\$879,396	\$866,231	(\$13,165)	(1.50%)
Recruitment & Testing	\$469,976	\$568,614	\$556,390	(\$12,224)	(2.15%)
Facilities	\$1,011,591	\$763,339	\$1,052,566	\$289,227	37.89%
Communications	\$395,899	\$1,156,092	\$1,036,113	(\$120,079)	(10.39%)
375 Beale Street	\$32,129	\$1,300,000	\$1,300,000		
Purchasing	\$699,731	\$1,124,233	\$1,001,657	(\$122,577)	(10.90%)
Shared Services	\$2,481,508	\$2,100,000	\$2,251,490	\$151,490	7.21%
Fleet Services	\$720,698	\$1,031,483	\$1,056,514	\$25,031	2.43%
Total Administrative Resources	\$10,258,805	\$13,350,935	\$13,446,850	\$95,915	0.72%
Legal Services					
Legal Counsel	\$1,484,945	\$1,737,235	\$1,981,708	\$244,473	14.07%
Hearing Board Proceedings	\$73,465	\$65,881	\$45,507	(\$20,374)	(30.93%)
Penalties Enforcement & Settlement	\$1,244,631	\$805,174	\$761,335	(\$43,840)	(5.44%)
Litigation	\$371,988	\$566,574	\$569,022	\$2,448	0.43%
Total Legal	\$3,175,029	\$3,174,864	\$3,357,572	\$182,708	5.75%
Communications Office					
Media Relations	\$1,364,533	\$1,508,895	\$1,584,565	\$75,670	5.01%
Intermittent Control Programs	\$1,126,119	\$1,529,140	\$1,445,903	(\$83,237)	(5.44%)
Spare the Air (CMAQ)	\$930,049	\$1,000,000	\$1,000,000		
Total Communication & Outreach	\$3,420,702	\$4,038,035	\$4,030,468	(\$7,567)	(0.19%)
Technology Implementation Office					
Greenhouse Gas Technologies - Stationary	\$51,629	\$500,000	\$4,399,336	\$3,899,336	779.87%
Total Technology Implementation	\$51,629	\$500,000	\$4,399,336	\$3,899,336	
Strategic Incentives					
Carbon Offset Fund	\$783	\$2,218		(\$2,218)	(100.00%)
Grant Program Development	\$699,076	\$584,243	\$532,024	(\$52,219)	(8.94%)
Total Strategic Incentives	\$699,859	\$586,461	\$532,024	(\$54,437)	(9.28%)

Compliance & Enforcement					
Enforcement	\$4,140,518	\$4,436,918	\$4,969,371	\$532,454	12.00%
Compliance Assistance & Operations	\$2,620,320	\$2,938,303	\$2,990,164	\$51,861	1.76%
Compliance Assistance	\$5,739,246	\$5,909,753	\$7,737,974	\$1,828,220	30.94%
Total Compliance & Enforcement	\$12,500,084	\$13,284,973	\$15,697,509	\$2,412,535	18.16%
Engineering					
Permit Evaluation	\$4,565,686	\$4,626,247	\$6,907,583	\$2,281,336	49.31%
Permit Renew als	\$745,139	\$950,464	\$1,224,990	\$274,526	28.88%
Air Toxics	\$1,627,855	\$3,661,245	\$1,410,915	(\$2,250,330)	(61.46%)
Permit Operations	\$715,112	\$1,072,012	\$872,709	(\$199,302)	(18.59%)
Title V	\$710,746	\$1,798,380	\$1,628,956	(\$169,424)	(9.42%)
Engineering Special Projects	\$512,836	\$1,156,507	\$786,868	(\$369,640)	(31.96%)
Total Engineering	\$8,877,373	\$13,264,855	\$12,832,021	(\$432,834)	(3.26%)
Planning & Climate Protection					
Source Inventories	\$961,875	\$1,337,928	\$1,275,640	(\$62,288)	(4.66%)
Air Quality Plans	\$794,158	\$333,745	\$930,293	\$596,548	178.74%
Air Quality Modeling Support	\$998,734	\$747,100	\$810,263	\$63,163	8.45%
Air Quality Modeling & Research	\$601,450	\$738,376	\$717,136	(\$21,240)	(2.88%)
Mobile Source Measures	\$978,980	\$1,314,565	\$1,191,856	(\$122,709)	(9.33%)
Climate Protection	\$1,729,318	\$6,987,373	\$2,060,582	(\$4,926,791)	(70.51%)
Community Air Risk Evaluation (CARE)	\$702,330	\$648,776	\$1,073,663	\$424,887	65.49%
Total Planning & Climate Protection	\$6,766,845	\$12,101,863	\$8,059,434	(\$1,048,429)	(33.44%)
Information Services					
Information Management Records & Content	\$369,509	\$1,549,198	\$1,076,925	(\$472,273)	(30.49%)
Information Systems Software Development	\$1,356,358	\$1,687,719	\$1,658,829	(\$28,891)	(1.71%)
Information Technology Engineering & Operations	\$3,300,768	\$3,788,167	\$3,757,389	(\$30,778)	(0.81%)
Total Information Services	\$5,026,635	\$7,025,085	\$6,493,143	(\$531,942)	(7.57%)
Meteorology, Measurement & Rules					
Ambient Air Monitoring	\$3,911,733	\$6,680,041	\$7,301,961	\$621,920	9.31%
laboratory	\$1,321,962	\$1,518,171	\$1,204,612	(\$313,558)	(20.65%)
Source Test	\$2,445,912	\$2,779,773	\$3,291,981	\$512,208	18.43%
Meteorology	\$758,620	\$657,822	\$868,276	\$210,453	31.99%
Air Monitoring Instrument Performance Evaluation	\$569,799	\$602,501	\$603,618	\$1,117	0.19%
BioWatch Monitoring	\$1,114,626	\$1,410,385	\$1,323,775	(\$86,610)	(6.14%)
Infrastructure and Records Management	\$623,270	\$681,218	\$590,741	(\$90,476)	(13.28%)
Mobile Monitoring	\$327,264	\$162,670	\$28,834	(\$133,836)	
Total Meteorology, Measurement & Rules	\$11,073,185	\$14,492,581	\$15,213,799	\$721,217	4.98%
Vacancy Savings		(\$2,203,833)	(\$1,934,850)	\$268,983	(12.21%)
Other Financing Uses	\$10,700,000				100.00%
Program Distributions	\$2,002,846				
Transfer Out	\$541,767	\$492,661	\$412,830	(\$79,831)	(16.20%)
Total of All Divisions	\$88,279,529	\$94,840,086	\$99,151,007	\$4,310,921	4.55%

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MEETING HELD ON MARCH 28, 2018

CAPITAL EXPENDITURES

MEETING HELD ON MARCH 28, 2018

**TABLE XI
CAPITAL EXPENDITURE SUMMARY**

The list below includes all capital expenditures budgeted for FYE 2019.

	<u>Description</u>	<u>PGM</u>	<u>Capital Type</u>	<u>Amount</u>	<u>Program Total</u>	<u>Division Total</u>
1	One (1) Analytical Equipment for Mobile Speciation Platform	802	Lab & Monitoring	481,618		
2	One (1) Analytical Equipment for Dense Spatial Monitoring Platform	802	Lab & Monitoring	260,000		
3	One (1) Analytical Equipment for Air Quality Characterization	802	Lab & Monitoring	200,000		
4	One (1) Analytical Equipment for Fixed Site Monitoring Network	802	Lab & Monitoring	150,000	1,091,618	
5	Four (4) Source Test Analyzers	804	Lab & Monitoring	75,508		
6	One (1) FTIR Analyzer	804	Lab & Monitoring	94,000		
7	One (1) Trailer for FTIR Instrumentation	804	Motorized Equipment	25,000		
8	Two (1) Calibration Gas Dilution Systems	804	Lab & Monitoring	17,000	211,508	
9	Two (1) Air Monitoring Equipment	807	Lab & Monitoring	20,000	20,000	<u>1,323,126</u>
10	Two (2) Hydrogen Sulfide Analyzer	401	Lab & Monitoring	34,650		
11	One (1) TVA FID System	401	Lab & Monitoring	13,180	47,830	
12	One (1) Optical Gas Imaging Camera	403	Lab & Monitoring	100,000		
13	One (1) Monitoring Equipment	403	Lab & Monitoring	20,600	120,600	<u>168,430</u>
14	One (1) Equipment for Record Keeping	712	Office Equipment	50,000		
15	Record Management Software System	712	Computer & Network Equipment	140,000	190,000	
16	Business Continuity Site	726	Leasehold Improvement	75,000		
17	Capital Lease for servers, telecommunications & hardware	726	Communications Equipment	400,000	475,000	<u>665,000</u>
18	Public Permitting & Compliance Systems	125	Computer & Network Equipment	2,500,000	2,500,000	<u>2,500,000</u>
Total Capital Expenditures						4,656,556

MEETING HELD ON MARCH 28, 2018

**TABLE XII
CAPITAL EXPENDITURES DETAIL**

	<u>Item Description</u>	<u>Cost</u>	<u>Program/ Capital Type</u>
1	<u>One (1) Analytical Equipment for Mobile Speciation Platform</u> Characterization for community level air quality for AB617 and Reg 12-15 will require the ability to do precise speciation at a variety of locations within each community to better characterize air quality exposure and determine source apportionment.	\$481,618	802/Lab & Monitoring
2	<u>One (1) Analytical Equipment for Dense Spatial Monitoring Platform</u> AB617 and Reg 12-15 community level air quality assessments will require assessment of air quality with higher spatial resolution	\$260,000	802/Lab & Monitoring
3	<u>One (1) Analytical Equipment for Air Quality Characterization</u> Analytical instrumentation to support 12-15 and AB617 through expansion of the fixed site network and monitoring capabilities in the existing sites.	\$200,000	802/Lab & Monitoring
4	<u>One (1) Analytical Equipment for Fixed Site Monitoring Network</u> Air quality analyzers to replace aging equipment in existing air monitoring sites	\$150,000	802/Lab & Monitoring
5	<u>Four (4) Source Test Analyzers</u> Replace current equipments that significantly past their useful lifetimes	\$75,508	804/Lab & Monitoring
6	<u>One (1) FTIR Analyzer</u> Fourier Transform Infrared Spectrometer to support Regulation 11, Rule 18, AB-617 and other ongoing air toxics measurement programs and data support.	\$94,000	804/Lab & Monitoring
7	<u>One (1) Trailer for FTIR Instrumentation</u> Trailer to house Fourier Transform Infrared Spectrometer to support Regulation 11, Rule 18 and AB-617 air toxics measurement and data support.	\$25,000	804/Motorized Equipment
8	<u>Two (1) Calibration Gas Dilution Systems</u> Improve instrument calibration efficiency and save cost on calibration gases.	\$17,000	804/Lab & Monitoring
9	<u>Two (1) Air Monitoring Equipments</u> Replace equipment has reached the end of its useful life and is requiring frequent repairs.	\$20,000	807/Lab & Monitoring
10	<u>Two (2) Hydrogen Sulfide Analyzer</u> The Jerome J605 is a field instrument used by inspection staff to measure hydrogen sulfide concentrations in ambient air in the low ppb ranges. The current Jerome instruments are older devices that have reached their end of useful life (over 15 years old).	\$34,650	401/Lab & Monitoring
11	<u>One (1) TVA FID System</u> The TVA is used to detect leaks and enforce volatile organic compound regulations at gasoline bulk terminals, sewage treatment plants, landfills, refineries and a variety of other sources.	\$13,180	401/Lab & Monitoring
12	<u>One (1) Optical Gas Imaging Camera</u> C&E currently has an older version of gas imaging camera and is at the end of its useful life and needs replacement to continue the work of finding and abating large VOC emissions. Having this camera has lead to the reduction of many tons of VOC. Without one large leaks will go undetected.	\$100,000	403/Lab & Monitoring
13	<u>One (1) Monitoring Equipment</u> The TVA is needed for leak detection and repair (LDAR) program for various compliance programs.	\$20,600	403/Lab & Monitoring
14	<u>One (1) Equipment for Record Management</u> Office Equipments	\$50,000	712/Office Equipment
15	<u>Record Management Software System</u> Management Software	\$140,000	712/Computer & Network Equipment
16	<u>Business Continuity Site</u> Business Continuity site for tasks requiring a physical presence (e.g. printing of invoices and permits)	\$75,000	726/Leasehold Improvement
17	<u>Capital Lease for servers, telecommunications & hardware</u> planned lease payment on the District's Capital Lease for Computer, Networking & Telephony equipment	\$400,000	726/Communications Equipment
18	<u>Public Permitting & Compliance Systems</u> Development and implementation of permitting and enforcement software functionality for medium and complex facilities, including data cleanup and consolidation activities.	\$2,500,000	125/Computer & Network Equipment
	Total Capital Expenditures	\$4,656,556	

PROGRAM NARRATIVES AND EXPENDITURE DETAIL
GENERAL FUND

MEETING HELD ON MARCH 28, 2018

NOTE: DEFINITIONS ARE PROVIDED ON PAGES 194-196
AND ARE AN INTEGRAL PART OF THIS BUDGET DOCUMENT.

EXECUTIVE OFFICE DIVISION

Under the leadership and direction of the Executive Officer/APCO and the Board of Directors, the Executive Office guides the Bay Area Air Quality Management District (Air District) in meeting its mission of protecting and improving public health, air quality, and the global climate. To fulfill this mission, the Air District builds its programs and policies on sound science, develops them with technical expertise and rigor, and executes them with quality. Air District programs and policies include both traditional air quality management approaches and new strategies for achieving clean air.

In FYE 2019, the Air District will continue to implement State and Federal regulations and directives, and will also continue to implement and develop the following key initiatives:

- Refinery Emissions Reduction Program and Rulemaking
- Climate Action Work Program
- Clean Air Plan Implementation
- Technology Implementation Office
- Wood Smoke Program and Rule Amendments
- My Air Online Program
- Clean Air Foundation
- Spare the Air Everyday Campaign
- Public Participation Plan Implementation
- Diversity, Equity, and Inclusion Office

The Executive Office is responsible for developing and maintaining strategic partnerships to achieve clean air. These partnerships include but are not limited to collaboration with: community groups, non-profits, peer regional agencies (Metropolitan Transportation Commission, Association of Bay Area Governments & Bay Conservation and Development Commission), regulatory agencies (U.S. Environmental Protection Agency and California Air Resources Board), and associations (California Air Pollution Control Officers Association, Air and Waste Management Association & National Association of Clean Air Agencies), as well as the State Legislature. In FYE 2019, these key partnerships will also address regional coordination of climate protection activities, and implementation of State initiatives such as SB 1339, SB375 and AB32 at the regional level.

MEETING HELD ON MARCH 28, 2018

Executive Office		104
Managing Division: Executive		
Contact Person: Maricela Martinez		
Program Purpose: Administration and Direction of Air District Programs.		
Description of Program: This budget program is responsible for providing overall administration and direction to Air District staff. Through this budget program, the Executive Officer/APCO interprets and oversees implementation of Board directives and policies and administers the business of the Air District.		
Justification of Change Request:		
Activities		
Develop policy initiatives to meet Air District goals and objectives.		
Coordinate development of District's legislative agenda and implement strategy for achieving Air District's legislative goals.		
Coordinate District activities with staff and stakeholders.		
Work with District Counsel to keep current on all notice of violation settlements.		
Monitor actions of and serve as liaison to regional governmental agencies (e.g. MTC, ABAG), federal and statewide governmental organizations (e.g. U.S. EPA, CARB, CAPCOA), and representatives of the regulated community.		
Compliance and enforcement actions.		
Administer the Bay Area Clean Air Foundation.		
Major Objectives		Delivery Date
Rule Development and Amendments		Ongoing
Issue all non-Title V permits on a timely basis (within a 45 day period)		Ongoing
Production System Implementation		Ongoing
Adopt District Budget for FYE 2019		6/30/2018

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		17.32	12.01	13.86	1.86	15.47%
Personnel Expenditures						
Permanent Salaries	51105	\$1,917,116	\$2,034,989	\$2,176,144	\$141,155	6.94%
Overtime Salaries	51150	\$1,372				
Temporary Salaries	51200	(\$990)				
Payroll Taxes	51300	\$28,918	\$29,009	\$31,250	\$2,241	7.73%
Pension Benefits	51400	\$299,393	\$383,126	\$424,742	\$41,617	10.86%
FICA Replacement Benefits	51500	\$23,681	\$13,975	\$24,373	\$10,398	74.41%
Group Insurance Benefits	51600	\$303,213	\$239,212	\$213,258	(\$25,955)	(10.85%)
Employee Transportation Subsidy	51700	\$20,728	\$13,618	\$10,249	(\$3,370)	(24.74%)
Workers' Compensation	51800	\$5,857	\$7,692	\$8,032	\$339	4.41%
Other Post-Employment Benefits	51850	\$210,678	\$133,780	\$139,680	\$5,900	4.41%
Board Stipends	51900					
Total Personnel Expenditures		\$2,809,967	\$2,855,402	\$3,027,728	\$172,326	6.04%
Services & Supplies Expenditures						
Travel In-State	52200	\$23,179	\$28,000	\$20,000	(\$8,000)	(28.57%)
Travel Out-Of-State	52225	\$43,117	\$50,001	\$50,000	(\$1)	(0.00%)
Training & Education	52300	\$42,496	\$20,500	\$20,500		
Repair & Maintenance (Equipment)	52400					
Communications	52500	\$13,796	\$10,000	\$5,000	(\$5,000)	(50.00%)
Building Maintenance	52600					
Utilities	52700					
Postage	52800		\$500		(\$500)	(100.00%)
Printing & Reproduction	52900	\$1,217	\$1,500	\$1,500		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$713,832	\$1,506,000	\$1,700,000	\$194,000	12.88%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700	\$37				
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900	\$3,825	\$1,000	\$1,000		
Books & Journals	54100	\$188	\$500	\$500		
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$841,687	\$1,618,001	\$1,798,500	\$180,499	11.16%
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110	\$56,554				
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures		\$56,554				
Transfers Out	70005	(\$67,570)				
Total Expenditures		\$3,640,637	\$4,473,403	\$4,826,228	\$352,825	7.89%

Bay Area Regional Collaborative (BARC)		105
Managing Division: Executive		
Contact Person: Greg Nudd		
Program Purpose: The Bay Area Regional Collaborative (BARC) is a consortium of Board/Commission representatives from the Bay Area Air Quality Management District, Metropolitan Transportation Commission, Association of Bay Area Governments, and Bay Conservation and Development Commission. The BARC addresses cross-cutting issues of regional significance through collaboration and coordination.		
Description of Program: The BARC has selected Climate Change as the primary focus of its work. The four regional agencies work together to create coordinated policies, increase efficiencies, leverage resources, and provide better services to local governments that are grappling with climate mitigation and adaptation issues. This program includes Air District financial support for the BARC's assistance to coordinate the Bay Area Clean Air Plan and Regional Climate Action Strategy with the climate policies and programs of the other regional agencies.		
Justification of Change Request: Air District funding support for the BARC was included in the Executive Office Program 104 budget and Planning Division Climate Program 608 budget in past fiscal years. Air District funding support for the BARC has been consolidated into this Program budget for FYE 2019.		
Activities		
Provide support for the BARC Executive Director and Program Associate to implement the BARC work plan		
Provide support for limited professional services as needed for the BARC work plan		
Participate in BARC meetings, Executive Director meetings, and cross-agency staff teams		
Coordinate with BARC and member agency staff on climate change issues		
Major Objectives		Delivery Date
Work with BARC and member agency staff to coordinate implementation of the Clean Air Plan/Regional Climate Action Strategy and the Sustainable Communities Strategy		Ongoing
Work with BARC and member agency staff to integrate the Air District's Planning Healthy Places guidance into the Sustainable Communities Strategy		Ongoing
Work with BARC and member agency staff to coordinate technical assistance to cities and counties regarding climate action plans		Ongoing

MEETING HELD ON MARCH 28, 2018

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)					
Personnel Expenditures					
Permanent Salaries	51105				
Overtime Salaries	51150				
Temporary Salaries	51200				
Payroll Taxes	51300				
Pension Benefits	51400				
FICA Replacement Benefits	51500				
Group Insurance Benefits	51600				
Employee Transportation Subsidy	51700				
Workers' Compensation	51800				
Other Post-Employment Benefits	51850				
Board Stipends	51900				
Total Personnel Expenditures					
Services & Supplies Expenditures					
Travel In-State	52200				
Travel Out-Of-State	52225				
Training & Education	52300				
Repair & Maintenance (Equipment)	52400				
Communications	52500				
Building Maintenance	52600				
Utilities	52700				
Postage	52800				
Printing & Reproduction	52900				
Equipment Rental	53100				
Rents & Leases	53200				
Professional Services & Contracts	53300	\$233,749	\$255,000		
General Insurance	53400				
Shop & Field Supplies	53500				
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800				
Stationery & Office Supplies	53900				
Books & Journals	54100				
Minor Office Equipment	54200				
Depreciation & Amortization	54300				
Non-Capital Assets	54600				
Total Services & Supplies Expenditures		\$233,749	\$255,000		
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115				
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125				
Communications Equipment	60130				
General Equipment	60135				
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures					
Transfer In/Out	70005				
Total Expenditures		\$233,749	\$255,000		

MEETING HELD ON MARCH 28, 2018

Board of Directors		121
Managing Division: Executive		
Contact Person: Maricela Martinez		
Program Purpose: Oversee Activities of the Board of Directors.		
Description of Program: Administration of activities of the Board of Directors.		
Justification of Change Request:		
Activities		
Prepare and distribute all meeting materials, including agendas, minutes and correspondence for Board of Directors regular and special meetings, approximately 20 per year.		
Prepare all logistics for Board of Directors regular and special meetings, including scheduling, polling, providing refreshments, preparation of facilities, and legal noticing requirements, approximately 20 per year.		
Prepare and distribute all agenda materials for Board of Directors Committee meetings, approximately 30 per year.		
Prepare all logistics for Board of Directors Committee meetings, approximately 30 per year.		
Implement Board of Directors remote participation protocol for Committee meetings.		
Maintain up to date Board of Directors contact information and standing committee rosters.		
Receive, route, and appropriately address all correspondence directed to the Board.		
Track, process and issue monthly travel reimbursement and per diem payments for each member of the Board of Directors.		
Make travel, registration and payment arrangements Board of Directors participation at the annual Air and Waste Management Association Conference.		
Maintain archive of Board materials, including minutes, agendas, correspondence and adopted resolutions.		
Maintain the District's website as it relates to the Board of Directors membership, calendar, meeting materials and minutes.		
Assure timely filing of Statement of Economic Interests with the California Fair Political Practices Commission.		
Major Objectives		Delivery Date
Coordinate all Board and Committee meetings.		Ongoing
Coordinate Board Ethics Training/Implementation of Compliance Recording.		Ongoing
Coordinate New Board Member Orientation.		Ongoing
Coordinate transition to new Chair of the Board of Directors.		January 2019
Coordinate Board of Directors Annual Retreat		January 2019
Coordinate update of Board Committee membership.		February 2019

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change	
Number of Positions (FTE)	0.69	0.50	0.97	0.46	91.40%	
Personnel Expenditures						
Permanent Salaries	51105	\$77,032	\$47,167	\$104,520	\$57,353	121.59%
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	\$1,168	\$663	\$1,494	\$831	125.39%
Pension Benefits	51400	\$12,000	\$8,756	\$19,571	\$10,815	123.51%
FICA Replacement Benefits	51500	\$851	\$587	\$1,722	\$1,135	193.29%
Group Insurance Benefits	51600	\$11,744	\$9,608	\$14,484	\$4,876	50.75%
Employee Transportation Subsidy	51700	\$1,558	\$884	\$1,628	\$744	84.19%
Workers' Compensation	51800	\$235	\$323	\$559	\$236	73.07%
Other Post-Employment Benefits	51850	\$8,465	\$5,622	\$9,729	\$4,107	73.07%
Board Stipends	51900	\$55,300	\$60,000	\$60,000		
Total Personnel Expenditures		\$168,352	\$133,610	\$213,708	\$80,098	59.95%
Services & Supplies Expenditures						
Travel In-State	52200	\$17,937	\$14,000	\$14,000		
Travel Out-Of-State	52225	\$15,153	\$17,000	\$20,000	\$3,000	17.65%
Training & Education	52300	\$16,350	\$21,000	\$26,000	\$5,000	23.81%
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$16,544	\$50,000	\$30,000	(\$20,000)	(40.00%)
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$65,983	\$102,000	\$90,000	(\$12,000)	(11.76%)
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfers Out	70005					
Total Expenditures		\$234,336	\$235,611	\$303,708	\$68,097	28.90%

Hearing Board		122
Managing Division: Executive		
Contact Person: Maricela Martinez		
Program Purpose: Records, documents, and maintains records of actions of the quasi-judicial Hearing Board.		
Description of Program: The Hearing Board is a quasi-judicial body that rules on particular cases that affect only individual facilities. It is authorized to hear requests for variance relief, permit revocation, abatement orders, and appeals by permit applicants, or by interested third parties, concerning the issuance or denial of permits.		
Justification of Change Request: None.		
Activities		
Prepare logistics for all Hearing Board meetings, including scheduling, polling, providing refreshments, preparation of facilities, and legal noticing requirements.		
Develop and maintain Hearing Board calendar and schedules.		
Attend all hearings of the Hearing Board.		
Develop and maintain Hearing Board calendar and schedules.		
Draft selected Orders for Hearing Board review and signature.		
Maintain Hearing Board matters in IRIS computer systems.		
Print and reproduce Hearing Board notices.		
Maintain Record of Actions (Docket Book).		
Prepare and maintain docket files for each hearing		
Collect required fees from Applicants.		
Follow-up on actions resulting from Hearing Board Orders/decisions.		
Process incoming documents and inquiries.		
Make arrangements for all off-site hearings.		
Research, compile and prepare reports for presentation to the Board of Directors and others as requested by the Hearing Board.		
Arrange for Hearing Board members attendance at Hearing Board Conferences and CARB Trainings.		
Track, process and issue monthly travel reimbursement and per diem payments for each member of the Hearing Board.		
Arrange for Hearing Board attendance at National Judicial College.		
Arrange for attendance of two Hearing Board members at annual AWMA Conference.		
Archive Hearing Board Dockets and related documents.		
Maintain the District's website as it pertains to the Hearing Board membership, calendar, and decisions/orders.		
Coordinate recruitment and orientation of new Hearing Board members as necessary.		
Major Objectives		Delivery Date
Coordinate Hearing Board Activities		Ongoing

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		0.17	0.35	0.29	(0.06)	(16.63%)
Personnel Expenditures						
Permanent Salaries	51105	\$19,213	\$33,903	\$28,103	(\$5,800)	(17.11%)
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	\$288	\$477	\$401	(\$76)	(15.93%)
Pension Benefits	51400	\$2,997	\$6,301	\$5,115	(\$1,187)	(18.83%)
FICA Replacement Benefits	51500	\$272	\$405	\$521	\$116	28.64%
Group Insurance Benefits	51600	\$3,051	\$6,629	\$3,442	(\$3,187)	(48.08%)
Employee Transportation Subsidy	51700	\$192	\$610	\$641	\$32	5.18%
Workers' Compensation	51800	\$59	\$223	\$168	(\$55)	(24.62%)
Other Post-Employment Benefits	51850	\$2,111	\$3,879	\$2,924	(\$955)	(24.62%)
Board Stipends	51900	\$9,650	\$32,000	\$32,000		
Total Personnel Expenditures		\$37,832	\$84,428	\$73,316	(\$11,112)	(13.16%)
Services & Supplies Expenditures						
Travel In-State	52200	\$641	\$1,000	\$1,000		
Travel Out-Of-State	52225	\$587				
Training & Education	52300	\$1,210	\$2,000	\$2,000		
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900	\$2,000	\$2,000	\$2,000		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$1,231	\$10,000	\$10,000		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900		\$500	\$250	(\$250)	(50.00%)
Books & Journals	54100		\$500	\$500		
Minor Office Equipment	54200		\$500	\$250	(\$250)	(50.00%)
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$3,669	\$16,500	\$16,000	(\$500)	(3.03%)
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfers Out	70005					
Total Expenditures		\$41,502	\$100,928	\$89,316	(\$11,612)	(11.51%)

Advisory Council		123
Managing Division: Executive		
Contact Person: Maricela Martinez		
Program Purpose: The Advisory Council studies and makes recommendations on specific matters referred from the Board of Directors or the Air Pollution Control Officer. Matters can include technical, social, economic and environmental aspects of air quality issues.		
Description of Program: The Advisory Council is comprised of 7 members, appointed by the Board of Directors. SB1415 requires that the Advisory Council members be skilled and experienced in the fields of air pollution, climate change, or the health impacts of air pollution. The Council advises and consults with the Board of Directors and Executive Officer, and makes recommendations and reports on matters that affect both policy and the legislative agenda. The Council will meet approximately (4) times per year. The meeting may include presentations by speakers who are experts in a specific topic. Presentations, materials and recommendations received are discussed and a report is prepared for the Board of Directors.		
Justification of Change Request: Advisory Council members will participate in the Annual Air & Waste Management Conference on behalf of the Air District.		
Activities		
Prepare and distribute all meeting materials, including agendas and minutes for Advisory Council regular and special meetings, approximately 4 per year.		
Prepare logistics for all Advisory Council regular and special meetings, including scheduling, polling, providing refreshments, preparation of facilities, providing stenographer, and legal noticing requirements, approximately 4 per year.		
Make travel, registration and payment arrangements Advisory Council participation at the annual Air and Waste Management Association Conference.		
Maintain archive of Advisory Council materials, including minutes, agendas, and presentations.		
Maintain the District's website as it relates to the Advisory Council membership, calendar, meeting materials and minutes.		
Attend all regular and Committee meetings of the Advisory Council.		
Track, process and issue quarterly travel reimbursement for each member of the Advisory Council.		
Coordinate recruitment of new Advisory Council members as necessary.		
Major Objectives		Delivery Date
Coordinate activities of the Advisory Council.		Ongoing
Conduct approximately 4 meeting, based on the topics selected by the Board of Directors and Executive Officer.		Ongoing
Discuss the presentations, materials and recommendations received at the meetings, and prepare and present a report to the Board of Directors.		Ongoing

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	0.07	0.14	0.01	(0.13)	(92.84%)
Personnel Expenditures					
Permanent Salaries	51105	\$7,754	\$11,917	\$443	(\$11,473) (96.28%)
Overtime Salaries	51150				
Temporary Salaries	51200				
Payroll Taxes	51300	\$116	\$167	\$6	(\$161) (96.21%)
Pension Benefits	51400	\$1,228	\$2,206	\$80	(\$2,125) (96.36%)
FICA Replacement Benefits	51500	\$94	\$163	\$8	(\$154) (95.01%)
Group Insurance Benefits	51600	\$1,356	\$2,660	\$53	(\$2,607) (97.99%)
Employee Transportation Subsidy	51700	\$92	\$245	\$10	(\$235) (95.89%)
Workers' Compensation	51800	\$24	\$90	\$3	(\$87) (97.09%)
Other Post-Employment Benefits	51850	\$852	\$1,557	\$45	(\$1,511) (97.09%)
Board Stipends	51900				
Total Personnel Expenditures		\$11,517	\$19,003	\$650	(\$18,354) (96.58%)
Services & Supplies Expenditures					
Travel In-State	52200	\$2,838	\$7,500	\$7,500	
Travel Out-Of-State	52225	\$2,522	\$11,000	\$11,000	
Training & Education	52300	\$3,634	\$2,000	\$5,000	\$3,000 150.00%
Repair & Maintenance (Equipment)	52400				
Communications	52500				
Building Maintenance	52600				
Utilities	52700				
Postage	52800				
Printing & Reproduction	52900	\$3,000	\$3,000		
Equipment Rental	53100				
Rents & Leases	53200				
Professional Services & Contracts	53300	\$8,940	\$5,000	\$8,000	\$3,000 60.00%
General Insurance	53400				
Shop & Field Supplies	53500				
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800				
Stationery & Office Supplies	53900				
Books & Journals	54100				
Minor Office Equipment	54200				
Depreciation & Amortization	54300				
Non-Capital Assets	54600				
Total Services & Supplies Expenditures		\$17,934	\$28,500	\$34,500	\$6,000 21.05%
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115				
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125				
Communications Equipment	60130				
General Equipment	60135				
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures					
Transfer In/Out	70005				
Total Expenditures		\$29,451	\$47,503	\$35,150	(\$12,354) (26.01%)

MEETING HELD ON MARCH 28, 2018

My Air Online		125
Managing Division: Information Services		
Contact Person: Blair L Adams		
Program Purpose: This program provides design, development, implementation strategies and business systems support for the District's web presence and online transactions.		
Description of Program: This program is responsible for software development and implementation of online enterprise software systems for the District. These include public websites as well as online systems supporting permitting, compliance, incentives and presentation of data to the public.		
Justification of Change Request: None.		
Activities		
Website redesign and implementation.		
Website integration with current and future online systems.		
Permitting and compliance development and implementation.		
Public facing data system development and implementation.		
Major Objectives		Delivery Date
Redesign of public website and integration with existing online systems.		Daily
Permitting and compliance systems design, development, testing and deployment.		Daily
Design and implementation of public facing data system.		Daily
Support Databank and IRIS data transfer to the permitting and compliance systems.		Daily
Implementation of software development lifecycle standards		Daily

	FYE 2016 Audited Program Expenditures	FYE 2017 Amended Program Budget	FYE 2018 Approved Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	4.59	1.00	3.49	2.49	248.79%
Personnel Expenditures					
Permanent Salaries	51105 \$642,018	\$129,769	\$427,290	\$297,522	229.27%
Overtime Salaries	51150 \$1,114				
Temporary Salaries	51200				
Payroll Taxes	51300 \$9,429	\$1,829	\$6,066	\$4,237	231.64%
Pension Benefits	51400 \$96,462	\$21,221	\$80,117	\$58,896	277.53%
FICA Replacement Benefits	51500 \$6,962	\$1,128	\$4,060	\$2,932	259.92%
Group Insurance Benefits	51600 \$98,278	\$20,812	\$64,208	\$43,397	208.52%
Employee Transportation Subsidy	51700 \$6,420	\$1,620	\$6,137	\$4,517	278.83%
Workers' Compensation	51800 \$1,962		\$2,235	\$2,235	
Other Post-Employment Benefits	51850 \$54,742	\$8,219	\$38,865	\$30,646	372.87%
Board Stipends	51900				
Total Personnel Expenditures	\$917,386	\$184,598	\$628,979	\$444,381	240.73%
Services & Supplies Expenditures					
Travel In-State	52200 \$490	\$5,000	\$5,000		
Travel Out-Of-State	52225 \$1,577	\$5,000		(\$5,000)	(100.00%)
Training & Education	52300 \$3,745	\$15,000	\$15,000		
Repair & Maintenance (Equipment)	52400 \$100				
Communications	52500				
Building Maintenance	52600				
Utilities	52700				
Postage	52800				
Printing & Reproduction	52900 \$1,000	\$1,000	\$1,000		
Equipment Rental	53100				
Rents & Leases	53200				
Professional Services & Contracts	53300 \$48,228	\$150,000	\$150,000		
General Insurance	53400				
Shop & Field Supplies	53500				
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800 \$26,587	\$100,000	\$100,000		
Stationery & Office Supplies	53900				
Books & Journals	54100				
Minor Office Equipment	54200				
Depreciation & Amortization	54300				
Non-Capital Assets	54600 \$428,659				
Total Services & Supplies Expenditures	\$509,387	\$276,000	\$271,000	(\$5,000)	(1.81%)
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115 \$2,473,849	\$2,800,000	\$2,500,000	(\$300,000)	(10.71%)
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125				
Communications Equipment	60130				
General Equipment	60135				
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures	\$2,473,849	\$2,800,000	\$2,500,000	(\$300,000)	(10.71%)
Transfer In/Out	70005				
Total Expenditures	\$3,900,622	\$3,260,598	\$3,399,979	\$139,381	4.27%

Community Engagement		302
Managing Division: Community Health Protection Office		
Contact Person: Luz Gomez and David Ralston		
Program Purpose: Act as the District's main point of contact with the public to increase public awareness, engage local community organizations in Air District activities and assist the public in understanding the roles that the public, business community and the Air District have in controlling air pollution. The Community Engagement Office also facilitates stakeholder engagement in Air Districts' programs; implements the Public Participation Plan; manages issue-specific advisory groups, Resource Teams, and Sponsorships; and oversees the Community Grant Program.		
Description of Program: This program engages the public, including students, community residents, advocates and other stakeholders, about Air District programs and air quality issues; responds to inquiries from the public about Air District programs and the purpose and functions of the Air District; and develops effective clean air partnerships with non-profit organizations. This program also receives and responds to stakeholder concerns through facilitated dialogue with other Air District divisions.		
Justification of Change Request: The Professional Service budget has been increased from FYE 2018 to account for expanded responsibilities under AB 617 implementation, including new contracts with community-based organizations for local planning efforts. Other increases: funding for third-party event-planning for the YES Conference; planning and implementation of special events (Bike the Bay); funding for community education lending lab. Categories for other professional services remain the same as prior years or have been reduced.		
Activities		
Work in partnership with community groups and across Air District Divisions to implement AB 617.		
Create and manage Issue-Specific Advisory Groups for early and meaningful public engagement.		
Continue Community Grant Program with a specific focus on supporting regional community education partnerships		
Update and continue implementation of the Public Participation Plan including the use of creative tools for obtaining public engagement in Air District efforts including the Online Civic Engagement platform.		
Build and maintain productive working relationships with Air District stakeholders.		
Work with stakeholders to raise public awareness of air quality issues; inform and engage public regarding Air District initiatives, rules, regulations, and policies.		
Receive public inquiries and coordinate response with appropriate Air District divisions.		
Represent Air District with various stakeholders, community organizations and regional collaborations.		
Guide, support, and coordinate public involvement activities for Air District divisions.		
Actively participate and provide direction to the Air District's Spare the Air Resource teams.		
Facilitate informational presentations by Air District staff to community groups, visiting groups, school groups, etc.		
Facilitate multilingual assistance and access to the Air District.		
Maintain and expand air quality education for Limited English Proficient populations in Chinese, Tagalog, Spanish and Vietnamese in print, recorded and web-based (SparetheAirNow.org and BAAQMD.gov) formats.		
Develop partnerships with public health non-profits to promote clean air.		
Host International Delegations.		
Major Objectives		Delivery Date
Implement multiple aspects of AB 617 and track progress		6/30/2019
Create and manage issue-specific advisory groups as needed for new plans, rules and Air District initiatives		6/30/2019
Provide oversight of the Spare the Air Youth program including the annual YES conference.		6/30/2019
Continue Community Grant Program and create new AB 617 local action planning grant program		6/30/2019
Plan and implement special events including a Bike around the Bay engagement multi-day event		6/30/2019
Develop plan for effective outreach to Limited English Speaking communities in the Bay Area		6/30/2019
Coordinate District presence at public events, including events targeting Limited English Proficient populations.		6/30/2019
Plan, stock, and manage a community educational and lending lab		6/30/2019
Coordinate a readiness assessment for AB 617 communities		6/30/2019
Assist in stakeholder engagement process for District rule development processes.		6/30/2019
Foster positive working relationships with public health and other non-profit organizations to increase support for Air District's mission and vision.		6/30/2019

Community Engagement

302

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		5.23	4.83	8.92	4.09	84.62%
Personnel Expenditures						
Permanent Salaries	51105	\$579,350	\$584,131	\$1,038,526	\$454,395	77.79%
Overtime Salaries	51150	\$11,467				
Temporary Salaries	51200	\$2,066				
Payroll Taxes	51300	\$8,757	\$8,258	\$14,863	\$6,606	79.99%
Pension Benefits	51400	\$90,486	\$109,059	\$201,159	\$92,100	84.45%
FICA Replacement Benefits	51500	\$6,893	\$5,621	\$15,531	\$9,910	176.31%
Group Insurance Benefits	51600	\$90,386	\$98,004	\$147,133	\$49,129	50.13%
Employee Transportation Subsidy	51700	\$6,368	\$7,379	\$14,642	\$7,263	98.43%
Workers' Compensation	51800	\$1,770	\$3,094	\$5,165	\$2,071	66.94%
Other Post-Employment Benefits	51850	\$63,667	\$53,808	\$89,826	\$36,018	66.94%
Board Stipends	51900					
Total Personnel Expenditures		\$861,210	\$869,354	\$1,526,845	\$657,491	75.63%
Services & Supplies Expenditures						
Travel In-State	52200	\$3,141	\$5,000	\$5,000		
Travel Out-Of-State	52225		\$2,500	\$2,500		
Training & Education	52300	\$4,196	\$15,000	\$15,000		
Repair & Maintenance (Equipment)	52400					
Communications	52500	\$7,451	\$5,000	\$2,000	(\$3,000)	(60.00%)
Building Maintenance	52600					
Utilities	52700					
Postage	52300					
Printing & Reproduction	52900	\$3,350	\$6,000	\$6,000		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$426,896	\$528,500	\$950,000	\$421,500	79.75%
General Insurance	53400					
Shop & Field Supplies	53500	\$1,005	\$2,500	\$2,500		
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900	\$98	\$1,500	\$1,500		
Books & Journals	54100					
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$446,137	\$566,000	\$984,500	\$418,500	73.94%
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005	(\$36,396)				
Total Expenditures		\$1,270,951	\$1,435,354	\$2,511,345	\$1,075,991	74.96%

MEETING HELD ON MARCH 28, 2018

Website Development and Maintenance		309
Managing Division: Information Services		
Contact Person: Blair L Adams		
Program Purpose: The Air District Websites support and maintain the agency's web presence to provide the public with information about air quality, including health alerts and real-time air quality data, plans and technical information, as well as access to registrations, permits, regulations and other information for business and industry constituents.		
Description of Program: Development, support, and maintenance of the Air District's web content management system (Sitecore) and websites, including BAAQMD.gov and SparetheAir.org.		
Justification of Change Request: The Air District will endeavor to further develop main and tertiary website components, minimize operational support by modernizing data management practices, and allow for greater public accessibility in order to continue to support Air District Initiatives.		
Activities		
Provide support for ongoing multilingual translation of main website and expand to tertiary websites		
Provide support for content editing and auditing of main website and tertiary websites		
Provide support for transition from current Spare the Air website to a new website		
Provide assistance, support, and training to Division site Editors and Approvers		
Develop, test, and implement new features and site components		
Site and system maintenance (upgrades, bug fixes, issue resolution, and general upkeep)		
Develop training materials and documentation for Site Editor and Approver tasks		
Ensure compliance with legal requirements (Web Content Accessibility (508), Privacy Policy, Terms of Use, etc.)		
Process Web statistics and system logs		
Maintain tools (such as widgets & RSS) for use by visitors and on general public websites		
Maintain legacy systems as needed		
Maintain the web content management system (SiteCore) and Air District Websites		
Maintain and manage the hosted environment of related web servers		
Major Objectives		Delivery Date
Continuously implement a content strategy and editor guidelines to improve and prioritize content		Ongoing
Continuously improve BAAQMD.gov and SparetheAir.org user experience and information architecture		Ongoing
Maintain and enhance mobile compatible designs and increase access across a broad range of devices for BAAQMD.gov and tertiary websites		Ongoing
Maintain and enhance interactive elements, functionality, and features on BAAQMD.gov and tertiary websites to increase visitor engagement		Ongoing
Address adjustments and enhancements that are requested by the public on all websites		Ongoing
Maintain and enhance accessibility to be fully compliant with ADA requirements as is legally mandated for BAAQMD.gov and tertiary websites		Ongoing
Maintain and enhance multilingual services online for BAAQMD.gov and tertiary websites, while developing a strategy for ongoing translation needs		Ongoing
Maintain and enhance community specific pages that use tagging to provide the most relevant information across multiple sections of the websites		Ongoing
Maintain and enhance the events calendar		Ongoing
Maintain and enhance site search		Ongoing
Continue to develop Site Editor Education and Training Materials		Ongoing

Website Development & Maintenance

309

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		1.22	1.00	2.00	1.00	100.04%
Personnel Expenditures						
Permanent Salaries	51105	\$135,905	\$128,344	\$251,521	\$123,176	95.97%
Overtime Salaries	51150	\$774				
Temporary Salaries	51200					
Payroll Taxes	51300	\$2,056	\$1,819	\$3,603	\$1,784	98.06%
Pension Benefits	51400	\$21,139	\$24,028	\$48,196	\$24,168	100.58%
FICA Replacement Benefits	51500	\$1,606	\$1,164	\$3,516	\$2,352	202.14%
Group Insurance Benefits	51600	\$20,870	\$19,040	\$37,821	\$18,781	98.64%
Employee Transportation Subsidy	51700	\$1,385	\$1,752	\$4,176	\$2,424	138.41%
Workers' Compensation	51800	\$415	\$641	\$1,159	\$518	80.88%
Other Post-Employment Benefits	51850	\$14,935	\$11,141	\$20,151	\$9,011	80.88%
Board Stipends	51900					
Total Personnel Expenditures		\$199,087	\$187,929	\$370,144	\$182,215	96.96%
Services & Supplies Expenditures						
Travel In-State	52200					
Travel Out-Of-State	52225					
Training & Education	52300		\$8,000	\$6,000	(\$2,000)	(25.00%)
Repair & Maintenance (Equipment)	52400					
Communications	52500	\$380		\$2,000	\$2,000	
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900	\$28,361				
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$898,898	\$900,000	\$873,887	(\$26,113)	(2.90%)
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	\$18,200	\$75,000	\$131,000	\$56,000	74.67%
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$945,839	\$983,000	\$1,012,887	\$29,887	3.04%
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115	\$138,843				
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures		\$138,843				
Transfer Out	70005					
Total Expenditures		\$1,283,768	\$1,170,929	\$1,383,031	\$212,102	18.11%

Rule Development		611
Managing Division: Executive		
Contact Person: Greg Nudd		
Program Purpose: The primary purpose of this program is to develop control measures and regulations to reduce air pollutant emissions in the Bay Area.		
Description of Program: The Rule Development Program is responsible for the development of regulations to implement Air District plans to attain Federal and State air quality standards, and to protect public health. The 2010 Clean Air Plan, the upcoming 2017 Clean Air Plan and other planning documents adopted by the Board of Directors address State requirements in the California Clean Air Act, State transport mitigation regulations and other state air quality requirements. In addition to development of rules derived from planning documents, staff assists with the preparation of air quality plans. Other measures are developed under the direction of the Board of Directors to further protect public health and safety and reduce emissions of greenhouse gases. In addition, staff reviews existing regulations and develops revisions to improve clarity, efficiency and effectiveness. For each control measure, staff assesses potential emission reductions, technological feasibility, socioeconomic impacts, cost-effectiveness, and environmental impacts under CEQA. Staff conducts public workshops and other public involvement processes, prepares staff reports, and makes presentations and recommendations to the Board of Directors at public hearings and committee meetings. Rule Development staff also manages and coordinates the rule development process for other Divisions. In this fiscal year, the program will continue to develop rules pursuant to the Refinery Emission Reduction Strategy and Climate Protection Work Program as directed by the Board of Directors.		
Justification of Change Request: Anticipation of additional CEQA analyses, including more environmental impact reports for AB 617 Action Plans and BARCT Implementation		
Activities		
Finalize a new rule to prohibit significant methane release (Rule 13-2)		
Finalize amendments to oil and gas rule		
Finalize amendment to gas turbine rule (9-9)		
Develop suite of rulemaking actions to reduce sulfur emissions from the refining sector.		
Develop suite of rulemaking actions to reduce methane emissions from landfills, composting operations and publically owned treatment works.		
Evaluate Further Study measures in the 2017 Clean Air Plan.		
Analyze greenhouse gas emission reduction strategies applicable to Air District-regulated stationary sources.		
Manage rule development process led by staff in other Sections and Divisions.		
Ensure compliance with Federal and State statutes and regulations governing rule adoption.		
Respond to information requests regarding rule development.		
Develop rules to implement BARCT for Cap-and-Trade Sources as required by AB 617		
Major Objectives		Delivery Date
Finalize new rule to prohibit significant methane release (Rule 13-2)		Jul 2018
Finalize refinery sulfur reduction rule or rules.		July 2018
Finalize VOC definition consolidation		Sep 2018
Finalize rule or rules to address methane landfills, composting operations and publicly-owned treatment works.		Oct 2018
Finalize amendment to gas turbine rule (9-9)		Oct 2018
Finalize new oil and gas rule		Nov 2018
Evaluate Further Study measures in the 2017 Clean Air Plan.		Ongoing
Analyze greenhouse gas emission reduction strategies applicable to Air District-regulated stationary sources.		Ongoing
Manage rule development process led by staff in other Sections and Divisions.		Ongoing
Ensure compliance with Federal and State statutes and regulations governing rule adoption.		Ongoing
Respond to information requests regarding rule development.		Ongoing

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change	
Number of Positions (FTE)	8.80	7.48	9.47	1.99	26.57%	
Personnel Expenditures						
Permanent Salaries	51105	\$974,886	\$987,826	\$1,242,814	\$254,988	25.81%
Overtime Salaries	51150	\$13,489	\$10,000		(\$10,000)	(100.00%)
Temporary Salaries	51200					
Payroll Taxes	51300	\$14,683	\$14,236	\$17,813	\$3,578	25.13%
Pension Benefits	51400	\$152,338	\$163,254	\$240,716	\$77,462	47.45%
FICA Replacement Benefits	51500	\$12,138	\$8,708	\$16,419	\$7,711	88.56%
Group Insurance Benefits	51600	\$153,627	\$142,674	\$152,375	\$9,700	6.80%
Employee Transportation Subsidy	51700	\$10,245	\$13,290	\$16,020	\$2,731	20.55%
Workers' Compensation	51800	\$2,978	\$4,793	\$5,486	\$693	14.45%
Other Post-Employment Benefits	51850	\$107,133	\$83,356	\$95,402	\$12,045	14.45%
Board Stipends	51900					
Total Personnel Expenditures		\$1,441,517	\$1,428,137	\$1,787,044	\$358,908	25.13%
Services & Supplies Expenditures						
Travel In-State	52200	\$288	\$1,100	\$5,500	\$4,400	400.00%
Travel Out-Of-State	52225	\$1,803	\$2,100	\$3,250	\$1,150	54.76%
Training & Education	52300	\$4,258	\$2,900	\$7,750	\$4,850	167.24%
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900	\$30,668	\$20,000	\$30,000	\$10,000	50.00%
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$120,255	\$200,000	\$150,250	(\$49,750)	(24.88%)
General Insurance	53400					
Shop & Field Supplies	53500	\$20		\$100	\$100	
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	\$1,783	\$2,000	\$4,000	\$2,000	100.00%
Stationery & Office Supplies	53900	\$36	\$100		(\$100)	(100.00%)
Books & Journals	54100		\$200	\$200		
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$159,110	\$228,400	\$201,050	(\$27,350)	(11.97%)
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005					
Total Expenditures		\$1,600,627	\$1,656,537	\$1,988,094	\$331,558	20.02%

Finance/Accounting		701
Managing Division: Executive		
Contact Person: Stephanie Osaze		
Program Purpose: The Finance/Accounting Program is responsible for maintaining the fiscal stewardship and financial accountability of the District.		
Description of Program: This program includes receipt and disbursement of District funds, and associated accounting activities. Accounting staff ensure that all receipts and expenditures are consistent with the approved District budget. The program is also responsible for the fiscal maintenance of TFCA, MSIF, CMP, Goods Movement as well as Federal and State grant funding.		
Justification of Change Request: Additional funding for FYE2019 is for management application services for the District's financial system.		
Activities		
Process receipts (checks/credit card payments) on a daily basis. (avg. 1,200 checks/mo).		
Process accounts receivable invoices.		
Process accounts payable invoices (avg. 450 general checks issued per month); record and monitor payments.		
Oversee cash flow to ensure fiscal solvency.		
Reconcile receipts and disbursements with District's Treasurer's Office Reports.		
Prepare quarterly comparison statements for the Budget and Finance Committee presentation.		
Prepare for the annual audit of the District's financial records.		
Prepare annual proposed budget book.		
Reconcile various grants and assist in preparation of reimbursement request reports.		
Major Objectives		Delivery Date
Provide budget variance reports to Program Managers within 30 days of period end.		Monthly
Provide quarterly summary variance reports to Division Directors/Officers.		Quarterly
Complete Annual Financial Report for the State Controller's Office.		Annually
Ensure timely payment of accounts payable.		Daily
Record timely processing of check and credit card receipts.		Daily
Analyze and implement new Budget Software.		June 2019
Assist with implementation of new third party credit card processor		May 2019
Implement new Cost Recovery Database		January 2019

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		8.11	9.85	9.87	0.02	0.23%
Personnel Expenditures						
Permanent Salaries	51105	\$898,613	\$947,430	\$1,021,839	\$74,408	7.85%
Overtime Salaries	51150					
Temporary Salaries	51200	\$751				
Payroll Taxes	51300	\$13,539	\$13,428	\$14,600	\$1,172	8.73%
Pension Benefits	51400	\$140,422	\$177,347	\$200,733	\$23,386	13.19%
FICA Replacement Benefits	51500	\$11,108	\$11,465	\$17,001	\$5,535	48.28%
Group Insurance Benefits	51600	\$141,270	\$181,159	\$189,403	\$8,243	4.55%
Employee Transportation Subsidy	51700	\$11,629	\$17,593	\$15,581	(\$2,012)	(11.44%)
Workers' Compensation	51800	\$2,745	\$6,311	\$5,720	(\$591)	(9.37%)
Other Post-Employment Benefits	51850	\$98,752	\$109,757	\$99,476	(\$10,281)	(9.37%)
Board Stipends	51900					
Total Personnel Expenditures		\$1,318,830	\$1,464,492	\$1,564,353	\$99,861	6.82%
Services & Supplies Expenditures						
Travel In-State	52200	\$2,038	\$2,600	\$3,000	\$400	15.38%
Travel Out-Of-State	52225		\$2,600	\$3,000	\$400	15.38%
Training & Education	52300	\$2,018	\$6,600	\$6,000	(\$600)	(9.09%)
Repair & Maintenance (Equipment)	52400		\$3,000	\$3,300	\$300	10.00%
Communications	52500	\$753	\$1,000	\$1,000		
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900	\$3,431	\$6,000	\$6,000		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$224,994	\$452,500	\$469,000	\$16,500	3.65%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	\$1,457	\$2,000	\$2,000		
Stationery & Office Supplies	53900	\$103	\$3,000	\$3,000		
Books & Journals	54100		\$800	\$800		
Minor Office Equipment	54200	\$2,342	\$3,000	\$3,000		
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$237,185	\$483,100	\$500,100	\$17,000	3.52%
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115	\$345,199				
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures		\$345,199				
Transfer In/Out	70005	(\$48,969)				
Total Expenditures		\$1,852,244	\$1,947,592	\$2,064,453	\$116,861	6.00%

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MEETING HELD ON MARCH 28, 2018

ADMINISTRATIVE RESOURCES DIVISION

The Administrative Resources Division provides administrative and operational support functions for the Air District, and is comprised of the Executive Operations Office, Business and Facilities Office, Diversity, Equity and Inclusion Office, Finance Office and the Human Resources Office.

The Executive Operations Office is responsible for providing overall administration and direction to Air District staff. Through this office, the Executive Officer/APCO interprets and oversees implementation of Board directives and policies and administers the business of the Air District.

The Business and Facilities Office is responsible for contracts, purchasing, non-workers compensation risk management, office support services, planning and operations of Air District facilities, security, safety, and maintenance.

The Diversity, Equity and Inclusion Office is responsible for developing and integrating principles, practices and strategies for diversity, equity, and inclusion.

The Finance Office operates Accounts Payable, Accounts Receivable, Budgeting, Financial Reporting, and other core functions. This program is also responsible for accurate, complete and timely financial information while ensuring proper accounting and internal controls for the District.

The Human Resources Office is responsible for personnel matters including payroll and benefits, labor and employee relations, recruitment and testing, processing personnel actions, employee performance appraisal and recognition programs, organizational development and training, health and safety compliance, workers compensation and special events coordination.

MEETING HELD ON MARCH 28, 2018

Payroll		106
Managing Division: Executive and Administrative Resources		
Contact Person: Judy Yu		
Program Purpose: Administer payroll for District employees and process benefit payments.		
Description of Program: They Payroll Program includes administering all aspects of the Air District's payroll, processing of insurance premium payments, sick leave, annual leave, disability payments, worker's compensation, and other related benefits dealing with payroll. Maintains and utilizes the current Ceridian payroll system.		
Justification of Change Request: The budget has increased to reflect the increase in the Ceridian payroll system's fees.		
Activities		
Process biweekly payroll.		
Maintain time keeping system.		
Perform necessary data entry for payroll program with timekeeping system.		
Audit payroll records.		
Continue to monitor payroll software; review and make needed revisions to the payroll system.		
Process benefit premium payments for accuracy.		
Monitor vacation/leave records.		
Respond to employment verifications and other external request for payroll information.		
Generate payroll reports.		
Major Objectives		Delivery Date
Administer and process payroll in an efficient and effective manner. Assists with problem solving on all aspects of payroll. Compliance with all payroll laws and requirements.		Bi-weekly
Implement conversion of new payroll and timekeeping system.		6/30/2019

MEETING HELD ON MARCH 28, 2018

Payroll

106

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		0.73	0.85	1.66	0.81	95.34%
Personnel Expenditures						
Permanent Salaries	51105	\$81,862	\$92,437	\$171,001	\$78,564	84.99%
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	\$1,232	\$1,316	\$2,443	\$1,128	85.72%
Pension Benefits	51400	\$12,789	\$17,374	\$32,299	\$14,924	85.90%
FICA Replacement Benefits	51500	\$1,021	\$989	\$2,848	\$1,859	187.85%
Group Insurance Benefits	51600	\$12,951	\$14,096	\$28,335	\$14,239	101.01%
Employee Transportation Subsidy	51700	\$845	\$1,506	\$2,043	\$537	35.67%
Workers' Compensation	51800	\$250	\$545	\$962	\$417	76.63%
Other Post-Employment Benefits	51850	\$8,996	\$9,471	\$16,729	\$7,258	76.63%
Board Stipends	51900					
Total Personnel Expenditures		\$119,947	\$137,735	\$256,661	\$118,926	86.34%
Services & Supplies Expenditures						
Travel In-State	52200					
Travel Out-Of-State	52225		\$1,300	\$1,400	\$100	7.69%
Training & Education	52300		\$1,600	\$1,600		
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$104,809	\$110,000	\$115,000	\$5,000	4.55%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$104,809	\$112,900	\$118,000	\$5,100	4.52%
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005	(\$5,069)				
Total Expenditures		\$219,687	\$250,635	\$374,661	\$124,026	49.48%

Benefit Administration		107
Managing Division: Executive and Administrative Resources		
Contact Person: Judy Yu		
Program Purpose: Administer benefits, ergonomics and safety programs for District employees.		
Description of Program: The Benefits Administration Program includes the following District activities: employee and retiree benefits administration, employee benefits recordkeeping, workers' compensation, safety, ergonomics and special events.		
Justification of Change Request:		
Activities		
Administer Policies and Procedures relating to benefits.		
Administer health, dental, and vision care insurance.		
Administer retirement and pension plan.		
Administer life insurance and long-term disability insurance.		
Administer Dependent Care Assistance Plan and Medical Care Reimbursement Plan.		
Administer Workers Compensation Plan		
Administer Deferred Compensation Programs.		
Administer the Employee Assistance Program.		
Administer Cafeteria Plan.		
Administer COBRA.		
Process Human Resource Information system data.		
Administer transit/carpool subsidy.		
Provide orientation for new and separated employees.		
Coordinate Safety Committee activities and administer CalOSHA safety and training requirements.		
Provide adequate safety-related training.		
Administer requirements for respiratory fitness medical examinations.		
Conduct a variety of health and safety events.		
Coordinate Special Event Programs Including Employee Recognition Award program.		
Administer the ergonomics program and coordinate ergonomic assessments for staff.		
Major Objectives		Delivery Date
Administer employee benefit programs.		6/30/2019
Develop and administer the emergency planning components of the District's Safety Program.		6/30/2019
Administer the ergonomic program.		6/30/2019
Provide management and employee consultation regarding benefits administration.		6/30/2019
Review and perform cost benefit analysis of existing benefit contracts and consider lower-cost alternatives to traditional insurance.		6/30/2019
Administer the Human Resources Information System.		6/30/2019
Provide for compliance with Human Resources laws and requirements applying to public employers.		6/30/2019
Provide benefit, safety, and ergonomics related training.		6/30/2019
Coordinate employee recognition program, all hands, and other special events		6/30/2019

Benefit Administration

107

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		1.11	1.70	1.49	(0.21)	(12.64%)
Personnel Expenditures						
Permanent Salaries	51105	\$123,120	\$170,769	\$168,709	(\$2,060)	(1.21%)
Overtime Salaries	51150	\$666				
Temporary Salaries	51200	\$20,894				
Payroll Taxes	51300	\$134,198	\$2,420	\$2,414	(\$6)	(0.25%)
Pension Benefits	51400	\$16,936	\$31,958	\$31,810	(\$148)	(0.46%)
FICA Replacement Benefits	51500	\$186,317	\$201,979	\$2,558	(\$199,421)	(98.73%)
Group Insurance Benefits	51600	\$2,316,189	\$2,562,557	\$2,529,724	(\$32,833)	(1.28%)
Employee Transportation Subsidy	51700	\$1,088	\$2,662	\$2,034	(\$627)	(23.58%)
Workers' Compensation	51800	\$8,242	\$1,089	\$860	(\$229)	(21.01%)
Other Post-Employment Benefits	51850	\$11,903	\$18,943	\$14,963	(\$3,980)	(21.01%)
Board Stipends	51900					
Total Personnel Expenditures		\$2,819,554	\$2,992,376	\$2,753,072	(\$239,303)	(8.00%)
Services & Supplies Expenditures						
Travel In-State	52200	\$2,876	\$2,600	\$2,600		
Travel Out-Of-State	52225					
Training & Education	52300	\$8,364	\$67,400	\$67,400		
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$99,914	\$126,000	\$126,000		
General Insurance	53400					
Shop & Field Supplies	53500	\$34,053	\$35,000	\$35,000		
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$145,208	\$231,000	\$231,000		
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005	(\$119,157)				
Total Expenditures		\$2,845,605	\$3,223,376	\$2,984,072	(\$239,303)	(7.42%)

Organizational Development		109
Managing Division: Executive and Administrative Resources		
Contact Person: Judy Yu		
Program Purpose: Provide appropriate workplace learning and organization development to increase organizational effectiveness and results through training and development activities. Administer wellness events and activities to increase the well-being of the staff.		
Description of Program: The District's training and development program includes career developmental training for all non-management employees; and career developmental training, skills enhancement, safety, knowledge transfer, and succession planning for supervisory and management employees. It includes analysis of needs assessments and implementation of workforce development activities as part of an overall strategy to retain a top performing and motivated workforce. The program also includes the administration and coordination of wellness activities and events.		
Justification of Change Request:		
Activities		
Provide leadership development training as part of overall succession planning.		
Expand management/supervisory training.		
Provide support staff training.		
Provide labor relations training to management staff.		
Provide Ethics, Equal Opportunity, Diversity and Sexual Harassment prevention training.		
Provide coaching and development support to management and staff as needed.		
Administer Educational Reimbursement Program.		
Development of a specialized rotational job development program.		
Provide for targeted division-specific training as requested or needed.		
Provide and support District-wide training programs as requested or needed.		
Coordinate and implement the various wellness activities and events.		
Administer the performance evaluation program.		
Major Objectives		Delivery Date
To provide District Employees with appropriate training and development programs. To provide the District with a defined succession program involving appropriate staffing. To provide training, staffing, and development programs allowing flexibility in the changing needs and priorities of the Air District		6/30/2019
To provide compliance with Federal, State, and local laws which require training applicable to District programs, processes and activities.		6/30/2019
To administer and coordinate the wellness program.		6/30/2019
To develop and implement an online system to track performance evaluation.		6/30/2019
To develop and implement a mentorship program.		6/30/2019

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		0.90	0.76	1.20	0.44	56.88%
Personnel Expenditures						
Permanent Salaries	51105	\$100,600	\$83,477	\$132,311	\$48,834	58.50%
Overtime Salaries	51150	\$692				
Temporary Salaries	51200	\$156				
Payroll Taxes	51300	\$1,517	\$1,187	\$1,892	\$705	59.35%
Pension Benefits	51400	\$15,691	\$15,683	\$24,608	\$8,925	56.91%
FICA Replacement Benefits	51500	\$1,238	\$890	\$2,059	\$1,169	131.31%
Group Insurance Benefits	51600	\$15,773	\$12,817	\$26,155	\$13,339	104.07%
Employee Transportation Subsidy	51700	\$1,030	\$1,357	\$1,739	\$382	28.18%
Workers' Compensation	51800	\$307	\$490	\$695	\$205	41.86%
Other Post-Employment Benefits	51850	\$11,055	\$8,523	\$12,091	\$3,568	41.86%
Board Stipends	51900					
Total Personnel Expenditures		\$148,060	\$124,425	\$201,551	\$77,126	61.99%
Services & Supplies Expenditures						
Travel In-State	52200	\$1,913	\$2,600	\$2,600		
Travel Out-Of-State	52225					
Training & Education	52300	\$147,366	\$197,000	\$177,000	(\$20,000)	(10.15%)
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900	\$26				
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$417	\$200	\$200		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100		\$200	\$200		
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$149,722	\$200,000	\$180,000	(\$20,000)	(10.00%)
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005	(\$6,257)				
Total Expenditures		\$291,525	\$324,425	\$381,551	\$57,126	17.61%

Employment Relations		111
Managing Division: Executive and Administrative Resources		
Contact Person: Judy Yu		
Program Purpose: Provide management and staff support in the area of employment relations.		
Description of Program: The Employment Relations Program includes the following District activities: classification and compensation, employee relations, labor relations, Equal Employment Opportunity (EEO) programs, personnel regulatory compliance, research and recordkeeping.		
Justification of Change Request: None.		
Activities		
Administer, interpret, and implement the Memorandum of Understanding (MOU) and Personnel Policies and Procedures of the Administrative Code.		
Provide management and staff consultation.		
Administer EEO Policy.		
Meet with Employee Association on appropriate subjects.		
Provide support of grievance/arbitration processes.		
Administer Performance Appraisal System.		
Maintain accurate employment records.		
Provide discipline counseling.		
Major Objectives		Delivery Date
MEETING HELD ON MARCH 28, 2018		
Administer, interpret, implement and comply with the MOU and applicable laws, rules and regulations.		6/30/2019
Administer, interpret, implement and comply with the Personnel Policies and Procedures of the Administrative Code and applicable laws, rules and regulations.		6/30/2019
Administer, interpret, implement and comply with the District's Administrative Instructions.		6/30/2019
Administer the Equal Employment Opportunity policy.		6/30/2019
Continue positive relations with the Employees' Association.		6/30/2019
Ensure reliability of employment history and data.		6/30/2019

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		1.74	2.26	1.72	(0.54)	(23.83%)
Personnel Expenditures						
Permanent Salaries	51105	\$192,815	\$247,012	\$210,855	(\$36,157)	(14.64%)
Overtime Salaries	51150	\$1,925				
Temporary Salaries	51200	\$6,627				
Payroll Taxes	51300	\$2,830	\$3,481	\$3,020	(\$462)	(13.26%)
Pension Benefits	51400	\$29,360	\$45,977	\$41,888	(\$4,088)	(8.89%)
FICA Replacement Benefits	51500	\$2,349	\$2,635	\$3,014	\$379	14.36%
Group Insurance Benefits	51600	\$29,686	\$46,066	\$29,086	(\$16,980)	(36.86%)
Employee Transportation Subsidy	51700	\$1,929	\$2,063	\$2,468	\$405	19.62%
Workers' Compensation	51800	\$589	\$1,451	\$999	(\$452)	(31.13%)
Other Post-Employment Benefits	51850	\$21,189	\$25,229	\$17,375	(\$7,853)	(31.13%)
Board Stipends	51900					
Total Personnel Expenditures		\$289,300	\$373,914	\$308,706	(\$65,208)	(17.44%)
Services & Supplies Expenditures						
Travel In-State	52200	\$878	\$6,000	\$6,000		
Travel Out-Of-State	52225					
Training & Education	52300	\$14,551	\$7,000	\$9,000	\$2,000	28.57%
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$297,872	\$241,500	\$261,000	\$19,500	8.07%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900		\$500	\$500		
Books & Journals	54100		\$500	\$500		
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$313,301	\$255,500	\$277,000	\$21,500	8.41%
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005	(\$12,147)				
Total Expenditures		\$590,454	\$629,414	\$585,706	(\$43,708)	(6.94%)

MEETING HELD ON MARCH 28, 2018

Office of Diversity, Equity & Inclusion		113
Managing Division: Executive and Administrative Resources		
Contact Person: Mary Ann Okpalaugo		
Program Purpose: Reflects the Air District's leadership and commitment to diversity, equity and inclusion within the agency and the Bay Area.		
Description of Program: Office of Diversity, Equity and Inclusion (DE&I) - The Air District's Office of DE&I is responsible for developing and integrating principles, practices and strategies for diversity, equity, and inclusion. DEI will be part of the Executive Office and will focus on reviewing Air District programs, policies, procedures, initiatives and funding to ensure that the vital work of bringing a clear equity lens to the Air District's mission of "protecting public health, air quality and the global climate" is achieved.		
Justification of Change Request:		
Activities		
Facilitate Strategy Initiatives: Communication, Education and Awareness; Employment Practices and Recruiting; Empowerment; Mentorship Program Development; Community Outreach and Brand Awareness		
Work to Drive Diversity and Inclusion Initiatives within Air District at all levels and Programs in the Air District		
Leverage Workforce Diversity and Empower Diverse Perspectives throughout Training & Leadership Development		
Establish Practices that Promote Inclusive Voices to Shift Leadership Pipeline		
Participation in Government Alliance on Race & Equity 2018 Implementation Cohort		
MEETING HELD ON MARCH 28, 2018		
Major Objectives		Delivery Date
Partner with Human Resources to determine current initiatives and develop long term strategies to Build Diversity and Inclusion into the Talent Life Cycle to Enhance Employee Engagement and Empower all Voices to Seek Leadership Roles		Ongoing
Develop Strategy to Expand Diversity and Inclusion to Recruiting and Promotional Opportunities to Build Pipeline		Ongoing
Development of Comprehensive Diversity, Equity, and Inclusion Training Program		December 2018
Cultivate a Collaborative, Productive and Inclusive Work Environment that Leverages Diversity and Where Employees Feel Valued - Skill Building Around Conversations and Bias		Ongoing
Complete Local and Regional Government Alliance on Racial Equity Program 2018 Implementation year		December 2018

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		2.00	2.00	-	
Personnel Expenditures					
Permanent Salaries	51105	\$258,657	\$258,177	(\$480)	(0.19%)
Overtime Salaries	51150				
Temporary Salaries	51200				
Payroll Taxes	51300	\$3,685	\$3,700	\$15	0.40%
Pension Benefits	51400	\$48,667	\$51,372	\$2,706	5.56%
FICA Replacement Benefits	51500	\$2,328	\$3,516	\$1,188	51.04%
Group Insurance Benefits	51600	\$38,652	\$48,322	\$9,670	25.02%
Employee Transportation Subsidy	51700	\$3,840	\$2,234	(\$1,606)	(41.82%)
Workers' Compensation	51800	\$1,281	\$1,159	(\$123)	(9.58%)
Other Post-Employment Benefits	51850	\$22,286	\$20,151	(\$2,135)	(9.58%)
Board Stipends	51900				
Total Personnel Expenditures		\$379,396	\$388,631	\$9,235	2.43%
Services & Supplies Expenditures					
Travel In-State	52200	\$4,200	\$4,700	\$500	11.90%
Travel Out-Of-State	52225	\$7,200	\$7,900	\$700	9.72%
Training & Education	52300	\$65,500	\$60,000	(\$5,500)	(8.40%)
Repair & Maintenance (Equipment)	52400				
Communications	52500				
Building Maintenance	52600				
Utilities	52700				
Postage	52800				
Printing & Reproduction	52900	\$5,000	\$5,000		
Equipment Rental	53100				
Rents & Leases	53200				
Professional Services & Contracts	53300	\$418,100	\$400,000	(\$18,100)	(4.33%)
General Insurance	53400				
Shop & Field Supplies	53500				
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800				
Stationery & Office Supplies	53900				
Books & Journals	54100				
Minor Office Equipment	54200				
Depreciation & Amortization	54300				
Non-Capital Assets	54600				
Total Services & Supplies Expenditures		\$500,000	\$477,600	(\$22,400)	(4.48%)
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115				
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125				
Communications Equipment	60130				
General Equipment	60135				
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures					
Transfer In/Out	70005				
Total Expenditures		\$879,396	\$866,231	(\$13,165)	(1.50%)

Recruitment & Testing		114
Managing Division: Executive and Administrative Resources		
Contact Person: Judy Yu		
Program Purpose: The Recruitment and Testing Program conducts recruitment, testing and outreach activities for external and internal candidates to fill vacant positions.		
Description of Program: This Recruitment and Testing Program includes costs associated with outreach and advertising for vacant positions, as well as costs for testing candidates, including retaining external panel members. Maintain equal opportunity recruitment policy and compliance with all laws, policies, and requirements.		
Justification of Change Request: None.		
Activities		
Online or hard copy advertising of vacant positions.		
Participation in job fairs and similar outreach activities.		
Travel to regional and out of state recruitment events and similar activities.		
Duplicating of recruitment materials.		
Special design services for recruiting materials.		
Professional services for specialized executive management recruitments.		
On-going applicant tracking system subscription and professional services fees.		
Conducting screenings of minimum qualifications, supplemental applications, and resumes.		
Coordinating panel interviews and hiring interviews.		
Performing background checks, reference checks, DMV checks and physical abilities checks.		
Utilization of resources for recruitment such as NeoGov		
Major Objectives		Delivery Date
Recruitment and testing conducted for "X" number of vacancies.		6/30/2019
"X" number of new external candidates hired.		6/30/2019
"X" number of internal candidates promoted.		6/30/2019
Compliance with all applicable recruitment policies, requirements and law.		6/30/2019
Maintain Air District's Equal Opportunity Policy for recruitment and testing.		6/30/2019
Implement online testing.		6/30/2019

MET FINST HELD ON MARCH 28, 2018

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change	
Number of Positions (FTE)	2.55	2.60	2.56	(0.04)	(1.62%)	
Personnel Expenditures						
Permanent Salaries	51105	\$282,959	\$274,831	\$281,477	\$6,646	2.42%
Overtime Salaries	51150	\$229				
Temporary Salaries	51200					
Payroll Taxes	51300	\$4,264	\$3,891	\$4,025	\$135	3.46%
Pension Benefits	51400	\$44,239	\$51,384	\$53,524	\$2,139	4.16%
FICA Replacement Benefits	51500	\$3,507	\$3,026	\$4,395	\$1,368	45.21%
Group Insurance Benefits	51600	\$44,654	\$46,852	\$50,067	\$3,215	6.86%
Employee Transportation Subsidy	51700	\$2,906	\$3,430	\$2,848	(\$582)	(16.96%)
Workers' Compensation	51800	\$864	\$1,666	\$1,482	(\$184)	(11.04%)
Other Post-Employment Benefits	51850	\$31,095	\$28,971	\$25,772	(\$3,199)	(11.04%)
Board Stipends	51900					
Total Personnel Expenditures		\$414,718	\$414,051	\$423,590	\$9,539	2.30%
Services & Supplies Expenditures						
Travel In-State	52200	\$292				
Travel Out-Of-State	52225	\$580	\$4,600	\$2,800	(\$1,800)	(39.13%)
Training & Education	52300	\$332				
Repair & Maintenance (Equipment)	52400					
Communications	52500	\$30,121	\$50,000	\$50,000		
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$41,459	\$100,000	\$80,000	(\$20,000)	(20.00%)
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$72,784	\$154,600	\$132,800	(\$21,800)	(14.10%)
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005	(\$17,527)				
Total Expenditures		\$469,976	\$568,651	\$556,390	(\$12,261)	(2.16%)

Facilities		702
Managing Division: Executive and Administrative Resources		
Contact Person: Satnam Hundel		
Program Purpose: Facilities Planning and Maintenance of existing facilities, equipment and supplies.		
Description of Program: The Facilities Planning section provides for the day to day operations of the Air District's office at 375 Beale Street and satellite offices. The development of safety protocols is ongoing, security, and maintenance of existing infrastructure and equipment is ongoing and will include satellite offices.		
Justification of Change Request: None.		
Activities		
Work with BAHA and consultants on facility related projects in reference to shared space and services at 375 Beale Street.		
Respond to emergency facility repair requests.		
Oversee general contractors for the construction of offices and cubicles. Procure furniture and reconfigure cubicle spaces. Oversee electricians and plumbers.		
Routine maintenance at offsite facilities: performing preventive and scheduled maintenance as well as maintenance performed in response to signs of wear and tear observed during planned maintenance activities.		
Conference room set-up and oversee security for Board meetings.		
Major Objectives		Delivery Date
Work with BAHA and consultants on facility related projects in reference to shared space and services at 375 Beale Street.		Ongoing
Respond to emergency facility repair requests.		Ongoing
Oversee general contractors for the construction of offices and cubicles. Procure furniture and reconfigure cubicle spaces. Oversee electricians and plumbers.		Ongoing
Routine maintenance at offsite facilities: performing preventive and scheduled maintenance as well as maintenance performed in response to signs of wear and tear observed during planned maintenance activities.		Ongoing
Conference room set-up and oversee security for Board meetings.		Ongoing

Facilities

702

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		2.51	2.08	1.99	(0.09)	(4.31%)
Personnel Expenditures						
Permanent Salaries	51105	\$278,205	\$168,466	\$173,357	\$4,892	2.90%
Overtime Salaries	51150	\$4,532				
Temporary Salaries	51200	\$81,679				
Payroll Taxes	51300	\$4,140	\$2,391	\$2,470	\$80	3.33%
Pension Benefits	51400	\$42,980	\$31,573	\$34,299	\$2,726	8.63%
FICA Replacement Benefits	51500	\$3,458	\$2,416	\$3,403	\$986	40.81%
Group Insurance Benefits	51600	\$43,364	\$32,719	\$47,928	\$15,208	46.48%
Employee Transportation Subsidy	51700	\$4,063	\$1,752	\$1,942	\$190	10.84%
Workers' Compensation	51800	\$850	\$1,330	\$1,151	(\$179)	(13.47%)
Other Post-Employment Benefits	51850	\$30,573	\$23,133	\$20,016	(\$3,116)	(13.47%)
Board Stipends	51900					
Total Personnel Expenditures		\$493,844	\$263,779	\$284,566	\$20,786	7.88%
Services & Supplies Expenditures						
Travel In-State	52200	\$216				
Travel Out-Of-State	52225					
Training & Education	52300		\$600		(\$600)	(100.00%)
Repair & Maintenance (Equipment)	52400		\$16,500	\$25,000	\$8,500	51.52%
Communications	52500					
Building Maintenance	52600	\$59,323	\$232,000	\$325,000	\$93,000	40.09%
Utilities	52700	\$3,731	\$55,000	\$65,000	\$10,000	18.18%
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200	\$20,974				
Professional Services & Contracts	53300	\$452,375	\$192,500	\$250,000	\$57,500	29.87%
General Insurance	53400					
Shop & Field Supplies	53500	\$1,431	\$3,000	\$3,000		
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900	\$568				
Books & Journals	54100					
Minor Office Equipment	54200			\$100,000	\$100,000	
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$538,618	\$499,600	\$768,000	\$268,400	53.72%
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005	(\$20,871)				
Total Expenditures		\$1,011,591	\$763,379	\$1,052,566	\$289,186	37.88%

Communications		703
Managing Division: Executive and Administrative Resources		
Contact Person: Satnam Hundel		
Program Purpose: Maintenance of the day-to-day communication and reproduction operations of the District.		
Description of Program: The day-to-day administrative operations include: sorting and distribution of incoming and outgoing mail, and processing reproduction and subscription requests.		
Justification of Change Request: None.		
Activities		
Process incoming and outgoing mail (outgoing approximately 30,000 pieces/month).		
Maintain subscription service for District publications (Air Currents).		
Process Directory changes.		
Process photocopying requests, including document binding and package preparation.		
Sort and distribute incoming mail and packages in-house		
Prepare and mail board packets, asbestos reports, permits, permit invoices, data update forms, and other materials as requested.		
Receive and sign for incoming deliveries.		
Major Objectives		Delivery Date
Process incoming and outgoing mail (outgoing approximately 30,000 pieces/month).		Daily
Sort and distribute incoming mail and packages in-house		Daily

MEETINGS HELD ON MARCH 28, 2018

Communications

703

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		2.05	2.50	2.04	(0.46)	(18.47%)
Personnel Expenditures						
Permanent Salaries	51105	\$227,200	\$168,959	\$120,765	(\$48,194)	(28.52%)
Overtime Salaries	51150	\$8,199				
Temporary Salaries	51200	\$45,161				
Payroll Taxes	51300	\$3,429	\$2,348	\$1,706	(\$642)	(27.33%)
Pension Benefits	51400	\$35,635	\$31,016	\$21,699	(\$9,317)	(30.04%)
FICA Replacement Benefits	51500	\$2,838	\$2,906	\$3,486	\$580	19.96%
Group Insurance Benefits	51600	\$36,468	\$47,515	\$33,546	(\$13,968)	(29.40%)
Employee Transportation Subsidy	51700	\$3,793	\$4,373	\$3,926	(\$447)	(10.23%)
Workers' Compensation	51800	\$694	\$1,599	\$1,179	(\$420)	(26.28%)
Other Post-Employment Benefits	51850	\$24,968	\$27,815	\$20,505	(\$7,310)	(26.28%)
Board Stipends	51900					
Total Personnel Expenditures		\$388,384	\$286,532	\$206,813	(\$79,719)	(27.82%)
Services & Supplies Expenditures						
Travel In-State	52200					
Travel Out-Of-State	52225					
Training & Education	52300	\$538	\$1,600		(\$1,600)	(100.00%)
Repair & Maintenance (Equipment)	52400	\$2,298	\$53,000		(\$53,000)	(100.00%)
Communications	52500	\$215,142	\$200,000	\$220,000	\$20,000	10.00%
Building Maintenance	52600					
Utilities	52700					
Postage	52800	\$50,831	\$74,000	\$84,000	\$10,000	13.51%
Printing & Reproduction	52900		\$11,000	\$2,200	(\$8,800)	(80.00%)
Equipment Rental	53100	\$57,659	\$30,000	\$33,000	\$3,000	10.00%
Rents & Leases	53200					
Professional Services & Contracts	53300	\$196,823	\$500,000	\$490,000	(\$10,000)	(2.00%)
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900	\$638				
Books & Journals	54100					
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$523,929	\$869,600	\$829,200	(\$40,400)	(4.65%)
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005	(\$16,414)				
Total Expenditures		\$895,899	\$1,156,132	\$1,036,013	(\$120,119)	(10.39%)

375 Beale Street		707
Managing Division: Executive and Administrative Resources		
Contact Person: Satnam Hundel		
Program Purpose: The cost associated with the Air District's office space located at 375 Beale Street.		
Description of Program: This program will pay for the lease payments associated the Air District's financing ownership interest of its portion of the new facility through the issuance of a private placement of Certificate of Participation Notes (COPS) with the Bay Area Housing Authority.		
Justification of Change Request: None.		
Activities		
Payment towards the Air District's financing obligation (COPS).		
Major Objectives		Delivery Date
Make monthly payments of \$100,000 towards the financing obligations for the FYE 2018/2019		Monthly

MEETING HELD ON MARCH 28, 2018

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)				-	
Personnel Expenditures					
Permanent Salaries	51105				
Overtime Salaries	51150				
Temporary Salaries	51200				
Payroll Taxes	51300				
Pension Benefits	51400				
FICA Replacement Benefits	51500				
Group Insurance Benefits	51600				
Employee Transportation Subsidy	51700				
Workers' Compensation	51800				
Other Post-Employment Benefits	51850				
Board Stipends	51900				
Travel In-State	52200				
Travel Out-Of-State	52225				
Training & Education	52300				
Repair & Maintenance (Equipment)	52400				
Communications	52500				
Building Maintenance	52600				
Utilities	52700				
Postage	52800				
Printing & Reproduction	52900				
Equipment Rental	53100				
Rents & Leases	53200	\$1,300,000	\$1,300,000		
Professional Services & Contracts	53300	\$9,286			
General Insurance	53400				
Shop & Field Supplies	53500				
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800				
Stationery & Office Supplies	53900				
Books & Journals	54100				
Minor Office Equipment	54200				
Depreciation & Amortization	54300				
Non-Capital Assets	54600				
Total Services & Supplies Expenditures	\$9,286	\$1,300,000	\$1,300,000		
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105	\$30,221			
Office Equipment	60110				
Computer & Network Equipment	60115				
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125				
Communications Equipment	60130				
General Equipment	60135				
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures	\$30,221				
Transfer Out	70005	(\$7,377)			
Total Expenditures	\$32,130	\$1,300,000	\$1,300,000		

MEETING HELD ON MARCH 28, 2018

Purchasing		708
Managing Division: Executive and Administrative Resources		
Contact Person: Satnam Hundel		
Program Purpose: Provide for the purchasing of equipment and supplies and the negotiating of service contracts.		
Description of Program: The purchasing section is responsible for the procurement of services, equipment and supplies. The section facilitates the administration of limited access license agreements, lease agreements, professional service contracts, and request for proposals/qualifications. The section is also responsible for the property management administration of various insurance policies, and the coordination of the disposal of surplus equipment.		
Justification of Change Request: None.		
Activities		
Process purchase order requests.		
Approve the purchase of necessary office supplies as requested by District personnel.		
Administer District service contracts and negotiate lease renewals.		
Process service requests on equipment under maintenance.		
Deliver requested office supplies.		
Negotiate best price on sale of surplus equipment.		
Manage District insurance policies		
Major Objectives		Delivery Date
Process purchase order requests.		Daily
Approve the purchase of necessary office supplies as requested by District personnel.		Ongoing
Administer District service contracts, leases, and limited access license agreements.		Ongoing

MEETING HELD ON MARCH 28, 2018

Purchasing

708

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		2.20	2.02	3.00	0.98	48.83%
Personnel Expenditures						
Permanent Salaries	51105	\$244,229	\$242,819	\$352,080	\$109,262	45.00%
Overtime Salaries	51150	\$789				
Temporary Salaries	51200					
Payroll Taxes	51300	\$3,677	\$3,408	\$5,039	\$1,631	47.86%
Pension Benefits	51400	\$38,186	\$45,015	\$69,974	\$24,960	55.45%
FICA Replacement Benefits	51500	\$3,026	\$2,346	\$5,229	\$2,883	122.86%
Group Insurance Benefits	51600	\$38,567	\$44,279	\$45,151	\$872	1.97%
Employee Transportation Subsidy	51700	\$3,586	\$3,868	\$6,118	\$2,251	58.19%
Workers' Compensation	51800	\$746	\$1,291	\$1,738	\$447	34.58%
Other Post-Employment Benefits	51850	\$26,839	\$22,461	\$30,227	\$7,766	34.58%
Board Stipends	51900					
Total Personnel Expenditures		\$359,645	\$365,487	\$515,557	\$150,070	41.06%
Services & Supplies Expenditures						
Travel In-State	52200	\$13				
Travel Out-Of-State	52225					
Training & Education	52300		\$1,000	\$1,100	\$100	10.00%
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900	\$6,432	\$31,300	\$40,000	\$8,200	25.79%
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300					
General Insurance	53400	\$325,912	\$636,000	\$345,000	(\$291,000)	(45.75%)
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900	\$12,928	\$90,000	\$100,000	\$10,000	11.11%
Books & Journals	54100					
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$355,285	\$758,800	\$486,100	(\$272,700)	(35.94%)
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005	(\$15,199)				
Total Expenditures		\$699,731	\$1,124,287	\$1,001,657	(\$122,630)	(10.91%)

Shared Services		709
Managing Division: Executive and Administrative Resources		
Contact Person: Satnam Hundel		
Program Purpose: Sharing of limited business operations and technology functions between the Air District, Metropolitan Transportation Commission, and the Association of Bay Area Governments at 375 Beale Street.		
Description of Program: Shared services between the Air District, Metropolitan Transportation Commission and the Association of Bay Area Governments, including personnel and shared business operations, IT license and maintenance agreements required for a shared services component for the agencies.		
Justification of Change Request: The shared services component includes general services and technology functions: personnel, conference room scheduling, conference room set-up, video conferencing, webcasting, copy/print/mail production and distribution, shared fleet management, shuttle service, wellness center; email, calendaring, telephone systems, wireless network, internet connectivity, printing, electronic file storage, server rooms maintenance		
Activities		
Maintain service level agreements with partner agencies		
Maintain communication plan for building protocols		
Maintain and develop training materials for new technologies and services available at 375 Beale Street		
Maintain Shared Services Budget and Responsibilities		
MEETING HELD ON MARCH 28, 2018		
Major Objectives		Delivery Date
Maintain service level agreements with partner agencies		Ongoing
Maintain communication plan for building protocols		Ongoing
Maintain and develop training materials for new technologies and services available at 375 Beale Street		Ongoing
Maintain Shared Services Budget and Responsibilities		Ongoing

Shared Services

709

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)			1.00	1.00	
Personnel Expenditures					
Permanent Salaries	51105		\$103,373	\$103,373	
Overtime Salaries	51150				
Temporary Salaries	51200				
Payroll Taxes	51300		\$1,477	\$1,477	
Pension Benefits	51400		\$20,509	\$20,509	
FICA Replacement Benefits	51500		\$1,713	\$1,713	
Group Insurance Benefits	51600		\$11,821	\$11,821	
Employee Transportation Subsidy	51700		\$1,942	\$1,942	
Workers' Compensation	51800		\$579	\$579	
Other Post-Employment Benefits	51850		\$10,076	\$10,076	
Board Stipends	51900				
Total Personnel Expenditures			\$151,490	\$151,490	
Services & Supplies Expenditures					
Travel In-State	52200				
Travel Out-Of-State	52225				
Training & Education	52300				
Repair & Maintenance (Equipment)	52400				
Communications	52500				
Building Maintenance	52600				
Utilities	52700				
Postage	52800				
Printing & Reproduction	52900				
Equipment Rental	53100				
Rents & Leases	53200				
Professional Services & Contracts	53300	\$2,481,508	\$2,100,000	\$2,100,000	
General Insurance	53400				
Shop & Field Supplies	53500				
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800				
Stationery & Office Supplies	53900				
Books & Journals	54100				
Minor Office Equipment	54200				
Depreciation & Amortization	54300				
Non-Capital Assets	54400				
Total Services & Supplies Expenditures		\$2,481,508	\$2,100,000	\$2,100,000	
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115				
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125				
Communications Equipment	60130				
General Equipment	60135				
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures					
Transfer Out	70005				
Total Expenditures		\$2,481,508	\$2,100,000	\$2,251,490	\$151,490 7.21%

MEETING HELD ON MARCH 28, 2018

Fleet Services		710
Managing Division: Executive and Administrative Resources		
Contact Person: Satnam Hundel		
Program Purpose: Fleet maintenance and inspection to ensure safe and reliable transportation.		
Description of Program: The vehicle maintenance section includes the maintenance of the District's 123-vehicle fleet, vehicle financing, tracking and diagnostics fuel records of District vehicles. All vehicle maintenance is outsourced for service. As of FYE 2018/19, ninety-four (94) vehicles are leased from Enterprise Fleet Services on a Full Maintenance Program. One (1) Electric vehicle is leased from Nissan Motor Acceptance Corporation where routine services are covered by the vehicle warranty plan; one (1) Hydrogen Fuel Cell vehicle is leased from Anderson Honda Motors Co. Inc; and twenty-seven (27) vehicles are owned by the District and are included in the Enterprise Maintenance Management Program in which Enterprise assists the District in handling all scheduled and non-scheduled repairs.		
Justification of Change Request: None.		
Activities		
Perform factory-recommended preventive and routine vehicle maintenance.		
Maintain service support for response to emergency calls within one hour.		
Manage insurance contracts on District vehicles; process damage claims.		
Train staff in new technology in vehicle maintenance, evaluation and repairs.		
Modify and maintain up-to-date vehicle maintenance procedures.		
Oversee Enterprise-leased vehicles maintenance appointments.		
Perform yearly smog checks and reports on District vehicles.		
Quarterly Fuel Reporting.		
Vehicle disposal and purchasing.		
Cost management and billing.		
Plan and prepare annual budget, expenditures and analyze all financial objectives		
Create/update fleet policy and procedures, to include vehicle assignment, personal use, replacement policy, accident reporting process, and other procedures		
Major Objectives		Delivery Date
Completion of yearly maintenance on all District vehicles.		Annually
Completion of annual smog check for District vehicles.		Annually
Reduce the District vehicles carbon foot print with alternative fuel options such as Hybrid Vehicles, Electric Vehicles (EVs), and Hydrogen Fuel Cell		On-going

Fleet Services

710

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)			0.72	0.83	0.11	14.94%
Personnel Expenditures						
Permanent Salaries	51105		\$80,008	\$94,546	\$14,537	18.17%
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300		\$1,130	\$1,353	\$223	19.69%
Pension Benefits	51400		\$14,926	\$18,783	\$3,857	25.84%
FICA Replacement Benefits	51500		\$841	\$1,423	\$582	69.13%
Group Insurance Benefits	51600		\$14,795	\$21,559	\$6,764	45.72%
Employee Transportation Subsidy	51700		\$1,266		(\$1,266)	(100.00%)
Workers' Compensation	51800		\$463	\$481	\$18	3.93%
Other Post-Employment Benefits	51850		\$8,053	\$8,370	\$317	3.93%
Board Stipends	51900					
Total Personnel Expenditures			\$121,483	\$146,514	\$25,031	20.60%
Services & Supplies Expenditures						
Travel In-State	52200	\$5,401				
Travel Out-Of-State	52225					
Training & Education	52300	\$277	\$2,000	\$2,000		
Repair & Maintenance (Equipment)	52400	\$8,357	\$11,500	\$11,500		
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200	\$472,001	\$600,000	\$600,000		
Professional Services & Contracts	53300	\$6,761	\$11,500	\$11,500		
General Insurance	53400	\$35,281	\$55,000	\$55,000		
Shop & Field Supplies	53500	\$362				
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700	\$192,258	\$230,000	\$230,000		
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$720,698	\$910,000	\$910,000		
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005					
Total Expenditures		\$720,698	\$1,031,483	\$1,056,514	\$25,031	2.43%

MEETING HELD ON MARCH 28, 2018

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MEETING HELD ON MARCH 28, 2018

LEGAL SERVICES DIVISION

The District Counsel provides legal advice, counseling and representation to the Board of Directors and its Committees, the Executive Officer/APCO, District staff, and the Advisory Council in the execution of their respective statutory mandates and responsibilities. The District Counsel also represents, or manages outside counsel, representing the District in all litigation involving the District and in matters before the District's Hearing Board. The District Counsel primarily practices in the areas of general civil law, Federal, State and local air pollution control law, administrative law, Federal and State civil litigation, government law and the California Environmental Quality Act (CEQA).

The District Counsel will continue to implement significant changes in the Mutual Settlement and Civil Penalty Programs; such efforts over the past several fiscal years have been very effective in improving these programs. Efforts by District Counsel's attorneys and the Mutual Settlement Program staff have resulted in a nearly complete effort of resolving the existing inventory of enforcement cases. In addition, implementation of a Small Claims Court program for some enforcement cases in which settlement could not be reached through pre-litigation negotiation has been highly successful. The efforts to be undertaken this fiscal year are once again designed to properly implement legal requirements regarding settlements, deter repeat violations, impose civil penalties commensurate with the nature of the air quality violation involved, remove the economic benefit of violations, and encourage rule compliance by the regulated community. This fiscal year, District Counsel will continue the development and improvement of the Mutual Settlement Program. The District Counsel will also continue to coordinate with, and provide training for, Compliance and Enforcement Division staff regarding case development. These efforts will ensure that effective enforcement cases are built from the beginning of investigations, and will result in more effective settlements and prosecutions. The District Counsel's attorneys will continue their focus on civil penalty enforcement investigations and actions, including civil litigation and, where appropriate, Hearing Board enforcement proceedings.

District Counsel's attorneys will continue to advise District staff on rulemaking, permitting and air quality planning activities. In this regard, District Counsel will continue its efforts to coordinate closely with the District's staff on these issues to minimize challenges to District decision-making. District Counsel will also continue to represent the Executive Officer/APCO before the Hearing Board, counsel the Board of Directors and its Committees as to their legal authority and duties and interact with EPA, CARB, other Air Districts and private attorneys on various matters. District Counsel will continue to use outside labor/employment law firms to handle the specialized practice of labor and employment law counseling, negotiations and litigation. Due in large part to the efforts of attorneys in the District Counsel's office, the vast majority of the litigation pending against the District was resolved in FYE 2005. Cases filed in the intervening years have been more efficiently addressed and resolved. In addition to continuing to provide pre-litigation counseling, and to handle litigation matters internally, the District Counsel will continue to manage the efforts of outside counsel as appropriate in litigation, employment, and specialized counseling matters.

The District Counsel will continue to provide the Board of Directors, the Executive Officer/APCO and District staff with exemplary legal counsel and representation.

Legal Counsel	201
Managing Division: Legal	
Contact Person: Brian C. Bungler	
Program Purpose: To advise, counsel and assist the Board of Directors, the Executive Officer/APCO, and District staff on all legal matters related to the Air District's clean air mission and operations.	
Description of Program: The Air District Counsel provides a wide variety of legal services to the Board of Directors, the Executive Officer/APCO, Advisory Council, and District staff. Those services include advising and counseling on issues arising under Federal and State air pollution laws, the Brown Act, the California Environmental Quality Act (CEQA), the Public Records Act, and conflict of interest laws. Attorneys in the District Counsel's office prepare and review complex contracts, provide legal opinions and advice on rule development, and governmental and general law issues, such as enforcement, permitting and air quality planning matters. Work in the District Counsel's office also includes the development and implementation of legal policy documents for the District.	
Justification of Change Request: None.	
Activities	
Staff all Board of Director and Board Committee meetings and provide legal advice and direction, as necessary, at such meetings.	
Draft all necessary resolutions for adoption by the Board of Directors.	
Provide all legal opinions, reports and correspondence requested by the Board of Directors, the Advisory Council and the Executive Officer/APCO.	
Provide all legal opinions, reports and correspondence requested by the Board of Directors, the Advisory Council and the Executive Officer/APCO.	
Review and comment on all legislative proposals affecting the District.	
Provide legal advice and review of all rule adoptions and amendments including CEQA analysis.	
Staff all meetings with District staff, members of the public, representatives of other public agencies, environmental groups, industry, the press and legislative representatives involving District permitting, rule development or enforcement.	
Provide legal advice, direction and contract drafting to administration of TFCA.	
Advise and assist the Executive Officer/APCO and District staff in legal matters involving contracts, the Public Records Act, conflicts of interest, leases and copyrights.	
Provide all staff support functions associated with the above activities.	
Advise Air District staff and the Board of Directors on all issues related to the Federal Clean Air Act, California Clean Air Act and associated State and Federal regulations.	
Major Objectives	Delivery Date

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		8.97	7.39	7.79	0.40	5.45%
Personnel Expenditures						
Permanent Salaries	51105	\$993,137	\$1,143,386	\$1,345,477	\$202,091	17.67%
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	\$14,969	\$16,311	\$19,339	\$3,028	18.56%
Pension Benefits	51400	\$154,905	\$215,425	\$262,938	\$47,513	22.06%
FICA Replacement Benefits	51500	\$12,230	\$8,600	\$13,906	\$5,306	61.71%
Group Insurance Benefits	51600	\$155,010	\$149,179	\$138,097	(\$11,083)	(7.43%)
Employee Transportation Subsidy	51700	\$10,575	\$11,197	\$12,943	\$1,745	15.59%
Workers' Compensation	51800	\$3,034	\$4,734	\$4,514	(\$220)	(4.65%)
Other Post-Employment Benefits	51850	\$109,139	\$82,322	\$78,496	(\$3,827)	(4.65%)
Board Stipends	51900					
Total Personnel Expenditures		\$1,452,999	\$1,631,154	\$1,875,708	\$244,554	14.99%
Services & Supplies Expenditures						
Travel In-State	52200	\$1,156	\$3,000	\$3,000		
Travel Out-Of-State	52225	\$1,879	\$2,000	\$2,000		
Training & Education	52300	\$2,081	\$5,500	\$5,500		
Repair & Maintenance (Equipment)	52400					
Communications	52500	\$6,393	\$8,200	\$8,000	(\$200)	(2.44%)
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900	\$2,337	\$2,500	\$2,500		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$49,490	\$20,000	\$20,000		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900	\$933				
Books & Journals	54100	\$29,084	\$65,000	\$65,000		
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$93,352	\$106,200	\$106,000	(\$200)	(0.19%)
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005	(\$61,406)				
Total Expenditures		\$1,484,945	\$1,737,354	\$1,981,708	\$244,354	14.06%

Hearing Board Proceedings		202
Managing Division:		
Legal		
Contact Person:		
Brian C. Bunger		
Program Purpose:		
To represent the Air District in all proceedings involving variances, orders of abatement, permit appeals and permit revocations before the Air District's Hearing Board.		
Description of Program:		
The Air District Counsel provides all necessary legal representation and counsel for the District in variance, order of abatement, permit appeal and permit revocation actions before the Air District's Hearing Board. Permit holders may seek variance relief from the Hearing Board when they are unable to meet a District rule or permit requirement as long as state law requirements are met. The District may seek orders of abatement against facilities for on-going violations, or seek to revoke those facilities' permits. The Air District Counsel also represents the District in appeals by applicants or third parties to permit, emission reduction credit, and interchangeable emission reduction credit decisions made by the District. In addition, the Air District Counsel works with the Hearing Board's members and staff to improve the Hearing Board's rules and procedures.		
Justification of Change Request:		
None.		
Activities		
Review and advise Air District staff regarding the legal and factual sufficiency of variance requests.		
Prepare and/or review all required written correspondence, pleadings and orders.		
Represent the Air District in all Hearing Board matters, including preparing all written submissions for these cases.		
Prepare Air District witnesses for hearings.		
Provide staff support functions associated with the above activities.		
Major Objectives		Delivery Date

MEETING HELD ON MARCH 28, 2018

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	0.45	0.26	0.17	(0.09)	(33.84%)
Personnel Expenditures					
Permanent Salaries	51105 \$50,160	\$47,439	\$32,183	(\$15,256)	(32.16%)
Overtime Salaries	51150				
Temporary Salaries	51200				
Payroll Taxes	51300 \$761	\$681	\$463	(\$219)	(32.08%)
Pension Benefits	51400 \$7,787	\$9,000	\$6,427	(\$2,573)	(28.59%)
FICA Replacement Benefits	51500 \$579	\$305	\$313	\$8	2.50%
Group Insurance Benefits	51600 \$7,974	\$4,833	\$3,883	(\$949)	(19.65%)
Employee Transportation Subsidy	51700 \$539	\$534	\$388	(\$146)	(27.41%)
Workers' Compensation	51800 \$153	\$168	\$101	(\$68)	(40.18%)
Other Post-Employment Benefits	51850 \$5,512	\$2,924	\$1,749	(\$1,175)	(40.18%)
Board Stipends	51900				
Total Personnel Expenditures	\$73,465	\$65,885	\$45,507	(\$20,378)	(30.93%)
Services & Supplies Expenditures					
Travel In-State	52200				
Travel Out-Of-State	52225				
Training & Education	52300				
Repair & Maintenance (Equipment)	52400				
Communications	52500				
Building Maintenance	52600				
Utilities	52700				
Postage	52800				
Printing & Reproduction	52900				
Equipment Rental	53100				
Rents & Leases	53200				
Professional Services & Contracts	53300				
General Insurance	53400				
Shop & Field Supplies	53500				
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800				
Stationery & Office Supplies	53900				
Books & Journals	54100				
Minor Office Equipment	54200				
Depreciation & Amortization	54300				
Non-Capital Assets	54600				
Total Services & Supplies Expenditures					
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115				
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125				
Communications Equipment	60130				
General Equipment	60135				
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures					
Transfer Out	70005				
Total Expenditures	\$73,465	\$65,885	\$45,507	(\$20,378)	(30.93%)

MEETING HELD ON MARCH 28, 2018

Penalties Enforcement & Settlement		203
Managing Division: Legal		
Contact Person: Brian C. Bungler		
Program Purpose: To remove the economic benefit from, and provide a credible and effective deterrence to, violations of Air District Rules by reaching settlements or pursuing penalty enforcement actions fairly and consistently.		
Description of Program: The Air District Counsel, in cooperation with the Enforcement and Compliance Division, enforces the Air District's rules by reaching informal settlements through the Mutual Settlement Program, by pursuing administrative enforcement actions (orders of abatement and revocation of permits), by filing and prosecuting civil penalty actions, or by referring cases to other agencies for consideration of civil or criminal enforcement actions within those agencies' jurisdiction.		
Justification of Change Request: None.		
Activities		
Administer Mutual Settlement Program.		
Pursue Small Claims Court actions to collect civil penalties.		
Provide full time clerical staff support for this program.		
Prepare witnesses and documentary evidence for administrative hearings and civil litigation associated with actions to recover civil penalties.		
Meet and confer with District staff and defendants to discuss settlement or to advance litigation.		
Represent the District in all court hearings, settlement conferences and civil discovery.		
Coordinate the referral of cases for civil and criminal prosecution to District Attorney offices and other agencies with jurisdiction over air quality issues.		
Prepare all correspondence and prepare and file all pleadings in civil and administrative actions.		
Settle or pursue enforcement actions on all Notices of Violation (NOVs).		
Major Objectives		Delivery Date

Penalties Enforcement & Settlement

203

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		4.61	3.98	3.80	(0.18)	(4.55%)
Personnel Expenditures						
Permanent Salaries	51105	\$510,698	\$551,400	\$528,861	(\$22,539)	(4.09%)
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	\$7,710	\$7,861	\$7,585	(\$276)	(3.51%)
Pension Benefits	51400	\$79,602	\$103,823	\$104,323	\$499	0.48%
FICA Replacement Benefits	51500	\$6,180	\$4,630	\$6,641	\$2,011	43.42%
Group Insurance Benefits	51600	\$81,853	\$79,381	\$60,406	(\$18,976)	(23.90%)
Employee Transportation Subsidy	51700	\$5,638	\$5,459	\$7,264	\$1,805	33.07%
Workers' Compensation	51800	\$1,560	\$2,549	\$2,200	(\$349)	(13.69%)
Other Post-Employment Benefits	51850	\$56,122	\$44,324	\$38,256	(\$6,068)	(13.69%)
Board Stipends	51900					
Total Personnel Expenditures		\$749,363	\$799,427	\$755,535	(\$43,892)	(5.49%)
Services & Supplies Expenditures						
Travel In-State	52200	\$268	\$2,800	\$2,800		
Travel Out-Of-State	52225					
Training & Education	52300		\$2,000	\$2,000		
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$495,000				
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100		\$1,000	\$1,000		
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$495,268	\$5,800	\$5,800		
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005					
Total Expenditures		\$1,244,631	\$805,227	\$761,335	(\$43,892)	(5.45%)

Litigation	205
Managing Division: Legal	
Contact Person: Brian C. Bunger	
Program Purpose: To represent and oversee the Air District representation in State and Federal courts.	
Description of Program: Individuals, corporations and organizations may sue the Air District in State or Federal court over District actions; the District Counsel represents the District in such matters. The District Counsel also directs the efforts of outside counsel handling such litigation and advising the District in specialized legal areas such as labor law, employment law and tort actions.	
Justification of Change Request: None.	
Activities	
Represent Air District in State court actions.	
Represent Air District in Federal court actions.	
Provide litigation status reports to Air District Board of Directors.	
Legal research for litigation matters.	
Monitor and direct activities of outside counsel in general litigation and specialized legal areas such as labor law, employment law and tort actions.	
Provide clerical support for litigation matters.	
Major Objectives	Delivery Date
MEETING HELD ON MARCH 28, 2018	

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change	
Number of Positions (FTE)	1.87	1.31	1.21	(0.10)	(7.69%)	
Personnel Expenditures						
Permanent Salaries	51105	\$208,076	\$229,459	\$229,521	\$62	0.03%
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	\$3,129	\$3,289	\$3,302	\$13	0.38%
Pension Benefits	51400	\$32,562	\$43,439	\$45,139	\$1,700	3.91%
FICA Replacement Benefits	51500	\$2,640	\$1,525	\$2,170	\$645	42.32%
Group Insurance Benefits	51600	\$33,130	\$24,239	\$26,042	\$1,803	7.44%
Employee Transportation Subsidy	51700	\$2,153	\$1,901	\$2,666	\$765	40.23%
Workers' Compensation	51800	\$636	\$839	\$700	(\$139)	(16.53%)
Other Post-Employment Benefits	51850	\$22,866	\$14,595	\$12,182	(\$2,413)	(16.53%)
Board Stipends	51900					
Total Personnel Expenditures		\$305,193	\$319,285	\$321,722	\$2,437	0.76%
Services & Supplies Expenditures						
Travel In-State	52200					
Travel Out-Of-State	52225					
Training & Education	52300		\$3,000	\$3,000		
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800		\$2,300	\$2,300		
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$66,796	\$235,000	\$235,000		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200		\$7,000	\$7,000		
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$66,796	\$247,300	\$247,300		
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005					
Total Expenditures**		\$371,988	\$566,585	\$569,022	\$2,437	0.43%

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MEETING HELD ON MARCH 28, 2018

COMMUNICATIONS OFFICE

The Communications Office coordinates all agency media outreach, Air District messaging, crisis communications, media relations as well as print, digital and social media outreach for the Air District. The Office provides media and public outreach about the Air District's programs, operations and emergency response.

The Office manages advertising and outreach for Spare the Air, Winter Spare the Air, the Employer Program and the Commuter Benefits Program. The Office oversees the Air District and Spare the Air social media sites, strategies and programs. The Office maintains the Spare the Air website and related sites and the Spare the Air mobile apps. The Office represents the Air District at community events for Spare the Air throughout the region.

Office functions include production of publications and digital collateral for the general public. This includes publishing newsletters, the annual report, videos and collateral materials. The office also provides and oversees graphic design services.

MEETING HELD ON MARCH 28, 2018

Media Relations		301
Managing Division: Communications Office		
Contact Person: Kristine Roselius		
Program Purpose: Act as the Air District's main point of contact to the public through media and social media. Increase public awareness and understanding of the roles that the public and the Air District have in creating behavior change and reducing air pollution.		
Description of Program: Provide proactive media outreach about air quality issues, Air District programs and the purpose and functions of the agency through printed materials, media events, promotional materials, baaqmd.gov website, press releases, publications videos, podcasts, mobile apps and social media. Develop graphically appealing and compelling images to better message Air District efforts on social media, presentations and displays.		
Justification of Change Request: Budget increased due to new staff and training requirements as well as adding translation costs for all press releases to this budget.		
Activities		
Maintain up-to-date and relevant air quality information on the Air District website.		
Develop video and audio podcasts about air quality issues and the Air District's programs and rules		
Produce publications including plans, brochures, booklets and other Air District documents.		
Issue press releases and host media events highlighting Air District accomplishments.		
Coordinate the Air District presence at events and fairs throughout the region.		
Develop and implement media, social media and communication strategies around major Air District policies and issues.		
Develop and maintain effective working relationships with members of the media and social media influencers.		
Track and analyze print, internet, radio, social media and television coverage of the Air District.		
Provide development opportunities for staff related to activities and objectives of the Air District.		
Develop emergency response internal, media and social media outreach procedures		
Develop crisis communications internal, media and social media outreach procedures		
Development and management of Air District social media sites		
Major Objectives		Delivery Date
Produce 2018 Air District Annual Report.		6/30/2019
Publish quarterly Air Currents newsletter.		6/30/2019
Develop media response \ operating procedures, Air District media policy, and social media policy.		Ongoing
Conduct media training for public information officers and other Air District staff.		Ongoing
Develop video podcasts, video news releases / statements, infographics and display graphics for Air District programs / events.		Ongoing
Publish Air District social media posts.		Ongoing

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		6.39	6.17	6.38	0.21	3.36%
Personnel Expenditures						
Permanent Salaries	51105	\$708,061	\$691,974	\$708,086	\$16,112	2.33%
Overtime Salaries	51150	\$12,598				
Temporary Salaries	51200	\$27,537				
Payroll Taxes	51300	\$10,710	\$9,811	\$10,127	\$316	3.23%
Pension Benefits	51400	\$110,857	\$129,575	\$138,579	\$9,004	6.95%
FICA Replacement Benefits	51500	\$8,733	\$7,187	\$11,055	\$3,868	53.82%
Group Insurance Benefits	51600	\$111,780	\$115,510	\$81,631	(\$33,879)	(29.33%)
Employee Transportation Subsidy	51700	\$7,928	\$8,358	\$8,985	\$627	7.50%
Workers' Compensation	51800	\$2,163	\$3,956	\$3,697	(\$259)	(6.54%)
Other Post-Employment Benefits	51850	\$77,811	\$68,804	\$64,304	(\$4,499)	(6.54%)
Board Stipends	51900					
Total Personnel Expenditures		\$1,078,178	\$1,035,175	\$1,026,465	(\$8,710)	(0.84%)
Services & Supplies Expenditures						
Travel In-State	52200	\$4,751	\$8,500	\$9,000	\$500	5.88%
Travel Out-Of-State	52225		\$4,600	\$4,600		
Training & Education	52300	\$5,635	\$15,700	\$16,500	\$800	5.10%
Repair & Maintenance (Equipment)	52400					
Communications	52500	\$13,348	\$44,000	\$47,000	\$3,000	6.82%
Building Maintenance	52600					
Utilities	52700					
Postage	52800	\$27	\$4,000	\$4,000		
Printing & Reproduction	52900	\$42,920	\$42,000	\$42,000		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$235,993	\$340,000	\$420,000	\$80,000	23.53%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	\$4,315	\$11,000	\$11,000		
Stationery & Office Supplies	53900	\$9,844	\$4,000	\$4,000		
Books & Journals	54100					
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$316,884	\$473,800	\$558,100	\$84,300	17.79%
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005	(\$30,529)				
Total Expenditures		\$1,364,533	\$1,508,975	\$1,584,565	\$75,590	5.01%

Intermittent Control Programs		303
Managing Division: Communications Office		
Contact Person: Kristine Roselius		
Program Purpose: The Winter Spare the Air program informs the public about the Wood Burning Rule, the health impacts of wood smoke pollution and alternative, cleaner forms of heat.		
Description of Program: The Wood Burning Rule was passed in 2008 and wood burning is banned between November and February when a Winter Spare the Air Alert is called. The Winter Spare the Air campaign informs the public about the health impacts of wood smoke both inside and outside the home. A seasonal messaging/advertising campaign is developed and delivered to the public through regional advertising, media outreach, neighborhood events and through seasonal door-to-door outreach and survey campaign.		
Justification of Change Request: Budget decrease due to shifting of translation costs to 301 budget and less need for printing/reproduction costs.		
Activities		
Develop and disseminate a Winter Spare the Air campaign to inform the public about the health impacts of wood smoke.		
Prepare and issue media releases, respond to media inquiries and plan media events/deskside & editorial board visits.		
Conduct public opinion surveys to evaluate program and measure behavior change.		
Manage and update the sparetheair.org, baaqmd.gov and sparetheairnow.org websites as well as social media sites including Twitter, Linked In, Pinterest and Facebook.		
Manage notification methods for Winter Spare the Air Alerts, including automated phone alerts, text and email alerts, online banners, iPhone/Android app and widget.		
Deliver public outreach, advertising and media relations campaigns.		
Provide public outreach at community events throughout the Bay Area.		
Door to door outreach/surveys		
Provide overview of campaign to Public Engagement Committee and Board of Directors.		
Provide outreach to local government leaders and community organizations and the general public about the Winter Spare the Air program.		
Promote cleaner heating options.		
Major Objectives		Delivery Date
Launch Winter Spare the Air Season.		11/1/2018
Execute and evaluate Winter Spare the Air season public outreach campaign.		6/30/2019
Develop video podcasts, video news releases / statements, displays and infographics for Winter Spare the Air programs / events.		2/28/2019
Respond to public inquiries, provide informational speeches and presentations.		2/28/2019
Publicize cleaner heating options.		6/30/19
Monitor and measure campaign effectiveness via public opinion surveys.		3/30/2019
Develop Winter Spare the Air Season summary.		4/1/2019
Add text alerts as a Winter Spare the Air Alert notification method.		11/01/19
Issue Winter Spare the Air Alert advisories when air quality is forecast to reach unhealthy levels.		2/28/2019
Provide information about the health impacts of wood smoke to the public, community organizations and local government leaders.		Ongoing
Redesign sparetheair.org website		3/01/19

Intermittent Control Programs

303

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	1.24	2.08	2.00	(0.08)	(3.79%)
Personnel Expenditures					
Permanent Salaries	51105	\$137,473	\$241,402	\$221,965	(\$19,436) (8.05%)
Overtime Salaries	51150	\$14,398			
Temporary Salaries	51200				
Payroll Taxes	51300	\$2,069	\$3,422	\$3,175	(\$248) (7.24%)
Pension Benefits	51400	\$21,571	\$45,199	\$43,846	(\$1,353) (2.99%)
FICA Replacement Benefits	51500	\$1,513	\$2,423	\$3,462	\$1,039 42.88%
Group Insurance Benefits	51600	\$20,829	\$39,894	\$30,241	(\$9,653) (24.20%)
Employee Transportation Subsidy	51700	\$1,382	\$3,293	\$2,874	(\$419) (12.71%)
Workers' Compensation	51800	\$420	\$1,334	\$1,160	(\$173) (13.00%)
Other Post-Employment Benefits	51850	\$15,107	\$23,195	\$20,179	(\$3,016) (13.00%)
Board Stipends	51900				
Total Personnel Expenditures	\$214,762	\$360,162	\$326,903	(\$33,259)	(9.23%)
Services & Supplies Expenditures					
Travel In-State	52200				
Travel Out-Of-State	52225				
Training & Education	52300				
Repair & Maintenance (Equipment)	52400				
Communications	52500				
Building Maintenance	52600				
Utilities	52700				
Postage	52800				
Printing & Reproduction	52900				
Equipment Rental	53100				
Rents & Leases	53200				
Professional Services & Contracts	53300	\$911,357	\$1,169,000	\$1,119,000	(\$50,000) (4.28%)
General Insurance	53400				
Shop & Field Supplies	53500				
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800				
Stationery & Office Supplies	53900				
Books & Journals	54100				
Minor Office Equipment	54200				
Depreciation & Amortization	54300				
Non-Capital Assets	54600				
Total Services & Supplies Expenditures	\$911,357	\$1,169,000	\$1,119,000	(\$50,000)	(4.28%)
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115				
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125				
Communications Equipment	60130				
General Equipment	60135				
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures					
Transfer Out	70005				
Total Expenditures	\$1,126,119	\$1,529,162	\$1,445,903	(\$83,259)	(5.44%)

Spare the Air (CMAQ)		305
Managing Division: Communications Office		
Contact Person: Kristine Roselius		
Program Purpose: The Spare the Air program encourages the public to reduce their driving, a major source of Bay Area air pollution, and promotes the use of public transit, biking, walking, carpooling, trip reduction and other behavior changes that reduce pollution from automobiles.		
Description of Program: The Spare the Air Program provides health alerts and informs Bay Area residents about air pollution and encourages them to reduce single occupancy driving, especially during their commute to and from work, to improve air quality. The Spare the Air program will also help to promote the Commuter Benefits Program which supports the overall goal of reducing the number of vehicles on Bay Area roads. When air quality is forecast to be unhealthy, the Air District issues Spare the Air Alerts. Outreach to the public is conducted through an advertising and media relations campaign as well as through social media sites such as Twitter and Facebook.		
Justification of Change Request: No change.		
Activities		
Conduct campaign to educate the public about individual choices to reduce air pollution.		
Prepare and issue media releases, respond to media inquiries and plan media events.		
Conduct public opinion surveys to evaluate program and measure behavior change.		
Manage and update the sparetheair.org website as well as campaign landing pages and provide regular updates, measurements and responses for social media sites such as Twitter, Pinterest and Facebook.		
Provide public outreach at community events throughout the Bay Area.		
Notify the public of Spare the Air Alerts through AirAlerts, text alerts, the media, sparetheair.org, baaqmd.gov, the iPhone/Android app and social media sites.		
Manage public outreach campaigns for advertising, social media and media relations.		
Provide overview of campaign to Public Engagement Committee and Board of Directors.		
Major Objectives		Delivery Date
Develop the 2019 Spare the Air campaign.		3/01/2019
Launch 2019 Spare the Air ozone season.		5/01/2019
Monitor and measure campaign effectiveness via public opinion surveys.		10/15/2019
Manage the 2019 Spare the Air advertising, media relations and social media campaign.		10/30/2019
Promote Spare the Air clean air activities at public events.		10/30/2019
Develop video podcasts, video news releases / statements, displays and infographics for Spare the Air program / events.		10/30/2019

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)					
Personnel Expenditures					
Permanent Salaries	51105				
Overtime Salaries	51150				
Temporary Salaries	51200				
Payroll Taxes	51300				
Pension Benefits	51400				
FICA Replacement Benefits	51500				
Group Insurance Benefits	51600				
Employee Transportation Subsidy	51700				
Workers' Compensation	51800				
Other Post-Employment Benefits	51850				
Board Stipends	51900				
Total Personnel Expenditures					
Services & Supplies Expenditures					
Travel In-State	52200				
Travel Out-Of-State	52225				
Training & Education	52300				
Repair & Maintenance (Equipment)	52400				
Communications	52500				
Building Maintenance	52600				
Utilities	52700				
Postage	52800				
Printing & Reproduction	52900				
Equipment Rental	53100				
Rents & Leases	53200				
Professional Services & Contracts	53300	\$930,049	\$1,000,000		
General Insurance	53400				
Shop & Field Supplies	53500				
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800				
Stationery & Office Supplies	53900				
Books & Journals	54100				
Minor Office Equipment	54200				
Depreciation & Amortization	54300				
Non-Capital Assets	54600				
Total Services & Supplies Expenditures		\$930,049	\$1,000,000		
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115				
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125				
Communications Equipment	60130				
General Equipment	60135				
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures					
Transfer Out	70005				
Total Expenditures		\$930,049	\$1,000,000		

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MEETING HELD ON MARCH 28, 2018

TECHNOLOGY IMPLEMENTATION OFFICE

Achieving federal and state clean air standards and greenhouse gas emissions targets requires a significant shift towards cleaner technology alternatives by both the mobile and stationary source sectors. The Bay Area Air Quality Management District (Air District) established the Technology Implementation Office (TIO) with the mission to catalyze innovation by advancing disruptive, cost-effective solutions to achieve greenhouse gas emissions reductions. TIO will cultivate partnerships and provide financing to incentivize low carbon intensity practices including deployment of zero emissions vehicles and infrastructure, zero emissions energy generation, efficient production and smart/connected technologies.

The TIO will work to achieve the goal of a carbon-free Bay Area by 2050, as envisioned in the Air District's proposed 2017 Clean Air Plan, and mainstream technologies so they can be scaled-up beyond the Bay Area. The TIO's partnerships and incentives for emerging technologies will be focused on the stationary source sector and the Air District's Light-Duty Electric Vehicle Programs.

Key TIO responsibilities include:

- Managing a loan program in partnership with financing authorities to fund clean air and GHG reduction projects in the stationary sector.
- Managing a grants program to fund adoption of clean vehicles and expansion of clean vehicle infrastructure
- Identifying projects and opportunities in which technical support and available funding can make a significant difference in the widespread deployment of cleaner vehicles and technology, and issuing grants, loans or loan guarantees for eligible projects.
- Performing technology evaluation, data analysis, planning, and reporting to evaluate potential technologies, projects, consumers and the market, and to evaluate the results of Air District sponsored clean-technology projects.
- Convening representatives from private industry, technology developers and equipment manufacturers, academia and research institutions, non-profits, local, state and federal agencies, and advocacy groups, to raise awareness about emerging technologies with potential customers, discuss emerging trends, and share best practices that accelerate the mass-adoption of the cleanest available vehicles and technology.

Greenhouse Gas Technologies - Stationary		126
Managing Division: Technology Implementation Office		
Contact Person: Ranyee Chiang		
Program Purpose: The Technology Implementation Office will catalyze innovation by advancing disruptive, cost-effective solutions to achieve greenhouse gas emissions reduction. The TIO's goal is to support the 2017 Clean Air Plan goal of a carbon-free Bay Area by 2050 and mainstream technologies so they can be scaled-up beyond the Bay Area.		
Description of Program: The program cultivates partnerships and provides financing to incentivize low carbon intensity practices for stationary and industrial sources.		
Justification of Change Request: Funds that were identified in the General Fund designated reserves are being requested to establish and administer the loan program fund and to conduct matchmaking efforts between technologies and customers. The TIO will also continue efforts with the Steering Committee, to research and evaluate new technologies, and to develop additional funding to reduce emissions.		
Activities		
Oversee loan and loan guarantee partnership, including to leverage additional funding resources.		
Identify technologies and customers and provide technical support and financing to implement technologies.		
Identify new sources of funding and prepare grant applications to secure new funding.		
Convene stakeholders for technology matchmaking and peer-to-peer information exchanges.		
Provide technical resources to partners and the District.		
MEETING HELD ON MARCH 28, 2018		
Major Objectives		Delivery Date
1. Publish technology assessment report.		8/31/18
2. Provide loans and loan guarantees for implementing new technologies.		Ongoing
3. Convene stakeholders for technology matchmaking event and to discuss emerging trends in technologies and accelerating adoption.		5/31/19

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change	
Number of Positions (FTE)	0.07		2.44	2.44		
Personnel Expenditures						
Permanent Salaries	51105	\$8,704	\$236,177	\$236,177		
Overtime Salaries	51150		\$25,000	\$25,000		
Temporary Salaries	51200					
Payroll Taxes	51300	\$99	\$3,734	\$3,734		
Pension Benefits	51400	\$950	\$43,008	\$43,008		
FICA Replacement Benefits	51500	\$54	\$4,217	\$4,217		
Group Insurance Benefits	51600	\$785	\$32,967	\$32,967		
Employee Transportation Subsidy	51700	\$53	\$194	\$194		
Workers' Compensation	51800	\$27	\$1,416	\$1,416		
Other Post-Employment Benefits	51850	\$956	\$24,624	\$24,624		
Board Stipends	51900					
Total Personnel Expenditures		\$11,629	\$371,336	\$371,336		
Services & Supplies Expenditures						
Travel In-State	52200	\$12,000	\$5,500	(\$6,500)	(54.17%)	
Travel Out-Of-State	52225	\$10,000	\$9,500	(\$500)	(5.00%)	
Training & Education	52300	\$6,000	\$9,000	\$3,000	50.00%	
Repair & Maintenance (Equipment)	52400	\$1,000		(\$1,000)	(100.00%)	
Communications	52500	\$3,000	\$2,000	(\$1,000)	(33.33%)	
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$40,000	\$456,000	\$4,001,000	\$3,545,000	777.41%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	\$10,000	\$500	(\$9,500)	(95.00%)	
Stationery & Office Supplies	53900	\$1,000	\$250	(\$750)	(75.00%)	
Books & Journals	54100	\$1,000	\$250	(\$750)	(75.00%)	
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$40,000	\$500,000	\$4,028,000	\$3,528,000	705.60%
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer In/Out	70005					
Total Expenditures		\$51,629	\$500,000	\$4,399,336	\$3,899,336	779.87%

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MEETING HELD ON MARCH 28, 2018

STRATEGIC INCENTIVES DIVISION

The Strategic Incentives Division administers grant programs to facilitate the execution of projects or programs focused primarily on the reduction of emissions from mobile sources in the Bay Area. The primary grant programs include the Transportation Fund for Clean Air (TFCA), the Carl Moyer Program (CMP), the Mobile Source Incentive Fund (MSIF), the Lower-Emission School Bus Program (LESBP), in addition to other miscellaneous grant programs. These programs support the implementation of transportation and mobile source measures, as well as other incentive-based initiatives that improve air quality in the region. In FYE 2019 the Strategic Incentives Division will administer more than \$64 million in new grant revenue funds.

MEETING HELD ON MARCH 28, 2018

CARBON OFFSET FUND		311
Managing Division: Strategic Incentives		
Contact Person: Chengfeng Wang		
Program Purpose: Administer allocation of carbon offset fund revenue.		
Description of Program: On September 10, 2007, ConocoPhillips Company (COP) entered into a settlement agreement with the Attorney General of California, which resulted in COP making a one-time payment of approximately \$4.4 million to a carbon offset fund created by the Air District. On November 24, 2008, the Air District entered into a Memorandum of Understanding with the Attorney General regarding the establishment of a carbon offset fund and the implementation of a Greenhouse Gas Reduction Grant Program (GGRGP) to fund projects that achieve verifiable, quantifiable reductions in greenhouse gas (GHG) emissions, with priority given to projects near the Rodeo Refinery. These projects were completed by FYE 2016. The remaining funds from the GGRGP are being used for the replacement of conventional commercial lawn and garden equipment with zero-emission alternatives with all funded projects to be completed in FYE 2019.		
Justification of Change Request: No change.		
Activities		
Develop policies and guidelines for Program funding and prepare recommendations for Board of Directors consideration of Program policies and award of project funds.		
Conduct workshops and assist with outreach efforts and project solicitation.		
Review and evaluate applications and proposals for conformance with the applicable guidelines, policies, and regulations, and prepare Program documents, contracts, letters, reports, and communications.		
Track status and performance of projects, and conduct inspections.		
Prepare technical, financial, and staff reports.		
Major Objectives		Delivery Date
Prepare technical, financial, and staff reports.		Ongoing
Monitor, inspect, and audit projects to assure compliance with program guidelines.		Ongoing
Review project progress reports and reimbursement requests, and ensure project files are complete and up to date.		Ongoing
Prepare and submit the final annual report to California Attorney General.		06/30/19

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		0.01		(0.01)	(100.00%)
Personnel Expenditures					
Permanent Salaries	51105	\$520	\$1,479	(\$1,479)	(100.00%)
Overtime Salaries	51150				
Temporary Salaries	51200				
Payroll Taxes	51300	\$8	\$21	(\$21)	(100.00%)
Pension Benefits	51400	\$80	\$275	(\$275)	(100.00%)
FICA Replacement Benefits	51500	\$11	\$15	(\$15)	(100.00%)
Group Insurance Benefits	51600	\$99	\$252	(\$252)	(100.00%)
Employee Transportation Subsidy	51700	\$6	\$23	(\$23)	(100.00%)
Workers' Compensation	51800	\$2	\$8	(\$8)	(100.00%)
Other Post-Employment Benefits	51850	\$57	\$147	(\$147)	(100.00%)
Board Stipends	51900				
Total Personnel Expenditures		\$783	\$2,222	(\$2,222)	(100.00%)
Services & Supplies Expenditures					
Travel In-State	52200				
Travel Out-Of-State	52225				
Training & Education	52300				
Repair & Maintenance (Equipment)	52400				
Communications	52500				
Building Maintenance	52600				
Utilities	52700				
Postage	52800				
Printing & Reproduction	52900				
Equipment Rental	53100				
Rents & Leases	53200				
Professional Services & Contracts	53300				
General Insurance	53400				
Shop & Field Supplies	53500				
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800				
Stationery & Office Supplies	53900				
Books & Journals	54100				
Minor Office Equipment	54200				
Depreciation & Amortization	54300				
Non-Capital Assets	54600				
Total Services & Supplies Expenditures					
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115				
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125				
Communications Equipment	60130				
General Equipment	60135				
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures					
Transfer Out	70005				
Total Expenditures		\$783	\$2,222	(\$2,222)	(100.00%)

GRANT PROGRAM DEVELOPMENT		313
Managing Division: Strategic Incentives		
Contact Person: Anthony Fournier		
Program Purpose: Expand availability of funding for emission reduction projects in the Bay Area by identifying and securing new sources of funding. Manage advanced technology demonstration projects through grants secured.		
Description of Program: This program, established in 2010, is focused on identifying and securing new sources of funding for the Bay Area region. In FYE 2019, staff will pursue funding from Federal, State, local governments and other funding sources. Over time, this program aims to expand the availability of grant funding in the region in order to create additional opportunities for Bay Area businesses and residents to implement projects that reduce criteria pollutants, greenhouse gases, and toxic air contaminants from mobile and stationary sources.		
Justification of Change Request: No change.		
Activities		
Form partnerships to leverage Air District funding resources.		
Identify new sources of funding.		
Prepare grant applications to secure new funding sources.		
Manage advanced technology demonstration grants secured through development activities.		
MEETING HELD ON MARCH 28, 2018		
Major Objectives		Delivery Date
Identify new sources of funding for the region.		Ongoing
Prepare grant applications and secure new funding sources.		Ongoing
Manage advanced technology demonstration grants secured through development activities.		6/30/2019

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	2.63	3.40	2.65	(0.75)	(22.05%)
Personnel Expenditures					
Permanent Salaries	51105	\$292,126	\$368,556	\$277,306	(\$91,250) (24.76%)
Overtime Salaries	51150	\$3,961			
Temporary Salaries	51200	\$92,628			
Payroll Taxes	51300	\$4,402	\$5,200	\$3,963	(\$1,237) (23.79%)
Pension Benefits	51400	\$46,070	\$68,676	\$54,650	(\$14,026) (20.42%)
FICA Replacement Benefits	51500	\$4,194	\$3,961	\$4,571	\$610 15.39%
Group Insurance Benefits	51600	\$46,698	\$66,095	\$34,619	(\$31,476) (47.62%)
Employee Transportation Subsidy	51700	\$3,508	\$5,471	\$2,452	(\$3,019) (55.18%)
Workers' Compensation	51800	\$893	\$2,180	\$1,537	(\$644) (29.51%)
Other Post-Employment Benefits	51850	\$32,103	\$37,919	\$26,727	(\$11,192) (29.51%)
Board Stipends	51900				
Total Personnel Expenditures		\$526,583	\$558,058	\$405,824	(\$152,234) (27.28%)
Services & Supplies Expenditures					
Travel In-State	52200		\$7,700	\$13,200	\$5,500 71.43%
Travel Out-Of-State	52225		\$4,000	\$8,000	\$4,000 100.00%
Training & Education	52300		\$3,500	\$3,500	
Repair & Maintenance (Equipment)	52400				
Communications	52500				
Building Maintenance	52600				
Utilities	52700				
Postage	52800				
Printing & Reproduction	52900				
Equipment Rental	53100				
Rents & Leases	53200				
Professional Services & Contracts	53300	\$172,493	\$10,000	\$80,000	\$70,000 700.00%
General Insurance	53400				
Shop & Field Supplies	53500		\$1,000	\$1,000	
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800			\$20,000	\$20,000
Stationery & Office Supplies	53900			\$500	\$500
Books & Journals	54100				
Minor Office Equipment	54200				
Depreciation & Amortization	54300				
Non-Capital Assets	54600				
Total Services & Supplies Expenditures		\$172,493	\$26,200	\$126,200	\$100,000 381.68%
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115				
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125				
Communications Equipment	60130				
General Equipment	60135				
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures					
Transfer Out	70005				
Total Expenditures		\$699,076	\$584,258	\$532,024	(\$52,234) (8.94%)

MEETING HELD ON MARCH 28, 2018

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MEETING HELD ON MARCH 28, 2018

COMPLIANCE & ENFORCEMENT DIVISION

The Compliance & Enforcement Division ensures the Air District will realize the emission reductions achieved by the air quality regulations adopted by the Board of Directors, and permit conditions issued by the Executive Officer/APCO. Compliance with District, State, and Federal regulations is achieved by a Compliance Assistance Program that assists industry in understanding requirements, a Compliance Assurance (inspection) Program and an Enforcement Program that provides an effective deterrence to non-compliance. The Division promotes compliance assistance and voluntary compliance that assists companies to ensure compliance with regulations. When non-compliance is discovered, enforcement is applied at a level appropriate to the nature and extent of the violation. The Division will continue to work closely with industry, community groups, and environmental groups to review and enhance air quality compliance and enforcement programs, to provide the highest level of service.

For FYE 2019, the Division will continue to implement the Air District's comprehensive strategy to reduce residential wood smoke through enforcement, outreach and compliance assistance of the Wood Smoke Rule (Regulation 6, Rule 3). The Division will continue to implement the District's Mobile Source Compliance Plan (MSCP), a program for enforcement of CARB Diesel Particulate Matter (DPM) regulations from mobile sources. The Division will continue to minimize petroleum refinery flare use through the Flare Minimization Plans for all five Bay Area refineries. Other significant air programs requiring Division resources include investigations of Title V deviation reporting, the Portable Equipment Registration Program (PERP), Asbestos projects (renovations, demolitions and naturally occurring asbestos – NOA), compliance determinations for State Air Toxics Control Measures (ATCMs) and Federal Maximum Available Control Technology (MACTs) for air toxics. The Division will continue the implementation and enforcement of the District's Commuter Benefits regulation, which targets employers with more than 50 employees within the Air District's jurisdiction.

During the coming year, Division programs will continue to focus on activities that support the District's commitment to achieving clean air to protect public health and the environment. The Division will implement the following programs:

- The Compliance Assistance Program will continue to develop *Compliance Advisories* for use by the Inspection staff, industry and the public. These will include several related to new and amended regulations and state Air Toxics Control Measures for stationary sources and some mobile sources. The program encompasses inspector training, support of various Division programs, dispatch activities, Compliance Assistance Advisories, and Industry Compliance Schools. The small business incentive program will provide financial incentives for small businesses to attend District-run Industry Compliance Schools to learn practical information on how to comply with District regulations and how compliance benefits not only their business, but also their community.
- The Compliance Assurance Program will continue both announced and unannounced inspections of air pollution sources to ensure compliance. Targeted strategies will be used to focus inspections to find non-compliance and reduce excess emissions. Sources include: Title V and Synthetic Minors permits, petroleum refineries, chemical plants, dry cleaners, gasoline dispensing facilities, autobody shops, asbestos renovations and demolitions, agricultural and prescribed burning, and other permitted sources. Staff will continue to plan, prepare, and respond to air pollution incidents and to work closely with other response agencies.
- The Enforcement Program will continue with a focus on major facility (Title V, Synthetic Minor) auditing and will strive to ensure compliance with all air quality regulations. Staff will work with the Legal Division to provide a strong deterrent to non-compliance and to apply the appropriate level of enforcement, proportional to the level of non-compliance. The Division will vigorously pursue violators who show a disregard for the law and well-being of the public. Air pollution complaints will be investigated to provide a high level of service to the public. Wood smoke patrols for excessive opacity and curtailment violations will be conducted for the fifth winter of the wood smoke regulation.

The Division's outreach, throughout the programs above, will continue to provide compliance assistance materials in foreign languages and translation services for the air pollution complaint process, and other public service access points at the Air District.

Enforcement		401
Managing Division: Compliance & Enforcement		
Contact Person: John Marvin		
Program Purpose: Enforce applicable Federal, State, and District air pollution regulations and permit conditions.		
Description of Program: The Enforcement Program consists of activities designed to respond when sources are found in violation of applicable Federal, State and Air District regulations and permit conditions. A strong, technically-based enforcement program provides both an essential deterrent to continued or future non-compliance as well as consistency in enforcement practices throughout the regulated community. This program includes all Division activities necessary to address non-compliance, including issuing Notices of Violation (NOV) and Notices to Comply (NTC), identifying causes and solutions for non-compliance, developing enforcement cases for legal action, and providing testimony during hearings and court cases. Other elements of the program include responding to the public's air pollution complaints, returning sources to compliance, and supporting enforcement of the variance and abatement order process. In addition, the toxic air contaminant activities, such as mobile source enforcement of diesel particulate matter ATCMs and asbestos demolition/renovation enforcement, ensure compliance with Federal, State and District regulations to protect the public from exposure to known carcinogens. Oversight of the Division's Safety Program is coordinated with the training functions in Program 402.		
Justification of Change Request: Program 401 budget reflects inflationary costs for rents; added costs for inspection staff additions, and safety and building code upgrades for Santa Clara, Hayward, Novato, and Peninsula field offices.		
Activities		
Investigate, issue, and process NOV's and NTC's; re-inspect sources to verify compliance status after issuance. Work with Legal Division to procure penalty settlement and/or successful prosecution.		
Receive and investigate citizen inquiries and general air pollution complaints. Respond to these complaints as soon as possible where highest priority response is given to ongoing complaints alleged against potential nuisance sites.		
Prepare enforcement cases in coordination with Legal Division conduct/coordinate investigations to support their development for legal actions.		
Provide technical analysis and support for variances, abatement orders, and permit appeals to the Hearing Board. Prepare weekly District position report on all matters before the Hearing Board. Ensure that increments of progress from variances, abatement orders, consent decrees, enforcement agreements, or settlement agreements are being met.		
Asbestos regulations enforcement: issue and process NOV's, investigate air pollution complaints; handle inquiries. Conduct Demo/Reno outreach to city building departments, fire departments, and other stakeholders as needed. Attend environmental task force meetings.		
Gasoline Dispensing Facilities (GDF) regulations enforcement: issue and process NOV's, investigate air pollution complaints, and conduct diagnostic testing. Assist operators with preventative maintenance and training.		
Woodsmoke regulation enforcement: conduct curtailment and opacity patrols based on received complaints; process NOV's.		
CARB Mobile Source regulations enforcement in CARE impacted areas with special focus on West Oakland.		
Asbestos ATCM for Construction, Grading, Quarrying, and Surface Mining Operations regulation enforcement: issue and process NOV's for naturally occurring asbestos (NOA) construction projects, investigate air pollution complaints, and provide compliance assistance to construction project owner/operators		
Refinery Flares: review, comment, approve and enforce provisions in Regulation 12, Rules 11 and 12.		
Participate in interagency environmental task force programs to coordinate District enforcement activities with other County/State/Federal governmental agencies.		
Provide staff at community meetings to present information on the complaint process, enforcement activities, etc.		
Major Objectives		Delivery Date

Enforcement

401

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		23.26	25.62	27.89	2.27	8.86%
Personnel Expenditures						
Permanent Salaries	51105	\$2,575,427	\$2,651,530	\$2,925,699	\$274,168	10.34%
Overtime Salaries	51150	\$50,518	\$113,850	\$113,850		
Temporary Salaries	51200	\$23,442	\$5,500	\$5,500		
Payroll Taxes	51300	\$38,828	\$39,225	\$43,542	\$4,317	11.01%
Pension Benefits	51400	\$402,474	\$495,193	\$568,230	\$73,037	14.75%
FICA Replacement Benefits	51500	\$31,576	\$29,817	\$47,965	\$18,148	60.86%
Group Insurance Benefits	51600	\$404,052	\$479,191	\$523,066	\$43,875	9.16%
Employee Transportation Subsidy	51700	\$26,572	\$22,882	\$17,347	(\$5,535)	(24.19%)
Workers' Compensation	51800	\$7,868	\$16,413	\$16,155	(\$257)	(1.57%)
Other Post-Employment Benefits	51850	\$283,017	\$285,436	\$280,958	(\$4,478)	(1.57%)
Board Stipends	51900					
Total Personnel Expenditures		\$3,843,773	\$4,139,037	\$4,542,311	\$403,275	9.74%
Services & Supplies Expenditures						
Travel In-State	52200	\$12,626	\$16,400	\$18,800	\$2,400	14.63%
Travel Out-Of-State	52225	\$1,789	\$1,200	\$1,450	\$250	20.83%
Training & Education	52300	\$1,173	\$6,790	\$6,790		
Repair & Maintenance (Equipment)	52400	\$835	\$8,000	\$108,000	\$100,000	1250.00%
Communications	52500	\$158,332	\$127,000	\$137,000	\$10,000	7.87%
Building Maintenance	52600	\$1,045	\$2,500	\$2,500		
Utilities	52700	\$1,401	\$4,000	\$4,000		
Postage	52800					
Printing & Reproduction	52900	\$877	\$2,000	\$2,000		
Equipment Rental	53100					
Rents & Leases	53200	\$39,407	\$60,000	\$69,600	\$9,600	16.00%
Professional Services & Contracts	53300	\$2,970	\$9,590	\$9,590		
General Insurance	53400					
Shop & Field Supplies	53500	\$13,195	\$15,000	\$16,500	\$1,500	10.00%
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	\$1,337	\$2,000	\$2,000		
Stationery & Office Supplies	53900	\$91				
Books & Journals	54100					
Minor Office Equipment	54200	\$1,017	\$1,000	\$1,000		
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$236,096	\$255,480	\$379,230	\$123,750	48.44%
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125	\$60,650	\$43,500	\$47,830	\$4,330	9.95%
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures		\$60,650	\$43,500	\$47,830	\$4,330	9.95%
Transfer Out	70005					
Total Expenditures		\$4,140,518	\$4,438,017	\$4,969,371	\$531,355	11.97%

Compliance Assistance & Operations		402
Managing Division: Compliance & Enforcement		
Contact Person: Juan Ortellado		
Program Purpose: Promote compliance with Air District regulations through program development and industry/source education.		
Description of Program: The Compliance Assistance and Operations Program provides both industry and Division staff with the necessary tools to promote compliance with air quality requirements. The Program also provides educational materials and conducts outreach to the public to promote compliance with the woodsmoke reduction program. In support of the woodsmoke reduction program, the Program maintains both an online and phone Woodsmoke Complaint System for the public to register complaints. The Program also manages a dispatch system for all general complaints from the public. Industry Compliance Schools (ICS), including a Small Business ICS incentive program, are offered for businesses. Compliance Advisories, fact sheets and other educational materials are provided to industry and trade associations. Regulatory questions are answered via a dedicated compliance assistance telephone line. In-service training ensures consistent and appropriate inspection activities. Mobile source compliance activities are conducted pursuant to the Air District's Mobile Source Compliance Plan. Partnerships with other public agencies promote multi-media pollution prevention through local Green Business programs and other activities. Support is provided for all Division air programs, and for the public and industry.		
Justification of Change Request: With new staff joining the division, there is a need for additional funding to attend relevant external training opportunities, such as the annual CAPCOA Enforcement Symposium and the Odor Conference. Staff have also assumed new responsibilities in the CAPCOA Enforcement Managers Committee, which also results in the need for additional travel funding.		
Activities		
Compliance Assistance (Industry Assistance): provide small and medium-sized businesses with specialized educational and technical assistance to achieve and maintain compliance. Develop Compliance Assistance materials for specific business sectors and the public (woodsmoke). Provide compliance assistance during routine inspections and following enforcement action. Compliance assistance is also provided for all air quality complaints for the general public through dispatch or other 1-800 or 1-877 phone line systems. Outreach is conducted for compliance assistance for several programs, including mass-mailings of woodsmoke reduction program brochures and educational materials in sensitive wood smoke areas. Staff identify and translate Compliance Assistance materials for small business and other industry sectors where non-English speaking operators need additional assistance.		
Compliance Assistance: develop and maintain Division Policies and Procedures and other documents/processes to ensure consistent application of enforcement activities. Conduct Industry Compliance Schools (ICS) for Small Businesses (using the SB Incentive ICS program) and other regulated industries. Build partnerships with other public and community organizations to strengthen compliance assistance activities. Conduct compliance assistance and enforcement activities for the woodsmoke reduction and mobile source enforcement programs. Maintain compliance assistance hotline during core business hours and provide staff for speaker's bureau. Promote pollution prevention through multi-media collaboration and coordination with local County Green Business Program Coordinators and the Association of Bay Area Governments (ABAG).		
Training & Safety: provide staff with pertinent classes, educational materials and a robust safety curriculum to support core activities. Maintain ongoing Safety Training and implement new OSHA requirements as needed.		
Operations: develop and maintain air programs to support Air District and CARB rule requirements, including but not limited to woodsmoke, flare monitoring, asbestos demolition/renovation, naturally occurring asbestos, boilers, open burning, reportable compliance activities. soil aeration and mobile source(s) compliance. Provide equipment & capital management for communication, computers and related devices. Provide multilingual services to access all Division programs. Review, analyze and process petitions, plans, complaints, Reportable Compliance Activities (RCAs - e.g., breakdowns, Ground-level monitor (GLM) releases, non-operational monitors, pressure relief valve releases) and other notifications received.		
Major Objectives		Delivery Date

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		15.11	18.14	17.68	(0.46)	(2.55%)
Personnel Expenditures						
Permanent Salaries	51105	\$1,673,419	\$1,774,915	\$1,806,487	\$31,572	1.78%
Overtime Salaries	51150	\$7,619				
Temporary Salaries	51200	\$24,122				
Payroll Taxes	51300	\$25,163	\$25,107	\$25,807	\$700	2.79%
Pension Benefits	51400	\$261,260	\$331,592	\$353,138	\$21,546	6.50%
FICA Replacement Benefits	51500	\$20,803	\$21,118	\$30,412	\$9,295	44.01%
Group Insurance Benefits	51600	\$264,511	\$335,467	\$346,797	\$11,330	3.38%
Employee Transportation Subsidy	51700	\$17,803	\$28,479	\$19,146	(\$9,333)	(32.77%)
Workers' Compensation	51800	\$5,113	\$11,624	\$10,243	(\$1,381)	(11.88%)
Other Post-Employment Benefits	51850	\$183,898	\$202,157	\$178,134	(\$24,023)	(11.88%)
Board Stipends	51900					
Total Personnel Expenditures		\$2,483,710	\$2,730,458	\$2,770,164	\$39,705	1.45%
Services & Supplies Expenditures						
Travel In-State	52200	\$3,231	\$1,600	\$8,000	\$6,400	400.00%
Travel Out-Of-State	52225		\$1,700	\$6,000	\$4,300	252.94%
Training & Education	52300	\$8,175	\$13,000	\$14,000	\$1,000	7.69%
Repair & Maintenance (Equipment)	52400		\$4,000	\$4,000		
Communications	52500	\$116,603	\$128,000	\$128,000		
Building Maintenance	52600					
Utilities	52700					
Postage	52800		\$15,000	\$15,000		
Printing & Reproduction	52900	\$1,742	\$8,000	\$8,000		
Equipment Rental	53100					
Rents & Leases	53200		\$500	\$500		
Professional Services & Contracts	53300	\$3,742	\$30,000	\$30,000		
General Insurance	53400					
Shop & Field Supplies	53500	\$58				
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	\$582	\$1,000	\$1,000		
Stationery & Office Supplies	53900	\$2,477	\$4,000	\$4,000		
Books & Journals	54100					
Minor Office Equipment	54200		\$1,500	\$1,500		
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$136,610	\$208,300	\$220,000	\$11,700	5.62%
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005					
Total Expenditures		\$2,620,320	\$2,938,758	\$2,990,164	\$51,405	1.75%

Compliance Assurance		403
Managing Division: Compliance & Enforcement		
Contact Person: Richard Lew/Jeff Gove		
Program Purpose: Conduct compliance inspections and to ensure compliance with Air Quality regulations to achieve emission reductions.		
Description of Program: The Inspection Program's goal is to ensure that facilities operate and maintain their equipment and processes in compliance with all applicable Federal, State and District Regulations and Permit conditions through continuing on-site visits by Inspection staff. Facilities inspected range from refineries, chemical plants, and high-technology industries, including small businesses such as gas stations, auto body shops, and dry cleaners. Additionally, strict enforcement of Toxic and Hazardous Material Regulations such as asbestos and diesel particulate rules has greatly minimized the public's risk and exposure to carcinogens. This program includes rapid response to incidents involving accidental emission of air pollutants, investigation to determine cause, and recommendations necessary to prevent reoccurrence. Incidents range from community odor episodes to releases of potentially hazardous pollutants from publicly-owned and private industrial sources. The program includes coordination with other agency responders, which work to ensure that response is complete, and that the public is protected to the greatest extent possible.		
Justification of Change Request: Program 403 budget reflects expenditures for replacement of field monitoring equipment and the increased monthly rent of the field offices. In addition, an increase for safety and building code upgrades for Richmond and Concord field offices.		
Activities		
Refinery Inspection Program for Regulatory and Title 5 Permit Compliance.		
Title V Inspections Program / EPA Grant / Aerometric Information Retrieval System (AIRS) and audits.		
Synthetic Minor Inspection Program.		
Initiate response to major air pollution incidents as soon as possible, and within minutes of notification, provide technical assistance and support to first response agencies during and after incidents; prepare incident reports.		
Air Toxics (asbestos & diesel PM) Inspections Program.		
Conduct targeted auto body painting facility inspections.		
State Portable Equipment Inspection Program.		
Gasoline Dispensing Facilities (GDFs) Inspections Program.		
Inspection Communications / Computer Programs.		
Conduct targeted prescribed burns Title 17/ Regulation 5 Open Burning inspections.		
Perform analysis as required to track and analyze existing process safety management (PSM) programs, Federal and State risk management programs (RMP/RMPP); work with other agencies to improve programs.		
Participate in interagency activities, such as County environmental task forces, incident response teams, and other activities relating to prevention, preparedness and emergency response.		
Conduct targeted inspections at refinery/chemical plants and general facilities.		
Staff air quality related community meetings to provide information on District Programs		
Major Objectives		Delivery Date
Refinery Inspection Program: Conduct compliance inspections and program audits of refineries and determine if Title V Permit Compliance are being met.		Yearly
Prepare and submit required reports to EPA, Negotiation of EPA 105 Grant Program Outputs.		10/1/2018

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		33.61	36.95	46.12	9.16	24.79%
Personnel Expenditures						
Permanent Salaries	51105	\$3,720,814	\$3,719,047	\$4,765,872	\$1,046,825	28.15%
Overtime Salaries	51150	\$57,948		\$57,948	\$57,948	
Temporary Salaries	51200	\$18,404		\$18,404	\$18,404	
Payroll Taxes	51300	\$56,640	\$52,631	\$69,202	\$16,571	31.48%
Pension Benefits	51400	\$581,306	\$695,107	\$928,008	\$232,901	33.51%
FICA Replacement Benefits	51500	\$45,031	\$43,015	\$79,197	\$36,181	84.11%
Group Insurance Benefits	51600	\$578,615	\$665,721	\$858,265	\$192,543	28.92%
Employee Transportation Subsidy	51700	\$38,572	\$32,831	\$42,487	\$9,656	29.41%
Workers' Compensation	51800	\$11,368	\$23,677	\$26,718	\$3,040	12.84%
Other Post-Employment Benefits	51850	\$408,893	\$411,782	\$464,656	\$52,874	12.84%
Board Stipends	51900					
Total Personnel Expenditures		\$5,517,591	\$5,643,812	\$7,310,756	\$1,666,943	29.54%
Services & Supplies Expenditures						
Travel In-State	52200	\$12,089	\$10,000	\$10,000		
Travel Out-Of-State	52225		\$2,550	\$2,550		
Training & Education	52300	\$4,937	\$3,300	\$5,168	\$1,868	56.61%
Repair & Maintenance (Equipment)	52400	\$4,212	\$10,000	\$60,000	\$50,000	500.00%
Communications	52500	\$43,950	\$65,000	\$65,000		
Building Maintenance	52600	\$4,095	\$4,000	\$4,000		
Utilities	52700	\$6,969	\$3,000	\$3,000		
Postage	52800					
Printing & Reproduction	52900	\$430	\$1,000	\$1,000		
Equipment Rental	53100					
Rents & Leases	53200	\$78,181	\$81,000	\$89,100	\$8,100	10.00%
Professional Services & Contracts	53300	\$484	\$15,500	\$15,500		
General Insurance	53400					
Shop & Field Supplies	53500	\$51,628	\$26,000	\$26,000		
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	\$12,406	\$23,000	\$23,000		
Stationery & Office Supplies	53900	\$1,993	\$2,300	\$2,300		
Books & Journals	54100					
Minor Office Equipment	54200	\$281				
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$221,656	\$246,650	\$306,618	\$59,968	24.31%
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125		\$20,600	\$120,600	\$100,000	485.44%
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures			\$20,600	\$120,600	\$100,000	485.44%
Transfer Out	70005					
Total Expenditures		\$5,739,246	\$5,911,062	\$7,737,974	\$1,826,911	30.91%

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MEETING HELD ON MARCH 28, 2018

ENGINEERING DIVISION

Engineering Division staff gives high priority to the timely review of permit applications and permit renewals. The typical application evaluation includes analyzing emissions impacts and determining compliance with applicable air quality requirements, including Best Available Control Technology (BACT), 'No Net Increase' requirements, New Source Review (NSR) of Toxic Air Contaminants (TACs) and California Environmental Quality Act (CEQA). There are over 10,000 facilities with about 24,000 devices and operations that have Air District permits.

The Division manages the issuance and renewals of Title V (Major Facility Review) permits. Title V permits are renewed every five years, and are updated to reflect changes that occur at the facilities. The Division will continue to streamline and improve the program.

The Division continues to transition to the Production System which includes an online system for the regulated community. These tools will increase consistency, efficiency and accuracy by allowing customers to submit applications, report data for the emissions inventory, pay invoices and renew permits through an online interface. The Division is working to design, test and deploy the next phase that will incorporate additional device types and a portal to accept refinery emissions inventories.

The Division is actively working on projects associated with the petroleum refineries. Staff is developing improved emission factors for fugitive emission leaks from heavy liquid service components. As required by Regulation 12, Rule 15, staff is reviewing Annual Emissions Inventories, from the refineries (5) and their support facilities, and addressing deficiencies related to these submittals.

The Division implements Regulation 11, Rule 18, Reduction of Risk from Air Toxic Emissions at Existing Facilities. In the first phase, the Division expects to refine toxic emissions and prioritization scores for approximately 60 facilities, out of which an estimated 35 facilities are expected to undergo refined health risk assessments (HRAs). HRAs will be conducted to determine if the facilities are subject to the risk reduction requirements of this rule.

The Division implements the State Air Toxics "Hot Spots" Program, which applies to existing facilities that emit Toxic Air Contaminants (TACs). Adopted in 1987 in response to public concern about TAC emissions, this program requires facilities to report their emissions to the Air District. Facilities with significant health risk must perform a detailed health risk assessment, notify the public and reduce their risk to the public.

The Division provides technical support to other divisions, agencies and programs, including rule development, emissions inventory, enforcement actions, the Technology Implementation Office and the District's Regional Climate Action Plan. Key rule development efforts include NSR toxics review, petroleum refining, stationary gas turbines, sources of fine particulate matter greenhouse gases and rules to implement Best Available Retrofit Technology (BARCT).

The Division is participating in the Air District's Assembly Bill 617 implementation which includes a new Community Health Protection Program to benefit communities most directly affected by air pollution. Staff is helping the California Air Resources Board with stationary source inventory validation and reporting, creation of a BACT clearinghouse and BARCT.

The Division is developing a formal training program so that permits are evaluated and issued more efficiently and consistently. Staff continuously updates policies, procedures, permit manuals and permit templates.

Staff provides quality customer service to industry and the public.

Permit Evaluation		501
Managing Division: Engineering		
Contact Person: Pamela Leong		
Program Purpose: Evaluation of all Non-Title V Permit Applications.		
Description of Program: This program involves activities related to the evaluation of permit applications submitted to the District (except Title V permit applications, which are covered under Program 506). This includes applications for: (1) new/modified sources subject to District New Source Review requirements, (2) emissions banking, (3) Interchangeable Emission Reduction Credits (IERCs), and (4) Prevention of Significant Deterioration (PSD) & Acid Rain permits. Staff calculates emissions and evaluates compliance with regulatory requirements, including case-by-case Best Available Control Technology (BACT) and offset determinations. The program includes California Environmental Quality Act (CEQA) review and Climate Protection activities related to permitted sources.		
Justification of Change Request:		
Activities		
Evaluate all non-Title V permit applications (1,500 estimated).		
Complete CEQA-review functions.		
Provide technical support to all divisions including estimating emissions, rule/condition interpretations and rule development.		
Provide assistance to other agencies, industry and the public.		
Participate in cross-agency committees such as California Air Pollution Controls Officers Association (CAPCOA). Engineering Managers' Subcommittee and National Association of Clean Air Agencies (NACAA).		
Focus for 2019 will be support for rule development and implementation of Refinery, GHG Regulations, and AB 617.		
Finalize revisions of Permitting Regulations (2-1, 2-2, 2-4 and 2-6) to address EPA's deficiencies, address crude slate changes at refineries, and add a District GHG threshold for permitting.		
Major Objectives		Delivery Date
Implement Regulation 12-15 Petroleum Refining Emissions Tracking Emission Inventory Guidelines		6/30/19
Finalize revisions of Permitting Regulations (2-1, 2-2, 2-4 and 2-6) to address EPA's deficiencies, address crude slate changes at refineries, and add a District GHG threshold for permitting.		6/30/19
Assist Air District with AB 617 (inventories, rule development, etc.)		6/30/19

Permit Evaluation

501

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		27.31	21.94	34.22	12.28	55.99%
Personnel Expenditures						
Permanent Salaries	51105	\$3,023,657	\$2,637,639	\$4,098,922	\$1,461,283	55.40%
Overtime Salaries	51150	\$29,865	\$40,000	\$40,000		
Temporary Salaries	51200	\$22,702	\$64,048	\$64,048		
Payroll Taxes	51300	\$45,531	\$38,924	\$59,661	\$20,738	53.28%
Pension Benefits	51400	\$472,577	\$494,146	\$1,111,831	\$617,685	125.00%
FICA Replacement Benefits	51500	\$37,550	\$25,536	\$58,921	\$33,386	130.74%
Group Insurance Benefits	51600	\$477,764	\$411,216	\$632,352	\$221,136	53.78%
Employee Transportation Subsidy	51700	\$36,620	\$37,414	\$58,021	\$20,607	55.08%
Workers' Compensation	51800	\$9,238	\$14,056	\$19,826	\$5,770	41.05%
Other Post-Employment Benefits	51850	\$332,280	\$244,450	\$344,799	\$100,349	41.05%
Board Stipends	51900					
Total Personnel Expenditures		\$4,487,783	\$4,007,427	\$6,488,382	\$2,480,955	61.91%
Services & Supplies Expenditures						
Travel In-State	52200	\$1,028	\$13,000	\$13,000		
Travel Out-Of-State	52225					
Training & Education	52300		\$2,464	\$2,464		
Repair & Maintenance (Equipment)	52400					
Communications	52500		\$110	\$110		
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900	\$1,300				
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$75,482	\$601,059	\$401,059	(\$200,000)	(33.27%)
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	\$22	\$2,000	\$2,000		
Stationery & Office Supplies	53900					
Books & Journals	54100		\$200	\$200		
Minor Office Equipment	54200	\$72	\$368	\$368		
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$77,903	\$619,201	\$419,201	(\$200,000)	(32.30%)
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005					
Total Expenditures		\$4,565,686	\$4,626,628	\$6,907,583	\$2,280,955	49.30%

MEETING HELD ON MARCH 28, 2018

Permit Renewals		502
Managing Division:		
Engineering		
Contact Person:		
Fred Tanaka		
Program Purpose:		
Review and process annual data updates and permit renewals.		
Description of Program:		
The Permit Renewal Program involves activities related to the annual renewal of District permits. The permit renewal process involves collection of data needed to update the Air District's emissions inventory, review of permit conditions, preparation of permit fee invoices, reconciliation of discrepancies and issuance of permit documents. Information gathered during this process is used for planning and rule development may also result in enforcement action or additional permitting.		
Justification of Change Request:		
None.		
Activities		
Request, enter and review annual data update requests.		
Review and maintain permit conditions.		
Review permit renewal invoice program.		
Major Objectives		Delivery Date
Ensure the timely workflow of the permit renewal program.		Ongoing

MEETING HELD ON MARCH 28, 2018

Permit Renewals

502

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		4.54	5.93	7.32	1.39	23.44%
Personnel Expenditures						
Permanent Salaries	51105	\$502,562	\$624,240	\$824,274	\$200,034	32.04%
Overtime Salaries	51150	\$966	\$4,338	\$4,338		
Temporary Salaries	51200	\$10,877				
Payroll Taxes	51300	\$7,569	\$8,890	\$11,854	\$2,964	33.34%
Pension Benefits	51400	\$78,225	\$116,583	\$158,897	\$42,314	36.29%
FICA Replacement Benefits	51500	\$5,992	\$6,903	\$12,594	\$5,691	82.45%
Group Insurance Benefits	51600	\$77,042	\$109,887	\$125,251	\$15,365	13.98%
Employee Transportation Subsidy	51700	\$5,143	\$9,820	\$9,788	(\$32)	(0.32%)
Workers' Compensation	51800	\$1,535	\$3,799	\$4,241	\$441	11.62%
Other Post-Employment Benefits	51850	\$55,228	\$66,077	\$73,753	\$7,676	11.62%
Board Stipends	51900					
Total Personnel Expenditures		\$745,139	\$950,536	\$1,224,990	\$274,454	28.87%
Services & Supplies Expenditures						
Travel In-State	52200					
Travel Out-Of-State	52225					
Training & Education	52300					
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300					
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures						
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005					
Total Expenditures		\$745,139	\$950,536	\$1,224,990	\$274,454	28.87%

MEETING HELD ON MARCH 28, 2018

Air Toxics		503
Managing Division: Engineering		
Contact Person: Sanjeev Kamboj		
Program Purpose: To develop and implement an effective air toxics control strategy that integrates Federal, State, and local requirements.		
Description of Program: The Air Toxics Program involves the integration of Federal and State air toxics mandates with local goals that have been established by the Air District's Board of Directors. The program includes air toxics new source review (NSR), reduction of risk from existing facilities (Regulation 11, Rule 18), air toxics control measures, the Air Toxics "Hot Spots" Program, which includes maintaining an air toxics emissions inventory and research for alternative methods of reducing emissions. Staff provides modeling of emissions as needed.		
Justification of Change Request:		
Activities		
Perform health risk screening for new/modified permit applications, and more detailed health risk assessments (HRAs) as required (300 estimated).		
Implement Regulation 11, Rule 18, Reduction of risk from air toxic emissions at existing facilities. Refine toxics emission inventory, prioritization scores and performing approximately 200 refined facility-wide HRAs to determine if these facilities are subject to Rule 11-18.		
Continue to implement recently adopted amendments to Regulation 2, Rule 5, New Source Review of Toxic Air Contaminants.		
Transition to the new atmospheric dispersion modeling system (AERMOD).		
Review health risk assessments and Prevention of Significant Deterioration (PSD) modeling analyses for major permit applications.		
Maintain air toxics emissions inventory.		
Complete annual air toxics prioritization, Assembly Bill 2588 (AB2588), and review any new health risk assessments that may be required. Coordinate public notification and risk reduction audits.		
Coordinate with planning staff regarding data needs for updated California Environmental Quality Act (CEQA), Guidelines and Thresholds of Significance.		
Publish periodic Air Toxics Emissions and Air Toxics Control Program Report.		
Conduct studies that reduce toxic air pollution.		
Support rule development efforts for reducing PM2.5 once health effect values for PM2.5 become available from Office of Environmental Health Hazard Assessment (OEHHA).		
Major Objectives		Delivery Date
Implement in phases Regulation 11, Rule 18, Reduction of Risk from Air Toxic Emissions at Existing Facilities.		Ongoing
Continue to collect GDF risk data to incorporate 2015 OEHHA HRA guidelines for gas stations in the Toxics NSR Rule 2-5		Ongoing
Prepare and submit annual toxic emissions data (AB2588) to California Air Resources Board.		04/15/2019

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		9.31	12.73	7.36	(5.37)	(42.20%)
Personnel Expenditures						
Permanent Salaries	51105	\$1,030,812	\$1,558,203	\$925,103	(\$633,100)	(40.63%)
Overtime Salaries	51150	\$1,254	\$8,000	\$8,000		
Temporary Salaries	51200					
Payroll Taxes	51300	\$15,515	\$22,231	\$13,369	(\$8,862)	(39.86%)
Pension Benefits	51400	\$161,064	\$292,076	\$182,211	(\$109,865)	(37.62%)
FICA Replacement Benefits	51500	\$12,864	\$14,817	\$12,646	(\$2,171)	(14.65%)
Group Insurance Benefits	51600	\$162,351	\$235,754	\$118,195	(\$117,559)	(49.87%)
Employee Transportation Subsidy	51700	\$11,156	\$21,039	\$13,705	(\$7,334)	(34.86%)
Workers' Compensation	51800	\$3,149	\$8,156	\$4,263	(\$3,893)	(47.74%)
Other Post-Employment Benefits	51850	\$113,279	\$141,846	\$74,134	(\$67,712)	(47.74%)
Board Stipends	51900					
Total Personnel Expenditures		\$1,511,445	\$2,302,122	\$1,351,625	(\$950,497)	(41.29%)
Services & Supplies Expenditures						
Travel In-State	52200		\$1,300	\$1,300		
Travel Out-Of-State	52225		\$750	\$750		
Training & Education	52300	\$859	\$4,600	\$4,600		
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800		\$39,940	\$39,940		
Printing & Reproduction	52900	\$113,813	\$107,000	\$7,000	(\$100,000)	(93.46%)
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$1,738	\$1,201,000	\$1,000	(\$1,200,000)	(99.92%)
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800		\$4,000	\$4,000		
Stationery & Office Supplies	53900		\$300	\$300		
Books & Journals	54100					
Minor Office Equipment	54200		\$400	\$400		
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$116,410	\$1,359,290	\$59,290	(\$1,300,000)	(95.64%)
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005					
Total Expenditures		\$1,627,855	\$3,661,412	\$1,410,915	(\$2,250,497)	(61.47%)

Permit Operations		504
Managing Division: Engineering		
Contact Person: Fred Tanaka		
Program Purpose: Development and maintenance of permitting systems		
Description of Program: The Permit Operations Program involves the collection, updating and maintenance of data for permitted sources of air pollution, and the development and maintenance of systems to manage these data. Data include source locations, operational data, emission factors, emissions inventory, emissions banking and "no net increase" tracking. Additional program activities include developing permit renewal procedures, coordination & tracking of permit-related activities, and provide customer support.		
Justification of Change Request: Not applicable		
Activities		
Process and maintain data from permitted facilities.		
Maintain permit tracking and management programs.		
Manage and improve data quality.		
Provide customer support.		
Maintain division pages on website.		
Maintain emissions bank and small facility bank.		
Update and correct data from permitted facilities.		
Manage division records including metadata and documents.		
Major Objectives		Delivery Date
Produce annual stationary source emissions inventory to California Air Resources Board (CARB) and EPA		12/31/2018

MEETING HELD ON MARCH 28, 2018

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	4.04	6.80	4.45	(2.35)	(34.58%)
Personnel Expenditures					
Permanent Salaries	51105 \$448,010	\$626,994	\$532,157	(\$94,837)	(15.13%)
Overtime Salaries	51150 \$97	\$5,000	\$5,000		
Temporary Salaries	51200 \$5,143				
Payroll Taxes	51300 \$6,758	\$8,916	\$7,691	(\$1,225)	(13.74%)
Pension Benefits	51400 \$70,145	\$116,799	\$103,045	(\$13,754)	(11.78%)
FICA Replacement Benefits	51500 \$5,608	\$7,918	\$7,661	(\$257)	(3.25%)
Group Insurance Benefits	51600 \$71,918	\$123,960	\$71,050	(\$52,910)	(42.68%)
Employee Transportation Subsidy	51700 \$5,260	\$9,687	\$6,098	(\$3,589)	(37.05%)
Workers' Compensation	51800 \$1,369	\$4,358	\$2,578	(\$1,780)	(40.85%)
Other Post-Employment Benefits	51850 \$49,233	\$75,797	\$44,836	(\$30,961)	(40.85%)
Board Stipends	51900				
Total Personnel Expenditures	\$663,542	\$979,429	\$780,116	(\$199,312)	(20.35%)
Services & Supplies Expenditures					
Travel In-State	52200				
Travel Out-Of-State	52225				
Training & Education	52300	\$510		(\$510)	(100.00%)
Repair & Maintenance (Equipment)	52400	\$3,268		(\$3,268)	(100.00%)
Communications	52500				
Building Maintenance	52600				
Utilities	52700				
Postage	52800				
Printing & Reproduction	52900 \$49,957	\$75,166	\$75,166		
Equipment Rental	53100				
Rents & Leases	53200				
Professional Services & Contracts	53300 \$1,613	\$12,255	\$12,255		
General Insurance	53400				
Shop & Field Supplies	53500		\$4,151	\$4,151	
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800	\$1,021	\$1,021		
Stationery & Office Supplies	53900	\$102		(\$102)	(100.00%)
Books & Journals	54100	\$271		(\$271)	(100.00%)
Minor Office Equipment	54200				
Depreciation & Amortization	54300				
Non-Capital Assets	54600				
Total Services & Supplies Expenditures	\$51,570	\$92,593	\$92,593		
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115				
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125				
Communications Equipment	60130				
General Equipment	60135				
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures					
Transfer Out	70005				
Total Expenditures	\$715,112	\$1,072,022	\$872,709	(\$199,312)	(18.59%)

Title V		506
Managing Division: Engineering		
Contact Person: Sanjeev Kamboj		
Program Purpose: Implementation of Federal Operating Permit Program for Major Facilities.		
Description of Program: The Title V program involves activities related to Title V of the Federal Clean Air Act (CAA), which requires the District to issue federally enforceable permits to major and other designated facilities. The program is intended to enhance compliance with the CAA via permits that explicitly include all Federal, State, and District requirements applicable to sources of air pollution at subject facilities.		
Justification of Change Request:		
Activities		
Evaluate and process Title V applications (initial, revisions and renewals).		
Conduct Title V outreach activities and public hearings, as needed.		
Provide Title V training to District staff.		
Track EPA rulemaking related to Title V, Section 112, compliance monitoring and acid rain.		
Major Objectives		Delivery Date
Streamline the Title V program.		Ongoing

MEETING HELD ON MARCH 28, 2018

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	4.27	6.16	6.00	(0.16)	(2.56%)
Personnel Expenditures					
Permanent Salaries	51105 \$473,183	\$737,526	\$763,059	\$25,533	3.46%
Overtime Salaries	51150 \$5,649	\$66,330	\$66,330		
Temporary Salaries	51200	\$8,006	\$8,006		
Payroll Taxes	51300 \$7,137	\$11,554	\$12,011	\$457	3.95%
Pension Benefits	51400 \$73,983	\$138,364	\$151,038	\$12,675	9.16%
FICA Replacement Benefits	51500 \$5,819	\$7,167	\$10,340	\$3,173	44.27%
Group Insurance Benefits	51600 \$74,418	\$111,288	\$107,759	(\$3,529)	(3.17%)
Employee Transportation Subsidy	51700 \$5,659	\$10,508	\$11,356	\$848	8.07%
Workers' Compensation	51800 \$1,446	\$3,945	\$3,476	(\$469)	(11.89%)
Other Post-Employment Benefits	51850 \$52,000	\$68,612	\$60,453	(\$8,159)	(11.89%)
Board Stipends	51900				
Total Personnel Expenditures	\$699,293	\$1,163,300	\$1,193,828	\$30,528	2.62%
Services & Supplies Expenditures					
Travel In-State	52200	\$378	\$378		
Travel Out-Of-State	52225				
Training & Education	52300	\$907	\$907		
Repair & Maintenance (Equipment)	52400				
Communications	52500	\$530	\$530		
Building Maintenance	52600				
Utilities	52700				
Postage	52800				
Printing & Reproduction	52900 \$11,452	\$28,873	\$28,373		
Equipment Rental	53100				
Rents & Leases	53200				
Professional Services & Contracts	53300	\$602,723	\$402,723	(\$200,000)	(33.18%)
General Insurance	53400				
Shop & Field Supplies	53500				
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800	\$919	\$919		
Stationery & Office Supplies	53900				
Books & Journals	54100	\$613	\$613		
Minor Office Equipment	54200	\$185	\$185		
Depreciation & Amortization	54300				
Non-Capital Assets	54600				
Total Services & Supplies Expenditures	\$11,452	\$635,128	\$435,128	(\$200,000)	(31.49%)
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115				
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125				
Communications Equipment	60130				
General Equipment	60135				
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures					
Transfer Out	70005				
Total Expenditures	\$710,746	\$1,798,428	\$1,628,956	(\$169,472)	(9.42%)

Engineering Special Projects		507
Managing Division: Engineering		
Contact Person: Fred Tanaka		
Program Purpose: Develop the infrastructure for consistent and efficient permit evaluation and processing, and complete projects intended to develop and improve programs within the Engineering Division.		
Description of Program: The Engineering Special Projects program involves activities that are intended to ensure consistent, efficient, and high-quality, permit evaluation and processing. This includes the development of permit rules, policies, procedures, training and tools within the division. The program involves the deployment of the Production System including an online portal for customer to submit information electronically. Goals of the program include the reduction of time and effort needed to evaluate and issue permit applications, and the improvement of the quality of permit services provided such as training for internal and external customers. The program also implements public noticing, public records fulfillment and other projects not specified in other Division programs. Planning and implementation of AB 617 activities are also handled in this program.		
Justification of Change Request: Since Public Noticing (Legal Notices) activities are moved to this program, \$100,000 was moved from Program 503 to 507.		
Activities		
Develop and maintain District permit rules, policies and procedures.		
Coordinate review and modification of standard permit conditions.		
Update permitting tools such as Permit Handbook, Best Available Control Technology (BACT) and Toxic Best Available Control Technology (TBACT) Workbook documents.		
Improve division business processes.		
Review and improve the point source emissions inventory.		
Manage training program.		
Coordinate Public Noticing activities.		
Major Objectives		Delivery Date
Complete and submit Interchangeable Emission Reduction Credit (IERC) report to California Air Resources Board (CARB).		3/1/2019
Complete and submit Offset Equivalence report for EPA.		3/1/2019
Implement new Production System functionality.		ongoing
Conduct internal and external training.		ongoing
Fulfill public records requests.		ongoing

MEETING HELD ON MARCH 28, 2018

Engineering Special Projects

507

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		2.78	5.00	2.82	(2.18)	(43.62%)
Personnel Expenditures						
Permanent Salaries	51105	\$308,283	\$613,113	\$368,072	(\$245,041)	(39.97%)
Overtime Salaries	51150		\$5,000	\$5,000		
Temporary Salaries	51200	\$23,976				
Payroll Taxes	51300	\$4,649	\$8,773	\$5,348	(\$3,426)	(39.05%)
Pension Benefits	51400	\$48,025	\$114,913	\$71,691	(\$43,222)	(37.61%)
FICA Replacement Benefits	51500	\$3,682	\$5,822	\$4,888	(\$934)	(16.04%)
Group Insurance Benefits	51600	\$47,409	\$94,168	\$50,433	(\$43,735)	(46.44%)
Employee Transportation Subsidy	51700	\$4,070	\$8,685	\$4,289	(\$4,396)	(50.61%)
Workers' Compensation	51800	\$942	\$3,205	\$1,634	(\$1,571)	(49.02%)
Other Post-Employment Benefits	51850	\$33,873	\$55,734	\$28,413	(\$27,321)	(49.02%)
Board Stipends	51900					
Total Personnel Expenditures		\$474,908	\$909,413	\$539,768	(\$369,645)	(40.65%)
Services & Supplies Expenditures						
Travel In-State	52200		\$5,000	\$5,000		
Travel Out-Of-State	52225					
Training & Education	52300	\$2,206	\$115,000	\$65,000	(\$50,000)	(43.48%)
Repair & Maintenance (Equipment)	52400					
Communications	52500	\$1,628	\$5,000	\$5,000		
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900	\$200	\$200	\$50,200	\$50,000	25000.00%
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$11,107	\$50,000	\$50,000		
General Insurance	53400					
Shop & Field Supplies	53500	\$2,808	\$10,000	\$10,000		
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	\$20,080	\$60,000	\$60,000		
Stationery & Office Supplies	53900					
Books & Journals	54100		\$400	\$400		
Minor Office Equipment	54200	\$99	\$1,500	\$1,500		
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$37,927	\$247,100	\$247,100		
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005					
Total Expenditures		\$512,836	\$1,156,513	\$786,868	(\$369,645)	(31.96%)

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MEETING HELD ON MARCH 28, 2018

PLANNING AND CLIMATE PROTECTION DIVISION

The Planning and Climate Protection Division prepares comprehensive source emission inventories for the Bay Area, conducts air quality modeling and data analyses, and prepares plans to meet State and Federal air quality standards. Division staff coordinates and implements climate protection activities through the Climate Protection Section. Division staff analyzes ambient and emissions data for toxic air contaminants, particulate matter, ozone and their precursors, and develops and implements programs to reduce exposures. Division staff works with cities, counties and other agencies to encourage transportation and land use decisions that improve air quality and protect the climate. Division staff prepares, reviews and provides guidance on environmental documents prepared pursuant to California Environmental Quality Act (CEQA).

In FYE 2019, staff will continue to implement the multi-pollutant Bay Area 2017 Clean Air Plan (2017 Plan), which addresses ozone, particulate matter, toxic air contaminants and greenhouse gases (GHGs). The 2017 Plan includes goals to attain all ambient air quality standards, eliminate disparities in health risk from air pollution, and reduce regional GHG emissions 40% below 1990 levels by 2030 and 80% below 1990 levels by 2050. To meet the new requirements of AB 617, staff will work to develop community air quality action plans, including: identifying and prioritizing impacted communities, conducting community outreach, implementing measures to reduce emissions and exposure, and providing local land use guidance. Staff will continue to work with local lead agencies, regional agencies, and others to implement the CEQA Guidelines. Staff will provide technical assistance to cities and counties on climate protection, local plans, and environmental review processes. Staff will track the development of new national ambient air quality standards and associated planning requirements. Staff will continue to work with Cal-EPA, the California Air Resources Board (CARB), and Federal, State, regional and local agencies to reduce emissions associated with ports and goods movement and implement other mobile source programs.

In FYE 2019, staff will implement GHG emission reduction measures identified in the 2017 Plan. Staff will: complete an update to CEQA Thresholds for GHGs; develop best practices and resources related to green waste handling and composting per SB 1383; develop rules and rule amendments to reduce GHGs; administer the Climate Protection Grant Program; work with CARB to coordinate state and regional climate programs; assist local governments with the development and implementation of climate action plans and local GHG reduction strategies; develop model ordinances and best practices to accelerate local policy adoption for reducing GHGs; collaborate with regional agency partners to implement Plan Bay Area and develop its next iteration; work with partner agencies to implement regional GHG reduction strategies through the Bay Area Regional Collaborative; conduct measurement studies of methane and other GHGs to support rule-making and compliance and enforcement efforts; and refine and maintain the Bay Area GHG emission inventory and improve GHG emissions forecasts.

In FYE 2019, staff will analyze aerometric data, conduct modeling, and apply geographic information systems to support the District's Strategic Incentives Division, rule development, permitting, climate protection, and planning activities. Staff will conduct source apportionment analyses and hybrid photochemical and dispersion modeling, characterize emissions and air quality, and assess air quality health impacts to support AB 617. Staff will continue to work with CARB, U.S. EPA, NOAA, NASA, Northern California air districts, and other stakeholders on the Central California Air Quality Studies, focused mainly on ozone, air toxics and PM. These studies involve field measurements, use of satellite data, emissions inventory development, modeling, and analysis of air quality and pollutant transport in North Central California. Staff will further improve modeling emissions estimates and continue conducting data analysis and modeling to better understand formation of fine and ultrafine PM, ozone and air toxics, and their health impacts in the Bay Area. Staff will investigate transport of pollutants between the Bay Area and neighboring regions and intercontinental transport of pollutants.

In FYE 2019, Division staff will continue work with other divisions on the technical analysis, outreach, and risk reduction components of the CARE Program. AB 617 will require an expansion of the CARE program's technical work, including: updates to regional-scale air toxics emissions estimates and modeling; an expanded program focused on local-scale emissions inventory development and modeling of air toxics and fine particulate matter; assessment via measurements and analyses in impacted communities of fine particulate matter and air toxic emissions and modeling; identifying impacted communities, and; working with State agencies, cities, counties, local stakeholders and others to develop and implement community action plans.

Many programs in the Division are supported by updating and reporting inventories of air pollutant emissions. In FYE 2019, Division staff will work with other divisions to review emissions inventory products and develop a quality assurance plan for them. Updated emissions methods and databases are needed for assessing impacts of pollution sources and to meet reporting and rule development requirements of the District. New requirements from CARB, posed by AB 617 and AB 197, require annual emissions reports for toxics and criteria pollutants for major emitters and improved consistency in methods for estimating emissions across California's air districts.

Source Inventories		601
Managing Division: Planning and Climate Protection		
Contact Person: Phil Martien		
Program Purpose: Compile source inventories for criteria pollutants, toxic air contaminants (TACs) and greenhouse gases (GHGs) for planning, rule development, exposure assessments, and public information. Develop emissions forecasts to assist in developing effective projects and programs to reduce health risks from air pollution and to reduce levels of climate-forcing pollutants.		
Description of Program: Staff assigned to this program compiles an inventory of all significant sources of air pollution emissions (criteria pollutants, TAC, and GHGs) in the Bay Area, and estimates the quantity, timing, and spatial distribution of emissions from each source or category of sources. The inventory includes emissions from industrial sources, motor vehicles, commercial activities, agricultural activities, residential and consumer products, and natural sources. Source inventories are used as a starting point for preparing regional and local air quality plans and for developing rules to control emissions. Inventory calculations are also used to track progress in implementing plans and demonstrating attainment. To meet State requirements, the Source Inventories Program reports permitted source emissions to CARB annually. These emissions are, in turn, reported by CARB to the public and to U.S. EPA. Staff also prepares and maintains GHG emission inventories and forecasts for the region and coordinates the development of emissions estimates for local-scale exposure assessments and for local air quality action plans required by Assembly Bill 617 (Garcia, 2017).		
Justification of Change Request: AB 617 imposes major new requirements. These new requirements will require additional products from the Source Inventories Program on a specified timeline. Additional resources are needed to meet the deadlines for (a) developing local emissions inventories to support local air quality Action Plans and for tracking emission reductions from Action Plan measures and (b) adapting emissions inventory methods and reporting to conform to Statewide standardization.		
Activities		
Prepare point and area source emissions estimates to report to CARB, including criteria pollutants, TAC, and GHG emissions.		
Provide inventory information to Air District staff to support various programs: Research and Modeling, Strategic Incentives Division, Rule Development, Communications, Community Engagement, Climate Protection, and CARE programs, including detailed local emissions for local air quality Action Plans.		
To support multiple Air District programs, refine and evaluate emissions estimates, with emphasis on non-CO2 GHGs such as methane, TAC, and fine particulate matter, incorporating new measurement and analysis techniques.		
Continue to develop the emissions inventory reporting platform, improving the District's ability to report and evaluate emissions inventory estimates.		
Refine GHG scenario forecasts to improve tracking of state, regional, and local GHG reduction measures and quantify the level of additional reductions needed to meet GHG reduction targets.		
Lead an Emissions Inventory Editorial Board at the Air District that implements staged improvements in methods for estimating and reporting emissions, adopting methods standardized across the State to meet AB 617 emissions reporting requirements.		
Provide emission inventory information requested by the public and by consultants.		
Major Objectives		Delivery Date
Transmit detailed point and area source data to CARB's CEIDARS data base.		12/31/2018
Develop local-scale emissions to support the West Oakland Action Plan.		6/30/2019
Incorporate measurements and/or new models to refine methane emissions estimates in support of rule development and implementation of the Climate Protection Program.		12/31/2018
Develop preliminary emissions datasets to support other local air quality Action Plans.		6/30/2019

Source Inventories

601

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		5.32	6.10	5.81	(0.29)	(4.70%)
Personnel Expenditures						
Permanent Salaries	51105	\$589,190	\$797,917	\$731,102	(\$66,815)	(8.37%)
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	\$8,887	\$11,383	\$10,474	(\$909)	(7.99%)
Pension Benefits	51400	\$92,007	\$150,339	\$140,421	(\$9,917)	(6.60%)
FICA Replacement Benefits	51500	\$7,216	\$7,100	\$10,006	\$2,905	40.92%
Group Insurance Benefits	51600	\$92,457	\$106,285	\$117,528	\$11,243	10.58%
Employee Transportation Subsidy	51700	\$7,138	\$10,592	\$10,670	\$78	0.74%
Workers' Compensation	51800	\$1,800	\$3,908	\$3,368	(\$541)	(13.83%)
Other Post-Employment Benefits	51850	\$64,748	\$67,971	\$58,571	(\$9,400)	(13.83%)
Board Stipends	51900					
Total Personnel Expenditures		\$863,442	\$1,155,496	\$1,082,140	(\$73,356)	(6.35%)
Services & Supplies Expenditures						
Travel In-State	52200		\$3,900	\$3,900		
Travel Out-Of-State	52225		\$3,100	\$3,100		
Training & Education	52300	\$5,610	\$7,000	\$13,000	\$6,000	85.71%
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$92,121	\$145,900	\$150,900	\$5,000	3.43%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	\$343	\$22,000	\$22,000		
Stationery & Office Supplies	53900					
Books & Journals	54100	\$360	\$500	\$500		
Minor Office Equipment	54200		\$100	\$100		
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$98,433	\$182,500	\$193,500	\$11,000	6.03%
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005					
Total Expenditures		\$961,875	\$1,337,996	\$1,275,640	(\$62,356)	(4.66%)

Air Quality Plans		602
Managing Division:		
Planning and Climate Protection		
Contact Person:		
Dave Vintze		
Program Purpose: Prepare and track effectiveness of plans to attain and maintain State and National ambient air quality standards and local community emission reduction plans per AB 617.		
Description of Program: This program has historically involved the preparation of plans required for attaining or maintaining State and National air quality standards. This includes the preparation of State Triennial Updates (Clean Air Plan), and any SIP related submittals to EPA for national planning requirements. Air districts are now required to develop community action plans per AB 617, the Community Air Protection Program. All three of these planning requirements will involve cooperation of various District staff and cooperation with ABAG, MTC, CARB, EPA, local governments and community groups. Preparing CEQA documents for air quality plans as necessary, tracking the effectiveness of air quality plans, ensuring compliance with State and national air quality planning requirements, and reporting to CARB and EPA are included in the program. This program also includes tracking and commenting on proposed State and National air quality standards and planning requirements.		
Justification of Change Request: Additional resources are requested to prepare the community action plans called for in AB 617 and the associated CEQA compliance document. The District will need to prepare at least one AB 617 action plan during FYE 2019.		
Activities		
Participate in Statewide planning activities related to AB 617 implementation		
Coordinate preparation of community action plans per AB 617		
Participate in planning activities related to State and Federal ambient air quality standards.		
Track development of new or amended State and Federal ambient air quality standards.		
Prepare any documents or technical analysis needed to meet new State or Federal planning requirements for ozone and PM2.5.		
Track implementation of control measures in the 2017 Clean Air Plan.		
Update District website with current air quality planning requirements and/or information related to proposed revisions to State and federal ambient air quality standards.		
Prepare CEQA document for the AB 617 community action plan.		
Major Objectives		Delivery Date
Prepare AB 617 community action plan for the West Oakland Community		6/30/2019
Prepare CEQA document for the AB 617 community action plan		6/30/2019
Submit other planning documents to CARB and EPA as required in FYE 2018 timeframe.		6/30/2019

Air Quality Plans

602

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	4.45	1.95	4.43	2.48	127.17%
Personnel Expenditures					
Permanent Salaries	51105 \$493,465	\$203,727	\$533,818	\$330,092	162.03%
Overtime Salaries	51150 \$2,100				
Temporary Salaries	51200				
Payroll Taxes	51300 \$7,447	\$2,875	\$7,643	\$4,768	165.81%
Pension Benefits	51400 \$77,124	\$37,976	\$104,703	\$66,727	175.71%
FICA Replacement Benefits	51500 \$6,016	\$2,270	\$7,672	\$5,402	238.00%
Group Insurance Benefits	51600 \$76,947	\$37,212	\$71,514	\$34,302	92.18%
Employee Transportation Subsidy	51700 \$6,496	\$3,342	\$4,329	\$987	29.53%
Workers' Compensation	51800 \$1,508	\$1,249	\$2,566	\$1,317	105.41%
Other Post-Employment Benefits	51850 \$54,228	\$21,729	\$44,633	\$22,904	105.41%
Board Stipends	51900				
Total Personnel Expenditures	\$725,330	\$310,380	\$776,878	\$466,498	150.30%
Services & Supplies Expenditures					
Travel In-State	52200 \$2,130	\$2,215	\$2,215		
Travel Out-Of-State	52225				
Training & Education	52300 \$2,387	\$1,200	\$1,200		
Repair & Maintenance (Equipment)	52400				
Communications	52500 \$3,105				
Building Maintenance	52600				
Utilities	52700				
Postage	52800				
Printing & Reproduction	52900 \$413				
Equipment Rental	53100				
Rents & Leases	53200				
Professional Services & Contracts	53300 \$60,523	\$20,000	\$150,000	\$130,000	650.00%
General Insurance	53400				
Shop & Field Supplies	53500				
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800				
Stationery & Office Supplies	53900 \$269				
Books & Journals	54100				
Minor Office Equipment	54200				
Depreciation & Amortization	54300				
Non-Capital Assets	54600				
Total Services & Supplies Expenditures	\$68,827	\$23,415	\$153,415	\$130,000	555.20%
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115				
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125				
Communications Equipment	60130				
General Equipment	60135				
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures					
Transfer Out	70005				
Total Expenditures	\$794,158	\$333,795	\$930,293	\$596,498	178.70%

MEETING HELD ON MARCH 28, 2018

Air Quality Modeling Support		603
Managing Division: Planning and Climate Protection		
Contact Person: Saffet Tanrikulu		
Program Purpose: Provide technical support to the District's initiatives and collaborative activities through modeling and air quality analyses.		
Description of Program: This program provides technical support to various District activities including: the Climate Protection Program, the Air Quality Planning Program, Strategic Incentives Division programs, the Central California Air Quality Studies (CCAQS), the Spare the Air Program, Assembly Bill 617 related programs, the California Baseline Ozone Transport Study (CABOTS) and the ambient data Quality Assurance (QA)/Quality Control (QC) Program. It also manages the District's modeling- and data analysis-related contracts; participates in the District's rule development, permit modeling, air monitoring and emissions inventory/exposure assessment activities; and responds to requests from District staff and the public for ambient data. It also collaborates with federal and state agencies to assess pollutant health impacts and international pollutant transport.		
Justification of Change Request: Additional resources are needed to update high resolution spatial surrogates to support AB617		
Activities		
Support the Climate Protection Program: analyze ambient data, conduct modeling, help design monitoring program, evaluate GHG emissions estimates and analyze trends.		
Support District's Air Quality Planning Program: conduct data analysis and modeling.		
Support the Strategic Incentives Division: create and update maps to prioritize grant projects.		
Respond to internal/external aerometric data requests.		
Manage the District's data analysis and modeling-related contracts: prepare work statements, review and evaluate contractors' progress and invoices, and review project final reports.		
Perform air quality modeling and data analysis to support District's rulemaking activities: apply CALMET/CALPUFF models to evaluate air quality and health benefits of proposed emission reductions.		
Support permitting activities: apply AERMOD model to accommodate the District's non-PSD modeling needs and prepare meteorological inputs to AERMOD for permit modeling.		
Participate in CARB's CCAQS and CABOTS programs: participate in the Technical and Policy Committee meetings, and provide in-kind support to their modeling and data analysis and emissions inventory preparation efforts.		
Participate in ambient air monitoring program: perform QA/QC on meteorological data, and review and update the District's aerometric data needs.		
Support Assembly Bill 617: create high resolution emissions inventory maps, evaluate locations of air monitoring stations, and assess ambient and health benefits of proposed and adopted emission controls.		
Major Objectives		Delivery Date
Perform ozone and PM modeling and analyses to assess District's status with respect to the standards.		6/30/2019
Update health impacts analyses of ozone and PM, and document the results.		12/31/2018
Perform analyses to assess contribution of wood burning to PM and document the results.		10/15/2018
Update cluster and Chemical Mass Balance analyses to further refine the identification of emission sources contributing to ozone and PM.		12/31/2018
Verify the District's aerometric data for 2017 and prepare meteorological inputs to AERMOD.		12/31/2018
Perform WRF/CMAQ modeling and analyses to support the District's rule development efforts.		12/31/2018
Prepare and update 1km resolution emissions inventory over the Bay Area to support AB617.		12/31/2018
Test WRF/CMAQ or WRF/CHEM models for real time air quality forecasting.		6/30/2019
Update health risk analysis for air toxics.		6/30/2019
Update ship emissions estimates and ocean born PM emissions inventory for modeling.		12/31/2018

Air Quality Modeling Support

603

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		4.02	3.45	3.20	(0.25)	(7.19%)
Personnel Expenditures						
Permanent Salaries	51105	\$445,666	\$431,638	\$411,467	(\$20,171)	(4.67%)
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	\$6,710	\$6,135	\$5,896	(\$239)	(3.89%)
Pension Benefits	51400	\$69,579	\$81,023	\$79,630	(\$1,393)	(1.72%)
FICA Replacement Benefits	51500	\$5,479	\$4,016	\$5,531	\$1,515	37.74%
Group Insurance Benefits	51600	\$70,374	\$65,515	\$51,070	(\$14,445)	(22.05%)
Employee Transportation Subsidy	51700	\$5,300	\$6,125	\$3,054	(\$3,070)	(50.13%)
Workers' Compensation	51800	\$1,362	\$2,210	\$1,855	(\$356)	(16.08%)
Other Post-Employment Benefits	51850	\$48,976	\$38,443	\$32,260	(\$6,183)	(16.08%)
Board Stipends	51900					
Total Personnel Expenditures		\$653,444	\$635,104	\$590,763	(\$44,341)	(6.98%)
Services & Supplies Expenditures						
Travel In-State	52200	\$75	\$1,250	\$1,350	\$100	8.00%
Travel Out-Of-State	52225	\$2,827	\$2,050	\$3,350	\$1,300	63.41%
Training & Education	52300	\$400	\$6,100	\$6,300	\$200	3.28%
Repair & Maintenance (Equipment)	52400		\$7,500	\$7,000	(\$500)	(6.67%)
Communications	52500		\$1,000	\$1,000		
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$341,988	\$93,650	\$200,000	\$106,350	113.56%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900		\$500	\$500		
Books & Journals	54100					
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$345,290	\$112,050	\$219,500	\$107,450	95.89%
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005					
Total Expenditures		\$998,734	\$747,154	\$810,263	\$63,109	8.45%

MEETING HELD ON MARCH 28, 2018

Air Quality Modeling & Research		604
Managing Division:		
Planning and Climate Protection		
Contact Person:		
Saffet Tanrikulu		
Program Purpose:		
Perform air quality modeling and data analyses to evaluate emission control strategies to attain and maintain air quality standards.		
Description of Program:		
This program maintains and applies state-of-the-science meteorological, emissions inventory and air quality models to investigate the formation of ozone, fine and ultrafine particulate matter (PM _{2.5} and PM _{0.1}), and toxic air contaminants in the Bay Area, assesses attainment status of the Bay Area with respect to Federal and State standards, supports Federal and State air quality plan development activities, quantifies transport of ozone, PM and toxic air contaminants, and their precursors within the Bay Area as well as between the Bay Area and neighboring districts, and quantifies the health impacts of ozone, PM, and toxic air contaminants. This program also includes analyses of ambient data, preparation of model inputs, monetary valuation of air pollution impacts in the Bay Area, maintenance of the District's cluster computer system, development of graphics and statistical programs to evaluate model inputs and outputs, and collaboration with modeling and air quality planning staff of CARB, U.S. EPA, NOAA, NASA, neighboring districts, industry, academia and other stakeholders.		
Justification of Change Request:		
Activities		
Maintain and apply air quality models to investigate ozone, PM _{2.5} , PM _{0.1} , and toxic air contaminants formation in the Bay Area as well as their regional transport.		
Maintain and apply meteorological models to prepare inputs to air quality models.		
Maintain and apply emissions inventory models to prepare inputs to air quality models.		
Maintain and apply air pollution health impacts and monetary valuation models.		
Prepare ambient data for model inputs and evaluation of model outputs.		
Conduct ambient data analyses for ozone, PM _{2.5} , PM _{0.1} , and toxic air contaminants to characterize each pollutant's formation in the Bay Area.		
Evaluate and improve model performance for multi-pollutant applications.		
Maintain the District's cluster computer system on which models are run.		
Develop graphics, analysis and model evaluation tools.		
Develop in-house staff expertise in modeling and air quality analysis.		
Coordinate Modeling Advisory Committee meetings.		
Analyze Bay Area status relative to the national and state ambient air quality standards.		
Major Objectives		Delivery Date
Evaluate and improve WRF meteorological model performance to support CMAQ applications.		6/30/2019
Update and improve spatial surrogates and temporal profiles used for gridding and temporalizing county level emissions estimates for modeling.		6/30/2019
Evaluate and improve CMAQ model performance for multipollutant simulations.		6/30/2019
Evaluate and update BenMAP for assessing health impacts of ozone, fine particulate matter, ultrafine particulate matter and air toxics contaminants.		6/30/2019
Maintain and evaluate the CALMET/CALPUFF modeling system for local scale model applications.		6/30/2019
Maintain and evaluate the AERMOD model for non-PSD model applications.		6/30/2019
Update analysis of CMAQ sensitivity to emission reductions for PM, toxics and ozone and assess Bay Area trends.		6/30/2019
Maintain the meteorological and air quality database and update analyses of ambient data for selected PM, toxics and ozone simulation periods.		6/30/2019
Update modeling software and computer libraries.		6/30/2019

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		3.68	3.65	3.53	(0.12)	(3.27%)
Personnel Expenditures						
Permanent Salaries	51105	\$407,592	\$484,764	\$467,934	(\$16,830)	(3.47%)
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	\$6,148	\$6,911	\$6,708	(\$203)	(2.94%)
Pension Benefits	51400	\$63,636	\$91,272	\$90,842	(\$430)	(0.47%)
FICA Replacement Benefits	51500	\$5,087	\$4,249	\$6,099	\$1,851	43.56%
Group Insurance Benefits	51600	\$64,047	\$66,319	\$67,434	\$1,115	1.68%
Employee Transportation Subsidy	51700	\$4,345	\$6,475	\$4,952	(\$1,524)	(23.53%)
Workers' Compensation	51800	\$1,245	\$2,339	\$2,045	(\$293)	(12.54%)
Other Post-Employment Benefits	51850	\$44,792	\$40,671	\$35,572	(\$5,100)	(12.54%)
Board Stipends	51900					
Total Personnel Expenditures		\$596,893	\$702,999	\$681,586	(\$21,413)	(3.05%)
Services & Supplies Expenditures						
Travel In-State	52200	\$17	\$900	\$900		
Travel Out-Of-State	52225	\$1,100	\$1,650	\$1,650		
Training & Education	52300	\$550	\$2,500	\$2,500		
Repair & Maintenance (Equipment)	52400		\$10,000	\$10,000		
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900	\$71	\$3,500	\$3,500		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300		\$9,500	\$9,500		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	\$2,821	\$7,372	\$7,500	\$128	1.74%
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$4,558	\$35,422	\$35,550	\$128	0.36%
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005					
Total Expenditures		\$601,450	\$738,421	\$717,136	(\$21,285)	(2.88%)

Mobile Source Measures		605
Managing Division: Planning and Climate Protection		
Contact Person: Dave Vintze		
Program Purpose: Implementation of regional land use, mobile source and transportation measures.		
Description of Program: State and Federal laws require air districts to implement mobile source and transportation measures to attain and maintain ambient air quality standards and to reduce emissions and exposure to fine particulate matter and toxic air contaminants in disproportionately impacted communities. To this end, District staff works with CARB, MTC, ABAG, CMAs, cities, counties, transit operators, Caltrans, and other agencies and community organizations to encourage and facilitate implementation of mobile source and transportation measures and to implement the 2017 Clean Air Plan. This program also includes consultation with other agencies regarding land use and transportation planning activities to minimize the potential land use compatibility conflicts of locating sensitive receptors in close proximity to local sources of air pollution. In addition, this program also includes analysis of air quality impacts of plans and projects through CEQA and other environmental review processes, and transportation/general conformity determinations. Staff also works with State and local agencies to reduce emissions from ports and goods movement, and participates in CARB rulemaking processes.		
Justification of Change Request:		
Activities		
Provide guidance to cities and counties on air quality and infill development related to the Planning Healthy Places guidance document. Work with CAPCOA to update land use guidance documents and emission estimate models.		
Collaborate with other regional agencies to implement Plan Bay Area, TOD and smart growth in the Bay Area.		
Participate in Statewide effort to update the CalEEMod land use emission model.		
Respond to questions from cities, counties and other agencies regarding air quality analysis procedures for CEQA documents; review and send comment letters on environmental documents for major development projects and plans.		
Complete the update to the District's CEQA thresholds and guidelines.		
Implement control measures in the 2017 Clean Air Plan, including an Indirect Source Rule, green waste diversion and zero waste model ordinances.		
Work with MTC and others on implementation of transportation measures in the 2017 Clean Air Plan.		
Work with EPA, CARB, and various Federal, State, regional and local agencies on mobile source programs, e.g., ports, goods movement, railroads, shipping.		
Participate on regional and statewide Transportation Conformity Task Forces.		
Track CARB actions on on-road and off-road mobile sources and fuels, and Bureau of Automotive Repair actions on vehicle inspection and maintenance; attend workshops and hearings and prepare comments as appropriate.		
Evaluate and promote use of alternative fuels, e.g., hydrogen, biodiesel, etc.		
Assist MTC and the Compliance and Enforcement Division with the implementation and evaluation of the commuter benefits program.		
Assist in the development of climate action plans and community action plans per AB 617.		
Provide consultation to Federal agencies regarding general conformity review of non-transportation projects.		
Maintain & update webpages re: CEQA guidelines, smart growth, Planning Healthy Places, etc.		
Major Objectives		Delivery Date
Complete the update to the District's CEQA thresholds and guidelines per 2017 CAP		8/31/2018
Assist with project level TAC/PM2.5 air quality analysis for Station Area Plans, Transit Priority Projects and Priority Development Areas to assist local jurisdictions in moving these projects forward.		6/30/2019
Prepare comment letters regarding air quality impacts of Bay Area development projects and plans for CEQA documents.		6/30/2019
Complete development of an indirect source rule per 2017 CAP		6/30/2019
Participate in Port of Oakland Maritime Air Quality Improvement Plan update & implementation processes.		6/30/2019
Develop model green waste diversion and zero waste model ordinances, and composting best practices guidance consistent with 2017 CAP control measures		12/31/2018
Participate in CAPCOA update to land use guidance documents and CalEEMod model.		6/30/2019

Mobile Source Measures

605

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		4.37	5.27	4.61	(0.66)	(12.47%)
Personnel Expenditures						
Permanent Salaries	51105	\$484,706	\$704,326	\$622,783	(\$81,543)	(11.58%)
Overtime Salaries	51150	\$553				
Temporary Salaries	51200	\$76,866				
Payroll Taxes	51300	\$7,361	\$10,014	\$8,929	(\$1,084)	(10.83%)
Pension Benefits	51400	\$76,159	\$132,252	\$121,847	(\$10,405)	(7.87%)
FICA Replacement Benefits	51500	\$6,099	\$6,129	\$7,972	\$1,843	30.06%
Group Insurance Benefits	51600	\$76,936	\$98,141	\$82,369	(\$15,772)	(16.07%)
Employee Transportation Subsidy	51700	\$5,520	\$8,369	\$5,497	(\$2,872)	(34.31%)
Workers' Compensation	51800	\$1,481	\$3,374	\$2,670	(\$704)	(20.85%)
Other Post-Employment Benefits	51850	\$53,266	\$58,675	\$46,438	(\$12,237)	(20.85%)
Board Stipends	51900					
Total Personnel Expenditures		\$788,948	\$1,021,278	\$898,506	(\$122,773)	(12.02%)
Services & Supplies Expenditures						
Travel In-State	52200	\$349	\$2,300	\$2,300		
Travel Out-Of-State	52225	\$2,209	\$1,300	\$1,300		
Training & Education	52300	\$1,338	\$3,400	\$3,400		
Repair & Maintenance (Equipment)	52400					
Communications	52500	\$1,368				
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900		\$4,000	\$4,000		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$184,615	\$281,900	\$281,900		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900		\$450	\$450		
Books & Journals	54100	\$153				
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$190,033	\$293,350	\$293,350		
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005					
Total Expenditures		\$978,980	\$1,314,628	\$1,191,856	(\$122,773)	(9.34%)

Climate Protection		608
Managing Division: Planning and Climate Protection		
Contact Person: Abby Young		
Program Purpose: Reduce emissions contributing to climate change and integrate climate protection into programs to reduce criteria and toxic air pollutants.		
Description of Program: District climate protection activities for FYE 2019 will be coordinated by the Climate Protection Section and will include: implementation of the 2017 Clean Air Plan; administering the 2018 Climate Protection Grant Program; supporting the development of proposed rules to reduce GHGs; conducting methane and CO2 measurement studies to support rule-making and other programs; refining GHG emission inventories and forecasts; continuing technical assistance to local governments on climate action plan development and implementation through the development of model ordinances and best practices, assistance in obtaining cap and trade and other funds, assistance in developing indicators to track success, and assistance in implementing strategies to reduce GHG emissions from key sectors including buildings, waste, water and transportation; assistance to local governments and other entities to implement carbon sequestration on natural and working lands; supporting programs to divert organics from the waste stream; working with the private sector to reduce super-GHGs from refrigeration; working with stakeholder groups to develop public outreach and education initiatives to reduce GHG emissions; continued collaboration with local, regional, state, and national agencies on climate protection efforts; and continued integration of climate protection strategies in existing Air District programs, such as AB 617.		
Justification of Change Request:		
Activities		
Implement 2017 Clean Air Plan by developing and implementing comprehensive, high priority strategies to reduce GHGs.		
Implement the 2018 Climate Protection Grant Program to reduce GHGs from existing buildings and support innovative strategies with potential for long-term GHG reductions across multiple sectors.		
Provide support for climate-related rule development activity.		
Continue to collaborate and develop new methods for inventorying and forecasting regional GHG emissions to support rule-development, specifically the Basin-wide Methane Strategy.		
Continue administering and improving the GHG Measurement Program using the GHG fixed-site and mobile monitoring network and collaborating with research institutions.		
Provide climate leadership in the Bay Area through convening events, and providing networking and information-sharing opportunities for local governments and stakeholder groups.		
Develop tools and standardized methodologies to assist local government in developing GHG emission inventories.		
Support local climate action plans via technical assistance, developing model ordinances, and disseminating best practices, particularly in the areas of organic waste reduction, active and low-GHG transportation, and zero net energy/carbon buildings.		
Engage stakeholder and industry groups in developing approaches for implementing the 2017 Clean Air Plan, including switching to low-GHG refrigerants and low-GHG diets.		
Coordinate the integration of climate protection strategies in existing Air District programs.		
Participate in regional climate protection programs with BARC, MTC, ABAG, and BCDC.		
Participate in Statewide and regional Scoping Plan and Plan Bay Area implementation efforts.		
Work with local, regional, state and federal agencies and organizations to coordinate climate protection efforts.		
Major Objectives		Delivery Date
Implement GHG reduction strategies identified in the 2017 Clean Air Plan.		6/30/2019
Administer the 2018 Climate Protection Grant Program.		6/30/2019
Support methane strategy rule development through GHG measurement activities.		6/30/19
Implement control measures/strategies for the existing residential & commercial building stock.		6/30/19
Implement strategies to divert organics from the waste stream.		6/30/2019
Implement strategies to promote low-GHG refrigerants and reduce refrigerant use.		6/30/2019
Implement strategies that support low- and no-GHG transportation.		6/30/2019
Accelerate the local implementation of GHG reduction activities through developing model policies, best practices, guidance and assistance identifying and securing funding.		6/30/2019
Collaborate with stakeholder organizations to develop public outreach and education campaigns.		6/30/2019
Continue developing methods and collaborations to expand and improve GHG inventory and forecasting practices to support rule-making.		6/30/2019
Continue operating and improving the fixed-site and mobile GHG monitoring network and develop improved estimates of methane and other GHG emissions.		6/30/2019

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		9.18	11.35	8.82	(2.53)	(22.27%)
Personnel Expenditures						
Permanent Salaries	51105	\$1,016,949	\$1,463,446	\$1,165,401	(\$298,045)	(20.37%)
Overtime Salaries	51150	\$8,842				
Temporary Salaries	51200	\$15,247				
Payroll Taxes	51300	\$15,346	\$20,788	\$16,705	(\$4,083)	(19.64%)
Pension Benefits	51400	\$158,753	\$274,550	\$225,436	(\$49,114)	(17.89%)
FICA Replacement Benefits	51500	\$12,276	\$13,211	\$15,309	\$2,097	15.87%
Group Insurance Benefits	51600	\$158,764	\$218,608	\$152,516	(\$66,092)	(30.23%)
Employee Transportation Subsidy	51700	\$11,111	\$18,967	\$5,716	(\$13,251)	(69.86%)
Workers' Compensation	51800	\$3,107	\$7,272	\$5,111	(\$2,161)	(29.72%)
Other Post-Employment Benefits	51850	\$111,752	\$126,471	\$88,889	(\$37,583)	(29.72%)
Board Stipends	51900					
Total Personnel Expenditures		\$1,512,145	\$2,143,314	\$1,675,082	(\$468,232)	(21.85%)
Services & Supplies Expenditures						
Travel In-State	52200	\$1,924	\$2,800	\$4,300	\$1,500	53.57%
Travel Out-Of-State	52225	\$1,819	\$7,000	\$7,500	\$500	7.14%
Training & Education	52300	\$1,630	\$6,100	\$6,100		
Repair & Maintenance (Equipment)	52400		\$20,000	\$20,000		
Communications	52500	\$778				
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900	\$2,648	\$1,100	\$100	(\$1,000)	(90.91%)
Equipment Rental	53100					
Rents & Leases	53200			\$5,100	\$5,100	
Professional Services & Contracts	53300	\$113,750	\$4,805,000	\$340,000	(\$4,465,000)	(92.92%)
General Insurance	53400					
Shop & Field Supplies	53500	\$28				
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700	\$30				
Computer Hardware & Software	53800	\$2,911	\$1,800	\$1,800		
Stationery & Office Supplies	53900		\$300	\$300		
Books & Journals	54100		\$100	\$100		
Minor Office Equipment	54200			\$200	\$200	
Depreciation & Amortization	54300					
Non-Capital Assets	54600	\$3,981				
Total Services & Supplies Expenditures		\$129,498	\$4,844,200	\$385,500	(\$4,458,700)	(92.04%)
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125	\$87,674				
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures		\$87,674				
Transfer Out	70005	\$3,981				
Total Expenditures		\$1,733,299	\$6,987,514	\$2,060,582	(\$4,926,932)	(70.51%)

Community Air Risk Evaluation (CARE)		609
Managing Division: Planning and Climate Protection		
Contact Person: Phil Martien		
Program Purpose: Evaluate community health risks from ambient toxic air contaminants (TACs), fine particulate matter (PM) and other pollutants. Focus mitigation measures on locations with higher exposures and risk levels and vulnerable populations. Develop mitigation strategies for local sources of interest and new and existing development near busy roadways and other air pollution sources. Partner with other Air District staff and community members to execute requirements develop tools, analyses, and products to support local air quality Action Plans.		
Description of Program: The District's CARE program targets risk reduction activities in areas where impacts of TACs, fine PM, and other pollutants are greatest. The CARE program helps to coordinate emissions inventory development, air modeling, air monitoring, analysis of health records and socio-economic datasets, and exposure and health assessments to identify areas with vulnerable populations and relatively high air pollution. Information derived from these activities is used to focus District risk reduction activities, such as rulemaking, grant and incentive programs, partnerships with local agencies on local plans and programs, collaboration with public health professionals, development of community risk reduction plans, advocacy of State and local regulatory programs, community engagement processes to improve public health in the most impacted communities, and other activities. The CARE program actively participates in the development of local air quality Action Plans required by Assembly Bill 617.		
Justification of Change Request: AB 617 imposes major new requirements. These new requirements will require additional products from the CARE Program on a specified timeline. Additional resources will be required in Program 609 to meet the deadlines for ranking Bay Area communities within the Air District and for engaging with communities to develop local air quality Action Plans. Additional resources also will be required for Program 609 to develop technical products to support the local Action Plans.		
Activities		
Manage and coordinate the CARE program.		
Conduct local-scale modeling and analyses to support risk screening tools that support the development of local air quality action plans and that help promote healthy development.		
Participate in outreach and assist in evaluating community risks and hazards, through measurement and modeling programs.		
Compile demographic and health statistics data for the Bay Area.		
Attend community meetings to understand local concerns and provide updates on the CARE program.		
Develop modeling methods to identify emission sources and source areas affecting impacted communities.		
Develop mitigations for sources of interest and mitigation strategies for new and existing development near busy roadways and other air pollution sources.		
Update regional emissions estimates of TAC.		
Investigate and support the use of low-cost air quality sensor networks to improve exposure assessments.		
Support enhanced data visualization/analysis tools for community partnerships and local planning guidance.		
Major Objectives		
Continue to expand the existing network of low-cost air quality sensors in the Bay Area to measure CO2 and local pollutants.		6/30/2019
In coordination with West Oakland community groups, Air District staff, and stakeholders, develop products to support the West Oakland Action Plan: project goals, exposure and risk assessments, mitigation measures, and tracking methods.		6/30/2019
Work with San Francisco residents, City/County of San Francisco to support the San Francisco Community Risk Reduction Plan (CRRP). Combine CRRP efforts with community mapping in the Bay View neighborhood.		9/30/2018
Analyze local air pollution exposures in select communities to support preliminary Action Plan development.		6/30/2019

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		3.39	2.53	3.68	1.15	45.43%
Personnel Expenditures						
Permanent Salaries	51105	\$375,555	\$356,761	\$500,735	\$143,974	40.36%
Overtime Salaries	51150					
Temporary Salaries	51200	\$1,319				
Payroll Taxes	51300	\$5,657	\$5,101	\$7,180	\$2,079	40.76%
Pension Benefits	51400	\$58,760	\$67,370	\$96,916	\$29,546	43.86%
FICA Replacement Benefits	51500	\$4,680	\$2,944	\$6,425	\$3,481	118.26%
Group Insurance Benefits	51600	\$59,668	\$43,635	\$76,210	\$32,575	74.65%
Employee Transportation Subsidy	51700	\$3,900	\$4,390	\$6,709	\$2,319	52.82%
Workers' Compensation	51800	\$1,147	\$1,620	\$2,131	\$510	31.50%
Other Post-Employment Benefits	51850	\$41,271	\$28,180	\$37,057	\$8,877	31.50%
Board Stipends	51900					
Total Personnel Expenditures		\$551,958	\$510,002	\$733,363	\$223,361	43.80%
Services & Supplies Expenditures						
Travel In-State	52200		\$1,900	\$1,900		
Travel Out-Of-State	52225		\$2,000	\$2,000		
Training & Education	52300	\$80	\$10,400	\$10,400		
Repair & Maintenance (Equipment)	52400		\$3,000	\$3,000		
Communications	52500	\$3,095	\$1,000	\$1,000		
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900		\$2,000	\$2,000		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$137,766	\$100,700	\$300,700	\$200,000	198.61%
General Insurance	53400					
Shop & Field Supplies	53500		\$3,500		(\$3,500)	(100.00%)
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	\$9,431	\$13,500	\$18,500	\$5,000	37.04%
Stationery & Office Supplies	53900		\$200	\$200		
Books & Journals	54100		\$500	\$500		
Minor Office Equipment	54200		\$100	\$100		
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$150,372	\$138,800	\$340,300	\$201,500	145.17%
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005					
Total Expenditures		\$702,330	\$648,802	\$1,073,663	\$424,861	65.48%

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MEETING HELD ON MARCH 28, 2018

INFORMATION SERVICES DIVISION

The Information Services Division focuses on Information Technology Operations and Support. Under this program, District staff provides design, implementation, security and maintenance of all computer server infrastructures including but not limited to email, telephone, network, file storage, disaster recovery, financials, and remote connection. The support team in this program provides user support to District staff for all technologies and user support to outside members of the regulated community that utilize on-line District technologies.

The Records Management Program (RM) is responsible for maintaining the Air District official records for each Divisions. These documents are made available for public, industry and internal request in accordance to the APCO Policy and Procedures. RM also monitors the Records Retention Schedule approved by the Board of Directors. RM division has been, and continues, working with consultants to develop the most effect way to meet these responsibilities.

In FY2019, the RM program intends to purchase new software to maintain all digitized records and track any paper records that are not maintained in electronic format. Consultants will assist RM in writing, review responses and make recommendations for a Request for Proposal (RFP) for software vendors. RM will assist each Division in developing Policy and Procedures for their official document criteria and conduct training for the Records Custodians on procedures for submitting documents to RM.

MEETING HELD ON MARCH 28, 2018

Information Management Records & Content		712
Managing Division: Information Services		
Contact Person: Magen Holloway		
Program Purpose: To provide archival and retrieval services for the District's records produced by various Divisions. Retires documents in accordance to the Record Retention Schedule.		
Description of Program: The Records Management Program (RM) is responsible for maintaining the Air District official records for each Divisions. These documents are made available for public, industry and internal request in accordance to the APCO Policy and Procedures. RM also monitors the Records Retention Schedule approved by the Board of Directors.		
Justification of Change Request:		
New software will assist RM meet the program objects.		
Consultants will assist RM in writing, review responses and make recommendations for a Request for Proposal (RFP) for software vendors.		
Activities		
Manage and Support of Physical and Electronic Storage of District Records. Maintain records in accordance to the Record Retention Schedule.		
Purchase software to maintain and track District Records.		
Train Division Records Custodians on new software.		
Major Objectives		Delivery Date
Purchase new software to maintain all official District records.		

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change	
Number of Positions (FTE)	1.29	2.00	2.99	0.99	49.28%	
Personnel Expenditures						
Permanent Salaries	51105	\$142,993	\$188,535	\$317,084	\$128,549	68.18%
Overtime Salaries	51150	\$1,235				
Temporary Salaries	51200	\$2,997				
Payroll Taxes	51300	\$2,169	\$2,651	\$4,532	\$1,882	70.99%
Pension Benefits	51400	\$22,097	\$35,007	\$61,642	\$26,635	76.09%
FICA Replacement Benefits	51500	\$1,633	\$2,328	\$5,114	\$2,786	119.67%
Group Insurance Benefits	51600	\$21,186	\$40,872	\$44,685	\$3,813	9.33%
Employee Transportation Subsidy	51700	\$1,418	\$1,752	\$3,857	\$2,105	120.17%
Workers' Compensation	51800	\$437	\$1,281	\$1,730	\$448	34.98%
Other Post-Employment Benefits	51850	\$15,714	\$22,286	\$30,081	\$7,795	34.98%
Board Stipends	51900					
Total Personnel Expenditures		\$211,879	\$294,712	\$468,725	\$174,013	59.05%
Services & Supplies Expenditures						
Travel In-State	52200	\$28		\$2,500	\$2,500	
Travel Out-Of-State	52225					
Training & Education	52300		\$5,000	\$5,000		
Repair & Maintenance (Equipment)	52400					
Communications	52500	\$3,686	\$3,600	\$3,600		
Building Maintenance	52600	\$534	\$8,500	\$8,500		
Utilities	52700	\$3,546	\$2,400	\$3,600	\$1,200	50.00%
Postage	52800					
Printing & Reproduction	52900	\$3,210	\$85,000	\$85,000		
Equipment Rental	53100					
Rents & Leases	53200	\$79,749	\$70,000	\$80,000	\$10,000	14.29%
Professional Services & Contracts	53300	\$73,229	\$160,000	\$160,000		
General Insurance	53400					
Shop & Field Supplies	53500		\$15,000	\$15,000		
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800			\$50,000	\$50,000	
Stationery & Office Supplies	53900	\$105	\$5,000	\$5,000		
Books & Journals	54100					
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$164,088	\$354,500	\$418,200	\$63,700	17.97%
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110		\$100,000	\$50,000	(\$50,000)	(50.00%)
Computer & Network Equipment	60115		\$800,000	\$140,000	(\$660,000)	(82.50%)
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures			\$900,000	\$190,000	(\$710,000)	(78.89%)
Transfer Out	70005	(\$6,458)				
Total Expenditures		\$369,509	\$1,549,212	\$1,076,925	(\$472,287)	(30.49%)

Information Systems Software Development		725
Managing Division: Information Services		
Contact Person: Blair L Adams		
Program Purpose: This program provides design, implementation and support services for the District's permitting business function, including the transition from the legacy systems to the Production System.		
Description of Program: This program is responsible for software design, validation and implementation of the Production System for permitting activities such as processing permit applications, registrations and permit renewal. The Production System will replace existing systems (e.g., Databank, IRIS, current online registration systems). Implementation of the system includes providing a help desk and support tools to enhance the customer experience to use the online system.		
Justification of Change Request:		
Activities		
Designs for permitting functionality and features		
User Acceptance Testing of functionality and features		
Legacy data review and cleanup		
Customer Help Desk		
Customer tools to enhance system usability		
Staff Training		
Major Objectives		Delivery Date
Production System design and testing		Daily
Implementation of functionality to internal customers		Daily
Implementation of functionality to external customers		Daily

MEETING HELD ON MARCH 28, 2018

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		7.65	8.57	8.58	0.01	0.16%
Personnel Expenditures						
Permanent Salaries	51105	\$847,428	\$1,086,135	\$1,103,927	\$17,791	1.64%
Overtime Salaries	51150	\$1,219				
Temporary Salaries	51200	\$14,266				
Payroll Taxes	51300	\$12,791	\$15,377	\$15,818	\$440	2.86%
Pension Benefits	51400	\$132,448	\$203,093	\$217,429	\$14,337	7.06%
FICA Replacement Benefits	51500	\$10,218	\$9,972	\$14,833	\$4,861	48.74%
Group Insurance Benefits	51600	\$132,857	\$166,948	\$122,383	(\$44,565)	(26.69%)
Employee Transportation Subsidy	51700	\$8,737	\$15,361	\$15,141	(\$220)	(1.43%)
Workers' Compensation	51800	\$2,589	\$5,489	\$4,996	(\$493)	(8.98%)
Other Post-Employment Benefits	51850	\$93,127	\$95,464	\$86,895	(\$8,569)	(8.98%)
Board Stipends	51900					
Total Personnel Expenditures		\$1,255,679	\$1,597,840	\$1,581,422	(\$16,418)	(1.03%)
Services & Supplies Expenditures						
Travel In-State	52200					
Travel Out-Of-State	52225					
Training & Education	52300		\$15,000	\$15,000		
Repair & Maintenance (Equipment)	52400					
Communications	52500	\$679				
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$50,000	\$50,000	\$50,000		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	\$50,000	\$25,000	\$25,000		
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$100,679	\$90,000	\$90,000		
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005					
Total Expenditures		\$1,356,358	\$1,687,840	\$1,671,422	(\$16,418)	(0.97%)

MEETING HELD ON MARCH 28, 2018

Information Technology Engineering & Operations		726
Managing Division: Information Services		
Contact Person: John Chiladakis		
Program Purpose: Provide computer and telecommunications infrastructure. Provide service and support for staff.		
Description of Program: Operate, engineer, purchase, install, upgrade, maintain, and repair new software systems, computer networks, network servers, telephone systems, voicemail systems, firewalls, personal computers, workstations, file and database servers, and operating system and application software.		
Justification of Change Request:		
Activities		
Operation and system administration of HP-3000 business system.		
Administration of Cisco telephone and voice mail system.		
Administration of Simplivity and other VMWare servers.		
Configuration and administration of network routers, switches, firewalls and internet access.		
Operation and system administration of HP-9000 database servers.		
Support and administer DNS servers.		
Administration of desktop operating system and applications software.		
Administration of Windows Active Directory and servers.		
Administration of NetApp SAN storage system.		
Purchase, installation, upgrade, maintenance, and repair of desktop workstations and printers.		
Administration of MS Exchange-Online, Internet and remote access systems.		
Administration of Multi-Agency Shared Services Printing and Scanning systems		
Major Objectives		Delivery Date
Maintain computer operations availability for 10 hours/day, 5 days/week.		Daily
Provide communications availability for 10 hours/day, 5 days/week.		Daily
Maintain LAN operations availability for 10 hours/day, 5 days/week.		Daily
Maintain network routers and firewall.		Weekly
Provide system connectivity support for JD Edwards.		Monthly
Support, troubleshoot and maintain desktop workstations.		Weekly
Support and upgrade remote access capabilities.		Monthly
Maintain voice messaging system, including menus and changes for field staff.		Monthly

MEETING HELD ON MARCH 28, 2018

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	10.16	11.41	10.96	(0.45)	(3.96%)
Personnel Expenditures					
Permanent Salaries	51105 \$1,124,941	\$1,412,142	\$1,382,166	(\$29,976)	(2.12%)
Overtime Salaries	51150 \$4,941	\$8,000	\$8,000		
Temporary Salaries	51200 \$14,456				
Payroll Taxes	51300 \$16,949	\$20,146	\$19,917	(\$229)	(1.14%)
Pension Benefits	51400 \$175,791	\$264,541	\$270,578	\$6,037	2.28%
FICA Replacement Benefits	51500 \$13,924	\$13,279	\$19,038	\$5,759	43.37%
Group Insurance Benefits	51600 \$176,227	\$217,372	\$210,413	(\$6,959)	(3.20%)
Employee Transportation Subsidy	51700 \$12,066	\$18,907	\$16,036	(\$2,871)	(15.19%)
Workers' Compensation	51800 \$3,437	\$7,309	\$6,348	(\$962)	(13.16%)
Other Post-Employment Benefits	51850 \$123,624	\$127,119	\$110,394	(\$16,725)	(13.16%)
Board Stipends	51900				
Total Personnel Expenditures	\$1,666,355	\$2,088,815	\$2,042,889	(\$45,925)	(2.20%)
Services & Supplies Expenditures					
Travel In-State	52200 \$221				
Travel Out-Of-State	52225 \$1,740	\$10,000		(\$10,000)	(100.00%)
Training & Education	52300	\$40,000	\$40,000		
Repair & Maintenance (Equipment)	52400 \$482,215	\$565,500	\$605,500	\$40,000	7.07%
Communications	52500 \$14,446	\$14,000	\$25,000	\$11,000	78.57%
Building Maintenance	52600				
Utilities	52700				
Postage	52800				
Printing & Reproduction	52900	\$5,000		(\$5,000)	(100.00%)
Equipment Rental	53100				
Rents & Leases	53200				
Professional Services & Contracts	53300 \$337,909	\$390,000	\$390,000		
General Insurance	53400				
Shop & Field Supplies	53500	\$7,500		(\$7,500)	(100.00%)
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800 \$86,790	\$190,000	\$179,000	(\$11,000)	(5.79%)
Stationery & Office Supplies	53900	\$2,000		(\$2,000)	(100.00%)
Books & Journals	54100	\$500		(\$500)	(100.00%)
Minor Office Equipment	54200				
Depreciation & Amortization	54300				
Non-Capital Assets	54600 \$432,948				
Total Services & Supplies Expenditures	\$1,356,270	\$1,224,500	\$1,239,500	\$15,000	1.22%
Capital Expenditures					
Leasehold Improvements	60100	\$75,000	\$75,000		
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115 \$348,565				
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125				
Communications Equipment	60130	\$400,000	\$400,000		
General Equipment	60135				
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures	\$348,565	\$475,000	\$475,000		
Transfer Out	70005 (\$70,422)				
Total Expenditures	\$3,300,768	\$3,788,315	\$3,757,389	(\$30,925)	(0.82%)

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MEETING HELD ON MARCH 28, 2018

METEOROLOGY, MEASUREMENT & RULES DIVISION

The Meteorology and Measurement Division consists of eight individual sections that provide technical support, air quality and meteorological data, chemical analysis and forecasting services to the Compliance & Enforcement, Engineering, Planning, Legal, Rules and Communications and Community Engagement Divisions.

The Air Monitoring Section provides the data to determine if the Air District is in attainment with state and federal standards, and provides a scientific basis for other Air District programmatic decisions. New and continuing activities include:

- Performing upgrades to the toxics monitoring network to improve data completeness and expand sampling capabilities, as well as upgrades to other monitoring programs whose equipment is nearing end of life.
- Work with industry, community groups and other interested parties to determine appropriate locations for community monitoring systems developed as part of the overall Refinery Strategy and Regulation 12, Rule 15 as well as monitoring associated with Assembly Bill 617 (AB 617).

The Laboratory Services Section provides analytical services and expertise in support of Air District goals and programs. New and continuing activities include:

- Continuation of upgrades to laboratory analytical instruments to enhance the laboratory's ability to analyze for additional organic and toxic compounds.
- Providing gravimetric, ion, OC/EC and metals analysis on PM_{2.5} filter samples.

The Source Test Section tests emissions from stationary sources to determine compliance with Air District regulations. New and continuing activities include:

- Additional and enhanced compliance testing on sources of volatile organic compounds, accuracy tests on the continuous emission monitoring network and PM_{2.5} testing at affected sources.
- Providing technical support and data for other Air District Divisions to facilitate decision making.

The Meteorology and Data Analysis Section provides Spare the Air, burn and other air quality forecasting in addition to analysis and validation of aerometric and meteorological data that supports Air District programs. New and continuing activities include:

- Daily air quality forecasting for the Spare the Air program and enhanced burn forecasting for the Air District's Open Burning Regulation.
- Development and maintenance of the quality system that ensures high quality data and incorporation of other data streams that may provide additional value to Air District operations.

The Performance Evaluation Section performs independent performance evaluation of the Air District's air monitoring and meteorological networks, in addition to specific outside networks of value to Air District activities, to ensure high quality data and compliance with EPA requirements. New and continuing activities include:

- Performance evaluations of air monitoring instruments at Air District and refinery locations.
- Maintenance of the Air District's and other important meteorological networks.

The BioWatch Monitoring Section operates and maintains a monitoring network for the Department of Homeland Security.

The Data Management and Communications provides IT support for the Division.

- Manage data and communications systems to decrease downtime and increase cost effectiveness.
- Continue to develop the Air District laboratory information system.

The Mobile Monitoring Section will provide mobile measurements and generate data in support of Air District activities including when incidents occur. These new activities will include:

- Purchase and development of mobile measurement capabilities.
- Support other Air District activities including mobile measurements during incidents, including mobile screening measurements in support of AB 617.

Ambient Air Monitoring		802
Managing Division: Meteorology and Measurement		
Contact Person: Steven Randall		
Program Purpose: Provide the data required to determine and measure progress towards the Bay Area's attainment of National and State ambient air quality standards as well as determine and measure progress of other Air District programs.		
Description of Program: The primary function of the Air Monitoring Section is to operate and maintain a network of 54 measurement sites, which is the sum of 40 Air Monitoring stations and an additional 14 Meteorological sites, that provide data required to determine attainment status of both National and State ambient air quality standards, new and modified regulations and National and State sampling strategies, as well as provide more targeted community level air quality assessment monitoring in support of AB617 activities and refinery communities. Additionally, a network of toxics gaseous and particulate monitors collect data to develop trends and help define risk, and for National and State programs. Air monitoring and meteorological data, as well as sampling projects such as the National Air Toxic Trends Sites (NATTS), Precursor Air Monitoring Stations (PAMS) and PM _{2.5} speciation sampling, are also used for Air Quality Index (AQI) forecasts, Clean Air Plan (CAP) modeling, Prevention of Significant Deterioration (PSD) modeling, Refinery Community Monitoring, AB617 monitoring and Environmental Impact Reports (EIRs).		
Justification of Change Request: The budgets for Utilities (52700), Rents and Leases (53200), and Shop and Field (53505) have been increased due to a combination of inflationary pressures, contractual agreements, and new site development, in particular, for Refinery Community Monitoring. Building Maintenance (52600) has been increased by \$150,000 to pay for safety improvements and repairs to aging air monitoring stations. Capital equipment requests are \$1,151,618 to support replacement of aging air monitoring equipment, implementation of relocatable speciation platform(s) and dense spatial monitoring systems in support of community monitoring for AB617 and Reg 12-15, and expansion of existing site monitoring capabilities to support better community level air quality characterization.		
Activities		
Operate and maintain the air monitoring network to provide a minimum of 90% valid data each quarter to determine the attainment status for National and State ambient air quality standards.		
Operate and maintain air monitoring stations to support Refinery Community Monitoring as well as stations to assess SO ₂ and H ₂ S emissions from large industrial sources.		
Operate and maintain non-criteria pollutant monitors to provide data on ozone precursors, data for ozone forecasting, and data for fine particulate forecasting.		
Operate a three-station PAMS network that meets EPA requirements.		
Operate additional equipment as defined by EPA's NATTS requirements at the San Jose Air Monitoring Station.		
Operate a 20-station gaseous toxics network to provide data for State and Air District programs.		
Operate up to four TSP Lead samplers at three regional airports.		
Perform toxics sampling at two sites for the California Air Resources Board (CARB).		
Operate 1 filter-based and 14 continuous fine particulate samplers as well as 4 speciation samplers to satisfy and augment the monitoring requirements for PM _{2.5} .		
Provide additional monitoring in support of other Air District programs as resources allow.		
Operate three Near Road monitoring stations as mandated by EPA; two in the San Francisco-Oakland-Fremont CBSA, and one in the San Jose-Sunnyvale-Santa Clara CBSA; Operate an additional site along the Interstate 580 corridor.		
Operate one PM _{2.5} black carbon site in Forest Knolls, west Marin County, and other comparative sites to assess wood smoke trends.		
Perform quality control checks on criteria and non-criteria pollutant monitors required by EPA and CARB regulations and Air District procedures, review ambient pollutant data, precision data and repair equipment.		
Participate in interdivisional teams addressing issues that include, but are not limited to, regulation and Manual of Procedures improvement, website, special studies and customer service.		
Participate and aid in the development of the use of low cost sensors for local-scale measurement studies		
Implement community level air quality screening and assessment tools and procedures in support of AB617		
Implement monitoring in refinery communities in support of Reg 12-15		
Major Objectives		Delivery Date
Collect and process data that has been subjected to rigorous Quality Control (QC) as part of National, State and Air District programs.		Quarterly
Implementation of community level screening and air quality assessment in support of AB617 and Reg 12-15		Ongoing
Continue to improve Quality Systems Documents and procedures.		Ongoing

Ambient Air Monitoring

802

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		17.31	22.04	30.76	8.73	39.60%
Personnel Expenditures						
Permanent Salaries	51105	\$1,916,769	\$2,221,829	\$3,134,256	\$912,427	41.07%
Overtime Salaries	51150	\$1,797	\$8,500	\$8,500		
Temporary Salaries	51200	\$2,627				
Payroll Taxes	51300	\$28,938	\$31,542	\$44,896	\$13,354	42.34%
Pension Benefits	51400	\$299,957	\$414,948	\$589,574	\$174,626	42.08%
FICA Replacement Benefits	51500	\$23,518	\$25,651	\$53,046	\$27,395	106.80%
Group Insurance Benefits	51600	\$301,450	\$418,165	\$466,746	\$48,581	11.62%
Employee Transportation Subsidy	51700	\$19,874	\$15,267	\$29,297	\$14,029	91.89%
Workers' Compensation	51800	\$5,859	\$14,120	\$17,823	\$3,703	26.23%
Other Post-Employment Benefits	51850	\$210,734	\$245,557	\$309,961	\$64,404	26.23%
Board Stipends	51900					
Total Personnel Expenditures		\$2,811,525	\$3,395,578	\$4,654,098	\$1,258,520	37.06%
Services & Supplies Expenditures						
Travel In-State	52200	\$6,565	\$25,144	\$25,144		
Travel Out-Of-State	52225	\$10,777		\$10,500	\$10,500	
Training & Education	52300	\$1,525	\$17,000	\$17,000		
Repair & Maintenance (Equipment)	52400	\$54,343	\$74,067	\$74,067		
Communications	52500	\$150				
Building Maintenance	52600	\$13,607	\$44,863	\$105,389	\$60,526	134.91%
Utilities	52700	\$73,133	\$116,681	\$120,151	\$3,470	2.97%
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200	\$324,428	\$435,749	\$448,821	\$13,072	3.00%
Professional Services & Contracts	53300	\$152,069	\$656,344	\$400,344	(\$256,000)	(39.00%)
General Insurance	53400					
Shop & Field Supplies	53500	\$144,531	\$270,077	\$280,000	\$9,923	3.67%
Laboratory Supplies	53600	\$45,824	\$72,329	\$72,329		
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800	\$1,788	\$10,000		(\$10,000)	(100.00%)
Stationery & Office Supplies	53900	\$38				
Books & Journals	54100		\$2,500	\$2,500		
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$828,777	\$1,724,754	\$1,556,245	(\$168,509)	(9.77%)
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125	\$201,786	\$1,559,975	\$1,091,618	(\$468,357)	(30.02%)
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140	\$69,646				
Biowatch Equipment	60145					
Total Capital Expenditures		\$271,431	\$1,559,975	\$1,091,618	(\$468,357)	(30.02%)
Transfer Out	70005					
Total Expenditures		\$3,911,733	\$6,680,307	\$7,301,961	\$621,654	9.31%

Laboratory		803
Managing Division: Meteorology and Measurement		
Contact Person: Mairi Beacon		
Program Purpose: Provide laboratory, analytical, and technical services and support to other Air District Divisions and Sections.		
Description of Program: The primary function of the Laboratory Program is to provide laboratory analyses, analytical services and technical support to other Divisions, Sections and special programs in completing their objectives. The Laboratory Program evaluates and develops analytical methods as required by new, analytical capabilities or amendments and additions to Air District regulations. The analytical services of the program also provide technical information for enforcement action, permit evaluation and regulatory standard development. Close liaison is maintained with other air pollution agencies and technical groups.		
Justification of Change Request: The budgets for Repair and Maintenance (52400) and Lab Supplies (53300) were increased due to inflationary pressure and contractual obligations. Professional Services (53305) was increased to cover the need for outside lab services and development of in-house solutions to services beyond current laboratory capabilities due to new regulatory requirements.		
Activities		
Perform up to 200 compliance analyses for the Compliance & Enforcement Division.		
Provide up to 50 complete sample analyses for the Source Test Section.		
Provide 750 ambient air toxic sample analyses for the Air Monitoring, National Ambient Toxic Trends Sites (NATTS) and as needed for other Air District programs.		
Analyze 600 PM ₁₀ filters for the Air Monitoring Program, including anion and cation speciation.		
Perform Elemental Carbon/Organic Carbon (EC/OC) analyses on up to 1000 PM ₁₀ filters in support of various Air District programs.		
Develop, modify and recommend analytical methods to support enforcement action and to provide support for rule development.		
Analyze up to 700 PM _{2.5} filters for the Air Monitoring Section.		
Perform XRF analysis for metals on up to 250 samples collected by Air Monitoring Section in support of various programs.		
Perform High Pressure Liquid Chromatography (HPLC) analyses for carbonyls in up to 200 samples collected by the Air Monitoring Section in support of NATTS and other Air District programs.		
Participate in a minimum of 6 inter-laboratory audit test programs for toxic compounds conducted by CARB and EPA.		
Perform gravimetric, ion, OC/EC and metals analysis on up to 750 PM _{2.5} speciation filter samples collected by Air Monitoring Section in support of the SASS (Speciation Air Sampling Study) program.		
Major Objectives		Delivery Date
Provide the Compliance & Enforcement Division with analytical data from 200 samples to support enforcement action.		Ongoing
Provide the Source Test Section with analytical data from 50 samples to support the Air District's Source Testing Program.		Ongoing
Provide the Air Monitoring Section with analytical data for toxic organic compounds in 750 ambient air samples.		Ongoing
Provide the Air Monitoring Section with analytical data from 600 PM ₁₀ filters, including OC/EC and anion/cation speciation.		Ongoing
Develop, modify and recommend analytical methods to support enforcement action and to provide support for Rule Development.		Ongoing
Provide the Air Monitoring Section with analytical data from 700 PM _{2.5} filters.		Ongoing
Provide the Air Monitoring Section with analytical data for metals in 250 samples in support of various programs.		Ongoing
Provide the Air Monitoring Section with analytical data for carbonyl compounds in 200 samples in support of the NATTS and other Air District programs.		Ongoing
Participate in and complete a minimum of 6 inter-laboratory audits for toxic compounds conducted by CARB and EPA.		Ongoing
Provide the Air Monitoring Section with analytical data from 750 PM _{2.5} SASS filters.		Ongoing

Laboratory

803

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		6.38	7.11	5.77	(1.34)	(18.78%)
Personnel Expenditures						
Permanent Salaries	51105	\$707,027	\$813,826	\$692,101	(\$121,725)	(14.96%)
Overtime Salaries	51150		\$1,700	\$1,700		
Temporary Salaries	51200	\$14,209				
Payroll Taxes	51300	\$10,647	\$11,560	\$9,934	(\$1,626)	(14.07%)
Pension Benefits	51400	\$110,421	\$152,345	\$133,957	(\$18,388)	(12.07%)
FICA Replacement Benefits	51500	\$8,770	\$8,276	\$9,991	\$1,715	20.73%
Group Insurance Benefits	51600	\$111,490	\$134,925	\$112,959	(\$21,966)	(16.28%)
Employee Transportation Subsidy	51700	\$7,913	\$10,819	\$746	(\$10,072)	(93.10%)
Workers' Compensation	51800	\$2,160	\$4,555	\$3,345	(\$1,210)	(26.56%)
Other Post-Employment Benefits	51850	\$77,698	\$79,222	\$58,179	(\$21,043)	(26.56%)
Board Stipends	51900					
Total Personnel Expenditures		\$1,050,335	\$1,217,227	\$1,022,912	(\$194,315)	(15.96%)
Services & Supplies Expenditures						
Travel In-State	52200	\$32	\$200	\$200		
Travel Out-Of-State	52225		\$5,000	\$5,000		
Training & Education	52300	\$2,940	\$1,500	\$1,500		
Repair & Maintenance (Equipment)	52400	\$44,128	\$62,920	\$69,000	\$6,080	9.66%
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$27,070	\$19,000	\$21,000	\$2,000	10.53%
General Insurance	53400					
Shop & Field Supplies	53500	\$17,233	\$3,240	\$3,000	(\$240)	(7.41%)
Laboratory Supplies	53600	\$78,135	\$79,182	\$82,000	\$2,818	3.56%
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$169,539	\$171,042	\$181,700	\$10,658	6.23%
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125	\$102,088	\$130,000		(\$130,000)	(100.00%)
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures		\$102,088	\$130,000		(\$130,000)	(100.00%)
Transfer Out	70005					
Total Expenditures		\$1,321,962	\$1,518,269	\$1,204,612	(\$313,657)	(20.66%)

MEETING HELD ON MARCH 28, 2018

Source Test		804
Managing Division: Meteorology and Measurements		
Contact Person: Jerry Bovee		
Program Purpose: Provide source testing and technical expertise to Air District Divisions.		
Description of Program: The primary functions of the Source Test Section are to: conduct analytical source tests; conduct performance audits on Continuous Emissions Monitors (CEMs); review third party source tests; and, research and develop new analytical source test procedures. These data are used to produce engineering studies to determine compliance status for specific source categories, determine whether to issue Permits to Operate, update the emissions inventory, determine actual abatement control effectiveness, provide data & technical assistance for Air District studies, and develop applicable standards and produce emissions data for new or revised regulations.		
Justification of Change Request: Account consolidations were made to better reflect actual expenditures and simplify the purchasing and the expenditure tracking process. Specific accounts were increased to reflect inflationary pressure and contractual obligations. Increases to Professional Services (53305), Motorized Equipment (60120) and Lab & Monitoring Equipment (60125) reflect service and equipment needs to meet Regulation 11, Rule 18 and AB617 data collection goals. Increases to Accounts 52200 and 52300 were made to address the addition of new staff due to retirement.		
Activities		
Conduct at least 90 instrumental gaseous source tests.		
Conduct up to 45 particulate or gaseous toxics source tests.		
Conduct at least 150 Field Accuracy Tests (FATs) on CEM systems.		
Conduct up to 24 source tests at gasoline bulk terminals and bulk plants.		
Conduct at least 400 source tests on gasoline cargo tanks.		
Conduct up to 30 Enhanced Vapor Recovery source tests at Gasoline Distribution Facilities (GDF)		
Evaluate up to 450 indicated excesses and other CEM-related call-ins.		
Maintain an electronic list of all source tests conducted at Title V facilities.		
Provide source testing support rule development efforts.		
Major Objectives		Delivery Date
Prepare reports on emissions from various source categories.		Ongoing
Prepare reports on particulate/gaseous toxic emissions from specific sources.		Ongoing
Prepare quarterly and annual summary of CEM data from specific sources.		Ongoing
Prepare reports on VOC emissions from gasoline bulk terminals and plants.		Ongoing
Prepare reports on VOC emissions from gasoline cargo tanks.		Ongoing
Provide monthly reports on indicated excesses from CEM systems.		Ongoing
Prepare reports on compliance rates and emissions, based on outside contractor tests.		Ongoing

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	12.54	14.05	15.52	1.48	10.51%
Personnel Expenditures					
Permanent Salaries	51105 \$1,388,075	\$1,538,882	\$1,773,765	\$234,883	15.26%
Overtime Salaries	51150 \$7,483	\$7,500	\$7,500		
Temporary Salaries	51200				
Payroll Taxes	51300 \$20,856	\$21,954	\$25,488	\$3,534	16.10%
Pension Benefits	51400 \$216,480	\$311,364	\$337,389	\$26,025	8.36%
FICA Replacement Benefits	51500 \$17,259	\$16,349	\$26,720	\$10,372	63.44%
Group Insurance Benefits	51600 \$218,380	\$254,785	\$277,059	\$22,275	8.74%
Employee Transportation Subsidy	51700 \$14,213	\$16,062	\$15,800	(\$262)	(1.63%)
Workers' Compensation	51800 \$4,235	\$8,999	\$8,992	(\$7)	(0.07%)
Other Post-Employment Benefits	51850 \$152,333	\$156,506	\$156,390	(\$116)	(0.07%)
Board Stipends	51900				
Total Personnel Expenditures	\$2,039,314	\$2,332,401	\$2,629,103	\$296,703	12.72%
Services & Supplies Expenditures					
Travel In-State	52200 \$3,942	\$6,750	\$3,000	(\$3,750)	(55.56%)
Travel Out-Of-State	52225 \$1,805	\$3,500	\$3,500		
Training & Education	52300 \$3,445	\$950	\$9,350	\$8,400	884.21%
Repair & Maintenance (Equipment)	52400 \$3,450	\$7,400	\$5,000	(\$2,400)	(32.43%)
Communications	52500				
Building Maintenance	52600 \$777	\$8,570	\$8,800	\$230	2.68%
Utilities	52700 \$18,560	\$16,105	\$16,590	\$485	3.01%
Postage	52800				
Printing & Reproduction	52900				
Equipment Rental	53100				
Rents & Leases	53200 \$191,476	\$273,520	\$281,730	\$8,210	3.00%
Professional Services & Contracts	53300 \$66,239	\$39,720	\$60,000	\$20,280	51.06%
General Insurance	53400				
Shop & Field Supplies	53500 \$75,279	\$53,670	\$53,400	(\$270)	(0.50%)
Laboratory Supplies	53600 \$5,648	\$12,230	\$10,000	(\$2,230)	(18.23%)
Gasoline & Variable Fuel	53700 \$100				
Computer Hardware & Software	53800				
Stationery & Office Supplies	53900				
Books & Journals	54100				
Minor Office Equipment	54200				
Depreciation & Amortization	54300				
Non-Capital Assets	54600 \$4,044				
Total Services & Supplies Expenditures	\$374,764	\$422,415	\$451,370	\$28,955	6.85%
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115				
Motorized Equipment	60120		\$25,000	\$25,000	
Lab & Monitoring Equipment	60125 \$31,834		\$186,508	\$186,508	
Communications Equipment	60130				
General Equipment	60135	\$23,500		(\$23,500)	(100.00%)
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures	\$31,834	\$23,500	\$211,508	\$188,008	800.03%
Transfer Out	70005				
Total Expenditures	\$2,445,912	\$2,778,316	\$3,291,981	\$513,666	18.49%

Meteorology		805
Managing Division: Meteorology and Measurement		
Contact Person: Mairi Beacon		
Program Purpose: Provide air quality and open burning forecasts and collect, validate, analyze, and disseminate aerometric and meteorological data.		
Description of Program: The primary function of the Meteorological Section is to provide air quality forecasts, including open burn, and mandated Air Quality Index (AQI) forecasts, special forecasts for programs such as mandatory curtailment of wood burning, and episode/alert forecasts. Data analysis objectives include the validation, compilation and interpretation of meteorological and air quality data and internal and external distribution of data to various data systems. Other objectives include evaluation for legal actions, determination of long-term air quality trends and establishment of databases.		
Justification of Change Request: The budget for Professional Services (53300) was increased due to inflationary pressure and contractual agreements. The budgets for Out-of-State Travel (52225) and Computer Hardware (53805) were increased to meet the evolving responsibilities of the Meteorology group and to enable staff to keep up with current science and technology.		
Activities		
Provide reliable and timely Air Quality forecasts to the Air District and the public on weekdays, weekends and holidays, including determinations for voluntary and mandatory curtailment programs.		
Review prescribed and marsh burn plans. Issue the daily open burn decision to Regional, State, and National Fire Agencies and the public. Allocate and distribute burn acreage for prescribed, marsh, and Sonoma County stubble burning.		
Quality assure EPA mandated air quality data and provide to EPA within 90 days of the end of a quarter.		
Prepare and provide the Annual Air Monitoring Network Report to EPA, CARB and the public.		
Provide input on the operation of the Air District's Meteorological Network and evaluate the suitability of non-Air District meteorological data for use in numerical models. Non-Air District meteorological data sources include sewage plants, research facilities, cement plants, petroleum refineries, and utility companies.		
Provide certified air quality data to Air District staff.		
Monitor and review air quality and meteorological data from each of the five oil refinery Ground Level Monitoring (GLM) Networks and provide evaluation of Episode Reports to the Compliance and Enforcement Division regarding compliance with Air District Regulations 1 and 9.		
Participate in group efforts to develop regulations, Manual of Procedures, web page, joint transport assessment studies and other programs as assigned.		
Develop forecasting techniques for winter particulate and summer ozone seasons, including statistical regression equations and develop and maintain the databases these methods are based upon.		
Respond to record requests for information on air quality and meteorological data from industry, the public, consultants, and government agencies. Respond to requests to provide presentations for Air District functions including Board and Committee meetings, and community outreach and public information meetings.		
Major Objectives		Delivery Date
Submit quality assured air quality data to EPA's AQS Database.		Quarterly
Provide air quality, meteorological, and GLM data in electronic format to requestors.		Monthly
Prepare and submit Annual Air Monitoring Network Report to EPA, CARB and the public.		6/30/2019
Continue improvements to databases for air quality and meteorological data.		Ongoing
Provide daily air quality forecasts and burn acreage allocations to meet Air District needs.		Ongoing

Meteorology

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	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	3.64	3.23	4.38	1.15	35.71%
Personnel Expenditures					
Permanent Salaries	51105 \$403,196	\$386,260	\$538,439	\$152,179	39.40%
Overtime Salaries	51150 \$3,140	\$17,500	\$18,375	\$875	5.00%
Temporary Salaries	51200 \$4,807				
Payroll Taxes	51300 \$6,086	\$5,739	\$7,978	\$2,239	39.01%
Pension Benefits	51400 \$62,997	\$72,443	\$100,193	\$27,750	38.31%
FICA Replacement Benefits	51500 \$4,986	\$3,759	\$7,519	\$3,760	100.03%
Group Insurance Benefits	51600 \$63,564	\$59,546	\$73,932	\$14,386	24.16%
Employee Transportation Subsidy	51700 \$4,680	\$5,287	\$2,449	(\$2,838)	(53.68%)
Workers' Compensation	51800 \$1,232	\$2,069	\$2,539	\$470	22.71%
Other Post-Employment Benefits	51850 \$44,308	\$35,981	\$44,153	\$8,171	22.71%
Board Stipends	51900				
Total Personnel Expenditures	\$598,995	\$588,584	\$795,576	\$206,992	35.17%
Services & Supplies Expenditures					
Travel In-State	52200 \$1,960	\$250	\$250		
Travel Out-Of-State	52225 \$4,874	\$8,000	\$12,000	\$4,000	50.00%
Training & Education	52300 \$1,215				
Repair & Maintenance (Equipment)	52400	\$16,500	\$12,000	(\$4,500)	(27.27%)
Communications	52500				
Building Maintenance	52600				
Utilities	52700				
Postage	52800				
Printing & Reproduction	52900				
Equipment Rental	53100				
Rents & Leases	53200 \$1,764				
Professional Services & Contracts	53300 \$130,958	\$26,000	\$32,000	\$6,000	23.08%
General Insurance	53400				
Shop & Field Supplies	53500 \$16,484	\$11,282	\$4,000	(\$7,282)	(64.55%)
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800 \$2,345	\$7,250	\$12,450	\$5,200	71.72%
Stationery & Office Supplies	53900 \$23				
Books & Journals	54100				
Minor Office Equipment	54200				
Depreciation & Amortization	54300				
Non-Capital Assets	54600				
Total Services & Supplies Expenditures	\$159,624	\$69,282	\$72,700	\$3,418	4.93%
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115				
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125				
Communications Equipment	60130				
General Equipment	60135				
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures					
Transfer Out	70005				
Total Expenditures	\$758,620	\$657,866	\$868,276	\$210,410	31.98%

MEETING HELD ON MARCH 28, 2018

Air Monitoring Instrument Performance Evaluation		807
Managing Division: Meteorology and Measurement		
Contact Person: Jerry Bovee		
Program Purpose: Provide independent performance evaluation services for the Air Monitoring Section and evaluate equipment and siting for air quality monitoring performed by industry and/or their consultants within the Air District's boundaries.		
Description of Program: The primary function of the Performance Evaluation (PE) Section is to ensure the accuracy of data collected throughout the Air District's air monitoring network. The PE Section is also responsible for audits and data evaluation of the H ₂ S and SO ₂ ground level monitors (GLMs) and operation of H ₂ S and SO ₂ mobile sampling units for odor complaint investigations and episodic sampling.		
Justification of Change Request: Account consolidations were made to better reflect actual expenditures and simplify the purchasing and the expenditure tracking process. Specific accounts were increased to reflect inflationary pressure and contractual obligations.		
Activities		
Conduct performance evaluation audits on ambient air monitoring equipment as required by EPA and California Air Resources Board (CARB) regulations, and create accuracy records for reporting to EPA.		
Conduct performance evaluation audits on industry SO ₂ and H ₂ S GLMs and prepare summary reports of the audits.		
Conduct performance evaluation audits on non-criteria pollutant monitors and prepare summary reports of the audits.		
Participate in inter-agency performance evaluation program conducted by EPA and CARB at Air District sites.		
Perform source-oriented sampling and mobile monitoring during complaint, odor, and episode conditions to provide data required for enforcement action. Between incidents, maintain the instruments and vehicles as needed.		
Participate in interdivisional teams working on improving Air District regulations and the Manual of Procedures, special studies and customer service.		
Audit the Air District meteorological network.		
Major Objectives		Delivery Date
Maintain the directory of information on network drives for Air District access to all Quality Assurance (QA) data and activities.		Ongoing
Audit the Air District meteorological network.		Ongoing
Maintain criteria pollutant calibration standards and calibrators to meet EPA requirements.		Ongoing
Revise Standard Operating Procedures (SOPs) to reflect changes in procedures.		Ongoing

Air Monitoring Instrument Performance Evaluation

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		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		2.91	3.33	3.23	(0.10)	(3.01%)
Personnel Expenditures						
Permanent Salaries	51105	\$322,335	\$353,119	\$347,061	(\$6,059)	(1.72%)
Overtime Salaries	51150	\$1,114	\$2,320	\$2,500	\$180	7.76%
Temporary Salaries	51200					
Payroll Taxes	51300	\$4,859	\$5,069	\$4,998	(\$71)	(1.40%)
Pension Benefits	51400	\$50,425	\$66,501	\$67,326	\$825	1.24%
FICA Replacement Benefits	51500	\$3,998	\$3,880	\$5,548	\$1,669	43.01%
Group Insurance Benefits	51600	\$51,252	\$53,121	\$78,347	\$25,226	47.49%
Employee Transportation Subsidy	51700	\$3,346	\$2,117	\$4,373	\$2,256	106.55%
Workers' Compensation	51800	\$985	\$2,136	\$1,873	(\$263)	(12.30%)
Other Post-Employment Benefits	51850	\$27,903	\$37,141	\$32,572	(\$4,569)	(12.30%)
Board Stipends	51900					
Total Personnel Expenditures		\$466,216	\$525,404	\$544,598	\$19,194	3.65%
Services & Supplies Expenditures						
Travel In-State	52200	\$989	\$445	\$445		
Travel Out-Of-State	52225		\$2,075	\$2,075		
Training & Education	52300		\$100	\$100		
Repair & Maintenance (Equipment)	52400		\$6,240	\$6,240		
Communications	52500					
Building Maintenance	52600		\$11,000	\$11,000		
Utilities	52700	\$456				
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$891	\$2,425	\$2,500	\$75	3.09%
General Insurance	53400					
Shop & Field Supplies	53500	\$24,175	\$15,500	\$16,500	\$1,000	6.45%
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100		\$160	\$160		
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$26,512	\$37,945	\$39,020	\$1,075	2.83%
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120	\$34,000	\$32,000		(\$2,000)	(100.00%)
Lab & Monitoring Equipment	60125	\$43,071	\$7,200	\$20,000	\$12,800	177.78%
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures		\$77,071	\$39,200	\$20,000	(\$19,200)	(48.98%)
Transfer Out	70005					
Total Expenditures		\$569,799	\$602,549	\$603,618	\$1,069	0.18%

MEETING HELD ON MARCH 28, 2018

BioWatch Monitoring		809
Managing Division: Meteorology and Measurement		
Contact Person: Eric Stevenson		
Program Purpose: Operate and maintain the Bay Area BioWatch network for the Federal Department of Homeland Security (DHS) in cooperation with the EPA.		
Description of Program: The BioWatch Monitoring Program consists of a network of sample collection units located throughout the Bay Area. Filter media are collected and replaced on a daily basis. Exposed filter housing are delivered to an outside laboratory for analysis. The network operates 24-hours a day, 365 days a year. This program is fully funded by a Department of Homeland Security grant and any budgetary changes were made to more accurately reflect the grant request.		
Justification of Change Request: All funding changes are covered by the DHS grant award.		
Activities		
Operate and maintain BioWatch collection sites to provide exposed filter media for laboratory analysis.		
Provide training and contract oversight for the BioWatch program.		
Implement Consequence Management Plan for the BioWatch program.		
Major Objectives		Delivery Date
Provide oversight of facilities and equipment.		Ongoing
Assure program requirements for computer entry, sampling, and filter delivery are met.		Ongoing
Assure impacted Air Monitoring and contractor staff are notified in the event of positive results.		Ongoing

MEETING HELD ON MARCH 28, 2018

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change	
Number of Positions (FTE)	0.12	0.11	0.15	0.04	38.97%	
Personnel Expenditures						
Permanent Salaries	51105	\$14,184	\$13,751	\$17,605	\$3,855	28.03%
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	\$214	\$196	\$252	\$56	28.71%
Pension Benefits	51400	\$2,212	\$2,586	\$3,442	\$856	33.09%
FICA Replacement Benefits	51500	\$163	\$123	\$257	\$134	108.37%
Group Insurance Benefits	51600	\$2,185	\$1,981	\$2,346	\$364	18.39%
Employee Transportation Subsidy	51700	\$145	\$98	\$301	\$203	207.00%
Workers' Compensation	51800	\$43	\$68	\$85	\$17	25.66%
Other Post-Employment Benefits	51850	\$1,559	\$1,180	\$1,483	\$303	25.66%
Board Stipends	51900					
Total Personnel Expenditures		\$20,707	\$19,983	\$25,771	\$5,788	28.96%
Services & Supplies Expenditures						
Travel In-State	52200					
Travel Out-Of-State	52225		\$5,350	\$5,350		
Training & Education	52300					
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700		\$29,140	\$29,140		
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200	\$67,144	\$48,551	\$48,550	(\$1)	(0.00%)
Professional Services & Contracts	53300	\$1,026,776	\$1,294,974	\$1,202,664	(\$92,310)	(7.13%)
General Insurance	53400					
Shop & Field Supplies	53500		\$9,688	\$9,500	(\$188)	(1.94%)
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800		\$2,700	\$2,800	\$100	3.70%
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$1,093,919	\$1,390,403	\$1,298,004	(\$92,399)	(6.65%)
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005					
Total Expenditures		\$1,114,626	\$1,410,386	\$1,323,775	(\$86,611)	(6.14%)

MEETING HELD ON MARCH 28, 2018

Infrastructure and Records Management		810
Managing Division: Meteorology and Measurements		
Contact Person: Steve Randall		
Program Purpose: Provide air monitoring and meteorological station infrastructure and communication support for the Division. Manage and operate the Division's Data Management System, Laboratory information system, and support the development of required analytical and operational tools.		
Description of Program: The Infrastructure and Records Management Section provides network support for Source Test, Air Monitoring, Meteorology, Laboratory and Performance Evaluation Sections. This includes software development, hardware purchases and support, and telecommunications for remote air monitoring and meteorology stations. This Section also supports and maintains data export facilities from the Data Management System.		
Justification of Change Request: No change in the overall budget amount for the section is requested.		
Activities		
Maintain computer hardware and infrastructure for remote Meteorology and Measurements Division locations.		
Manage contracts for telecommunication, software development and other Meteorology and Measurements Division IT related tasks.		
Manage software development projects dealing with Meteorology and Measurements Division data retrieval and ensure they are compatible with other integrated software packages.		
Major Objectives		Delivery Date
Manage software and telecommunication contracts for Meteorology and Measurements Division.		Ongoing
Develop software for Meteorology and Measurements Division data retrieval and storage.		Ongoing
Procure computer related hardware for unique Meteorology and Measurements Division tasks.		Ongoing
Maintain IT infrastructure between the Air District office and remote air monitoring, meteorology and other Meteorology and Measurements Division sites.		Ongoing
Support the Air District's real-time air quality and meteorology web page (Gate 2).		Ongoing

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	2.58	1.52	1.27	(0.24)	(16.06%)
Personnel Expenditures					
Permanent Salaries	51105 \$286,317	\$170,441	\$149,980	(\$20,461)	(12.00%)
Overtime Salaries	51150 \$155		\$155	\$155	
Temporary Salaries	51200 \$3,259				
Payroll Taxes	51300 \$4,193	\$2,409	\$2,149	(\$260)	(10.78%)
Pension Benefits	51400 \$44,263	\$31,812	\$29,771	(\$2,042)	(6.42%)
FICA Replacement Benefits	51500 \$4,631	\$1,767	\$2,188	\$420	23.79%
Group Insurance Benefits	51600 \$47,844	\$31,021	\$27,291	(\$3,730)	(12.02%)
Employee Transportation Subsidy	51700 \$2,882	\$2,593	\$2,318	(\$275)	(10.62%)
Workers' Compensation	51800 \$872	\$973	\$738	(\$234)	(24.10%)
Other Post-Employment Benefits	51850 \$31,370	\$16,919	\$12,842	(\$4,077)	(24.10%)
Board Stipends	51900				
Total Personnel Expenditures	\$425,786	\$257,935	\$227,431	(\$30,504)	(11.83%)
Services & Supplies Expenditures					
Travel In-State	52200				
Travel Out-Of-State	52225				
Training & Education	52300				
Repair & Maintenance (Equipment)	52400				
Communications	52500 \$81,773	\$97,891	\$97,891		
Building Maintenance	52600	\$4,788	\$4,788		
Utilities	52700				
Postage	52800				
Printing & Reproduction	52900				
Equipment Rental	53100				
Rents & Leases	53200 \$52,720	\$76,350	\$76,350		
Professional Services & Contracts	53300 \$56,101	\$123,500	\$63,500	(\$60,000)	(48.58%)
General Insurance	53400				
Shop & Field Supplies	53500	\$67,306	\$67,306		
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800 \$6,891	\$52,975	\$52,975		
Stationery & Office Supplies	53900	\$500	\$500		
Books & Journals	54100				
Minor Office Equipment	54200				
Depreciation & Amortization	54300				
Non-Capital Assets	54600				
Total Services & Supplies Expenditures	\$197,484	\$423,310	\$363,310	(\$60,000)	(14.17%)
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115				
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125				
Communications Equipment	60130				
General Equipment	60135				
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures					
Transfer Out	70005				
Total Expenditures	\$623,270	\$681,245	\$590,741	(\$90,504)	(13.29%)

MEETING HELD ON MARCH 28, 2018

Mobile Monitoring		811
Managing Division: Meteorology and Measurement		
Contact Person: Eric Stevenson		
Program Purpose: Provide mobile measurement of pollutant concentrations and collection of samples in support of Air District programs as well as non-routine releases of air contaminants.		
Description of Program: The function of the Mobile Monitoring program is to provide additional spatial and temporal information as needed in support of Air District activities and to respond in a timely manner to incidents where releases of air contaminants may adversely impact public health or the environment. The response would include, to the extent possible, defining the area impacted, and the identification and measurement of the specific compounds involved in the release.		
Justification of Change Request: No increases requested.		
Activities		
Assist in the development and maintenance of incident response procedures.		
Work with other Divisions to utilize mobile monitoring capabilities in support of special studies and programs.		
Build and maintain mobile monitoring capabilities and instrumentation that is ready to be deployed at any time.		
Respond to incidents, measure impacts and determine the extent of those impacts, in a timely manner.		
Report findings to other Air District Sections and Divisions, and other agencies, as appropriate.		
Assist other Sections and Divisions in developing appropriate strategies and procedures dealing with incident response.		
Major Objectives		
		Delivery Date
Assist in the development of incident response procedures.		Ongoing
Build and develop mobile monitoring capabilities.		Ongoing
Support other Air District programs with mobile monitoring.		Ongoing
Be able to respond to any incident in the Bay Area in a timely manner regardless of when the incident occurs.		Ongoing
Maintain all instrumentation so that it is operational 24-hours a day.		Ongoing
Develop reporting systems and strategies so that appropriate Air District Sections and Divisions have adequate information to make decisions during incidents.		Ongoing
Continue to build and improve overall incident response, communication and effectiveness.		Ongoing

MEETING HELD ON MARCH 28, 2018

Mobile Monitoring

811

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		1.00	0.03	(1)	(97.14%)
Personnel Expenditures					
Permanent Salaries	51105	\$87,764	\$2,215	(\$85,549)	(97.48%)
Overtime Salaries	51150		\$3,000	\$3,000	
Temporary Salaries	51200				
Payroll Taxes	51300	\$1,231	\$75	(\$1,156)	(93.91%)
Pension Benefits	51400	\$16,260	\$399	(\$15,861)	(97.55%)
FICA Replacement Benefits	51500	\$1,164	\$49	(\$1,115)	(95.80%)
Group Insurance Benefits	51600	\$20,316	\$336	(\$19,980)	(98.34%)
Employee Transportation Subsidy	51700	\$1,752	\$55	(\$1,697)	(96.83%)
Workers' Compensation	51800	\$641	\$17	(\$624)	(97.42%)
Other Post-Employment Benefits	51850	\$11,143	\$288	(\$10,855)	(97.42%)
Board Stipends	51900				
Total Personnel Expenditures		\$140,270	\$6,434	(\$133,836)	(95.41%)
Services & Supplies Expenditures					
Travel In-State	52200				
Travel Out-Of-State	52225				
Training & Education	52300	\$800	\$800		
Repair & Maintenance (Equipment)	52400	\$5,400	\$5,400		
Communications	52500				
Building Maintenance	52600				
Utilities	52700				
Postage	52800				
Printing & Reproduction	52900				
Equipment Rental	53100				
Rents & Leases	53200				
Professional Services & Contracts	53300				
General Insurance	53400				
Shop & Field Supplies	53500	\$16,200	\$16,200		
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800				
Stationery & Office Supplies	53900				
Books & Journals	54100				
Minor Office Equipment	54200				
Depreciation & Amortization	54300				
Non-Capital Assets	54400	\$16,133			
Total Services & Supplies Expenditures		\$16,133	\$22,400		
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115				
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125	\$311,131			
Communications Equipment	60130				
General Equipment	60135				
PM 2.5 Equipment	60140				
Bio watch Equipment	60145				
Total Capital Expenditures		\$311,131			
Transfer Out	70005				
Total Expenditures		\$327,264	\$162,670	(\$28,834)	(82.27%)

MEETING HELD ON MARCH 28, 2018

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MEETING HELD ON MARCH 28, 2018

PROGRAM NARRATIVES AND EXPENDITURE DETAIL
SPECIAL REVENUE FUND

MEETING HELD ON MARCH 28, 2018

Intermittent Control Programs (TFCA)		306
Managing Division: Communications Office		
Contact Person: Kristine Roselius		
Program Purpose: The Spare the Air program encourages the public to reduce their driving, a major source of Bay Area air pollution, and promotes the use of public transit, biking, walking, carpooling, trip reduction and other behavior changes that reduce pollution from automobiles. Provide outreach to employers/employees for the Spare the Air Employer and Commuter Benefits Programs. Employers are targeted specifically due to their significant influence on the commute behaviors of their employees.		
Description of Program: Work with employers, resource teams and the public to reduce air pollution by promoting employer commute programs and making clean air choices including taking public transportation, ridesharing and trip linking; this program complements Program 305. Funds will be used for electronic notification systems, employer outreach, partnerships, Commuter Benefits Program outreach, staff time associated with the Spare the Air programs and grass roots education.		
Justification of Change Request: Budget decreased due to shifting of translation costs to 301 budget and less funding needed for the second phase of the Spare the Air website redesign.		
Activities		
Conduct Spare the Air Employer Program to inform employees about commuter incentive programs and individual choices to reduce air pollution.		
Promote employer transportation programs aimed at employees to reduce the number of single occupancy vehicles commuting to work.		
Prepare and issue media releases, respond to media inquiries and plan employer workshops and events.		
Conduct employer opinion surveys to evaluate Spare the Air program and measure behavior change.		
Manage and update the sparetheair.org and employerssparetheair.org websites as well as social media sites such as Twitter, Pinterest and Facebook.		
Provide public outreach at employer events throughout the Bay Area.		
Notify the employers/employees of Spare the Air Alerts through AirAlerts, the media, sparetheair.org, baaqmd.gov, iPhone app and social media sites.		
Manage employer outreach & advertising campaign.		
Provide outreach to employers, in concert with MTC, for the Commuter Benefits Program.		
Provide overview of campaign to Public Engagement Committee and Board of Directors.		
Major Objectives		Delivery Date
Manage Air Quality Resource teams.		6/30/2019
Manage Spare the Air Employer Program.		6/30/2019
Conduct employer workshops and develop employer outreach materials, webinars and website information for new employer commute incentives rule.		Ongoing
Coordinate Air District presence at public events, including community events and fairs targeting Limited English Proficient populations.		6/30/2019
Develop video podcasts, video news releases / statements, displays and infographics for Employer Program and Commuter Benefits Program / events.		6/30/2019
Redesign sparetheair.org website		3/01/19

Intermittent Control Programs (TFCA)

306

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	3.41	3.63	6.16	2.53	69.49%
Personnel Expenditures					
Permanent Salaries	51105 \$377,665	\$407,140	\$584,591	\$177,451	43.58%
Overtime Salaries	51150 \$93,719	\$85,000		(\$85,000)	(100.00%)
Temporary Salaries	51200 \$5,547				
Payroll Taxes	51300 \$5,681	\$6,997	\$8,342	\$1,345	19.23%
Pension Benefits	51400 \$58,847	\$76,127	\$112,419	\$36,293	47.67%
FICA Replacement Benefits	51500 \$4,966	\$4,229	\$10,584	\$6,355	150.26%
Group Insurance Benefits	51600 \$60,359	\$70,415	\$95,259	\$24,844	35.28%
Employee Transportation Subsidy	51700 \$3,914	\$6,006	\$6,587	\$581	9.67%
Workers' Compensation	51800 \$1,154	\$2,328	\$3,568	\$1,240	53.26%
Other Post-Employment Benefits	51850 \$41,503	\$40,486	\$62,049	\$21,563	53.26%
Board Stipends	51900				
Total Personnel Expenditures	\$653,355	\$698,728	\$883,398	\$184,671	26.43%
Services & Supplies Expenditures					
Travel In-State	52200 \$1,084				
Travel Out-Of-State	52225				
Training & Education	52300				
Repair & Maintenance (Equipment)	52400				
Communications	52500				
Building Maintenance	52600				
Utilities	52700				
Postage	52800	\$5,000	\$5,000		
Printing & Reproduction	52900 \$5,000	\$15,000	\$15,000		
Equipment Rental	53100				
Rents & Leases	53200				
Professional Services & Contracts	53300 \$689,652	\$1,055,000	\$1,005,000	(\$50,000)	(4.74%)
General Insurance	53400				
Shop & Field Supplies	53500				
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800				
Stationery & Office Supplies	53900				
Books & Journals	54100				
Minor Office Equipment	54200				
Depreciation & Amortization	54300				
Non-Capital Assets	54600				
Total Services & Supplies Expenditures	\$695,736	\$1,075,000	\$1,025,000	(\$50,000)	(4.65%)
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115				
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125				
Communications Equipment	60130				
General Equipment	60135				
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures					
Transfer Out	70005 \$309,865	\$183,766	\$397,529	\$213,763	116.32%
Total Expenditures	\$1,658,955	\$1,957,494	\$2,305,927	\$348,434	17.80%

Carl Moyer Program Administration

307

Managing Division:

Strategic Incentives

Contact Person:

Anthony Fournier

Program Purpose:

Implementation of the Carl Moyer Program (CMP), which provides grants for the execution of projects that reduce emissions from primarily heavy-duty engines.

Description of Program:

The Air District has participated in the CMP, in cooperation with the California Air Resources Board (CARB), since the program began in fiscal year 1998-1999. The CMP provides grants to public and private entities to reduce emissions of oxides of nitrogen (NOx), reactive organic gases (ROG) and particulate matter (PM) from existing heavy-duty engines by either replacing or retrofitting them. Eligible heavy-duty diesel engine applications include on-road trucks and buses, off-road equipment, marine vessels, locomotives, and stationary agricultural pump engines. Air District staff conducts outreach and solicits grant applications, reviews the grant applications according to established criteria, recommends allocation of the funding, monitors progress in implementing funded projects, and reports on the use of funds. This program also includes assessment of mobile source technologies in support of the grant-making function.

The Air District has been allocated \$50 million from AB 134 (2017) for emissions reduction projects that provide early actions of the AB 617 process through a Community Air Quality Protection Grant Program. Consistent with the AB 134 legislation, funding from AB134 will be primarily administered through the CMP and Proposition 1B Goods Movement Program. The AB 134 funds must be awarded to emissions reduction projects by June 2019 and spent by June 2021.

Justification of Change Request:

No change.

MEETING HELD ON MARCH 28, 2018

Activities

Develop policies and procedures for the administration of the CMP.

Conduct outreach to interested parties and provide application assistance.

Evaluate grant applications for eligibility with CMP guidelines.

Conduct inspections of the baseline and funded project equipment.

Prepare grant award recommendations and coordinate the execution of funding agreements for the selected projects.

Administer and monitor projects that have been awarded CMP grants.

Prepare and submit reports to CARB on the implementation of the CMP.

Monitor, inspect, and audit current and previously funded programs and projects to assure compliance with State and District guidelines, policies, and statutory and regulatory requirements.

Prepare technical, financial, and staff reports.

Major Objectives

Delivery Date

Finalize policies and procedures for the new CMP funding cycle (Year 20), consistent with CARB guidelines.

7/1/2018

Issue call for grant applications and conduct outreach for CMP Year 20 funds.

By 8/1/2018

Submit reports to CARB on the District's implementation of the CMP.

8/29/2018

Evaluate grant applications and prepare grant award recommendations for Board of Directors approval (Year 20 funding cycle).

6/30/2019

Issue funding agreements (contracts) for CMP grants awarded (Year 19 and 20 funding cycles).

6/30/2019

Process payments, review project reports, inspect and close out on-going projects.

6/30/2019

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		2.33	2.62	5.39	2.77	105.73%
Personnel Expenditures						
Permanent Salaries	51105	\$258,616	\$282,379	\$564,784	\$282,405	100.01%
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	\$3,890	\$4,003	\$8,071	\$4,069	101.66%
Pension Benefits	51400	\$40,341	\$52,862	\$107,057	\$54,195	102.52%
FICA Replacement Benefits	51500	\$3,190	\$3,050	\$9,268	\$6,218	203.90%
Group Insurance Benefits	51600	\$40,967	\$49,683	\$78,273	\$28,589	57.54%
Employee Transportation Subsidy	51700	\$2,692	\$2,891	\$4,855	\$1,964	67.94%
Workers' Compensation	51800	\$790	\$1,679	\$3,123	\$1,444	86.02%
Other Post-Employment Benefits	51850	\$28,420	\$29,194	\$54,307	\$25,113	86.02%
Board Stipends	51900					
Total Personnel Expenditures		\$378,907	\$425,740	\$829,738	\$403,998	94.89%
Services & Supplies Expenditures						
Travel In-State	52200	\$199	\$2,000		(\$2,000)	(100.00%)
Travel Out-Of-State	52225					
Training & Education	52300		\$1,500	\$1,500		
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900		\$1,500	\$1,500		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$27,379	\$22,875	\$125,098	\$102,223	446.88%
General Insurance	53400					
Shop & Field Supplies	53500		\$1,000	\$1,000		
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800		\$1,000	\$1,000		
Stationery & Office Supplies	53900	\$68	\$600	\$600		
Books & Journals	54100		\$100	\$100		
Minor Office Equipment	54200		\$500	\$500		
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$27,646	\$31,075	\$131,298	\$100,223	322.52%
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005					
Total Expenditures		\$406,554	\$456,815	\$961,036	\$504,221	110.38%

TRANSPORTATION FUND FOR CLEAN AIR		308
Managing Division: Strategic Incentives		
Contact Person: Chengfeng Wang		
Program Purpose: Administer motor vehicle registration fee surcharge revenues to reduce emissions from on-road vehicles.		
Description of Program: <p>In 1991, the California State Legislature authorized the Air District to impose a \$4 surcharge on motor vehicles registered within its jurisdiction to fund projects that reduce on-road motor vehicle emissions. The Air District allocates these funds to eligible projects through its Transportation Fund for Clean Air (TFCA) program and a portion of the funds collected are expended for administrative purposes. The statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code (HSC) Sections 44241 and 44242. Sixty percent of the funds are awarded directly by the Air District to eligible Air District programs (e.g., Smoking Vehicle, Spare the Air) and through the TFCA Regional Fund program. The remaining 40% are forwarded to the nine designated Bay Area congestion management agencies and distributed through the County Program Manager Fund program.</p> <p>The TFCA provides grants to reduce emissions of criteria pollutants through trip reduction projects and clean-air vehicle-based projects. Air District staff conducts outreach, solicits grant applications, reviews the applications, recommends allocation of funding, monitors progress in implementing projects, and reports on the use of funds. This program also includes assessment of mobile source technologies and transportation control measures in support of the grant-making function.</p>		
Justification of Change Request: No change.		
Activities		
Prepare updates to the Regional Fund and County Program Manager policies and guidelines for consideration by the Air District's Board of Directors and develop policies and procedures for the administration of the TFCA.		
Develop and issue solicitation packages and conduct outreach.		
Review and evaluate project applications to determine their eligibility, and prepare associated documents, contracts, letters, reports, and communications.		
Prepare recommendations for award of eligible projects for approval by the Air District's Board of Directors.		
Monitor, inspect, and audit current and previously funded programs and projects to assure compliance with State and District guidelines, policies, and statutory and regulatory requirements.		
Review progress reports, process reimbursement requests, and ensure project files are complete and up to date.		
Prepare technical, financial, and staff reports and attend meetings.		
Major Objectives		Delivery Date
Prepare recommended updates to the FYE 2020 County Program Manager policies for Board of Directors consideration.		11/30/2018
Prepare and distribute FYE 2020 County Program Manager guidance and application package.		12/31/2018
Review and recommend action on FYE 2020 County Program Manager expenditure plans.		5/31/2019
Execute FYE 2020 funding agreements for County Program Managers.		6/30/2019
Prepare and distribute FYE 2019 Regional Fund guidance, conduct outreach, and solicit applications.		Ongoing
Review FYE 2019 TFCA Regional Fund applications and recommend eligible projects for Board of Directors consideration and approval.		Ongoing
Prepare FYE 2019 funding agreements for TFCA Regional Fund recipients.		Ongoing
Prepare FYE 2018 TFCA Report on Regional Fund Expenditures and Effectiveness.		12/31/2018
Conduct audit of TFCA funded projects and programs completed by 6/30/2017.		6/30/2019

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	4.83	5.47	5.68	0.21	3.90%
Personnel Expenditures					
Permanent Salaries	51105 \$534,926	\$607,252	\$626,776	\$19,524	3.22%
Overtime Salaries	51150 \$7,735	\$30,000	\$30,000		
Temporary Salaries	51200 \$2,091				
Payroll Taxes	51300 \$8,077	\$8,999	\$9,399	\$400	4.44%
Pension Benefits	51400 \$83,496	\$113,106	\$121,936	\$8,830	7.81%
FICA Replacement Benefits	51500 \$6,423	\$6,364	\$9,801	\$3,437	54.02%
Group Insurance Benefits	51600 \$83,442	\$107,864	\$98,091	(\$9,772)	(9.06%)
Employee Transportation Subsidy	51700 \$6,218	\$8,783	\$1,456	(\$7,326)	(83.42%)
Workers' Compensation	51800 \$1,634	\$3,503	\$3,291	(\$212)	(6.06%)
Other Post-Employment Benefits	51850 \$58,789	\$60,918	\$57,229	(\$3,689)	(6.06%)
Board Stipends	51900				
Total Personnel Expenditures	\$792,832	\$946,788	\$957,979	\$11,191	1.18%
Services & Supplies Expenditures					
Travel In-State	52200 \$4,503	\$11,200	\$11,200		
Travel Out-Of-State	52225		\$4,000	\$4,000	
Training & Education	52300	\$11,700	\$12,200	\$500	4.27%
Repair & Maintenance (Equipment)	52400				
Communications	52500 \$2,021	\$3,000	\$1,000	(\$2,000)	(66.67%)
Building Maintenance	52600				
Utilities	52700				
Postage	52800				
Printing & Reproduction	52900	\$2,000	\$2,000		
Equipment Rental	53100				
Rents & Leases	53200				
Professional Services & Contracts	53300 \$85,302	\$596,000	\$298,007	(\$297,993)	(50.00%)
General Insurance	53400				
Shop & Field Supplies	53500	\$3,500	\$3,500		
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800 \$749	\$7,400	\$7,400		
Stationery & Office Supplies	53900 \$5,522	\$3,000	\$3,000		
Books & Journals	54100	\$500	\$440	(\$60)	(12.00%)
Minor Office Equipment	54200	\$400	\$400		
Depreciation & Amortization	54300				
Non-Capital Assets	54600				
Total Services & Supplies Expenditures	\$98,097	\$638,700	\$343,147	(\$295,553)	(46.27%)
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115				
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125				
Communications Equipment	60130				
General Equipment	60135				
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures					
Transfer Out	70005 \$393,680	\$144,878	\$315,793	\$170,915	117.97%
Total Expenditures	\$1,284,608	\$1,730,366	\$1,616,919	(\$113,447)	(6.56%)

Mobile Source Incentive Fund Administration		310
Managing Division: Strategic Incentives		
Contact Person: Anthony Fournier		
Program Purpose: Administer funding from motor vehicle surcharge revenues, authorized by AB 923, for emission reduction projects.		
Description of Program: Assembly Bill 923 (AB 923 - Firebaugh), enacted in 2004 (codified as Health and Safety Code Section 44225), authorized local air districts to increase their motor vehicle registration surcharge for motor vehicles within the Air District's jurisdiction up to an additional \$2 per vehicle. The revenues from the additional \$2 surcharge are deposited in the Air District's Mobile Source Incentive Fund (MSIF). MSIF funds can be allocated to the following eligible projects and programs, according to established criteria: the Lower-Emission School Bus Program, a passenger vehicle retirement program, projects eligible for Carl Moyer Program funds, and selected agricultural projects. Staff recommends funding allocations to eligible projects and programs for approval by the Board of Directors, monitors progress in implementing funded projects, reports on the use of the funds, and coordinates verification of requirements compliance. This program also includes assessment of mobile source and transportation technologies and programs in support of the grant-making function.		
Justification of Change Request: No change.		
Activities		
Recommend funding allocations to the Board of Directors.		
Conduct outreach to interested parties and provide application assistance.		
Evaluate grant applications for eligibility with applicable guidelines.		
Conduct inspections of the baseline and funded project equipment.		
Prepare grant award recommendations and coordinate the execution of funding agreements for the selected projects.		
Administer and monitor projects that have been awarded grants.		
Prepare and submit reports to the California Air Resources Board (CARB) on the expenditure of MSIF funds.		
Monitor, inspect, and audit current and previously funded programs and projects to assure compliance with State and District guidelines, policies, and statutory and regulatory requirements.		
Prepare technical, financial, and staff reports.		
Major Objectives		Delivery Date
Report MSIF expenditures to CARB.		8/29/2018
Define allocation of available funds to eligible projects and programs.		3/1/2019
Conduct outreach, and solicit project applications.		6/30/2019
Obtain Board of Directors approval of project recommendations.		Ongoing
Prepare and coordinate execution of funding agreements.		Ongoing
Process payments, review project reports, inspect and close out on-going projects.		Ongoing
Monitor the progress of funded projects.		Ongoing

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	3.79	3.68	2.79	(0.89)	(24.18%)
Personnel Expenditures					
Permanent Salaries	51105 \$420,081	\$388,689	\$324,669	(\$64,020)	(16.47%)
Overtime Salaries	51150 \$677	\$7,500		(\$7,500)	(100.00%)
Temporary Salaries	51200				
Payroll Taxes	51300 \$6,367	\$5,620	\$4,647	(\$973)	(17.32%)
Pension Benefits	51400 \$66,006	\$72,789	\$62,360	(\$10,429)	(14.33%)
FICA Replacement Benefits	51500 \$5,167	\$4,284	\$4,818	\$534	12.47%
Group Insurance Benefits	51600 \$66,371	\$69,099	\$52,711	(\$16,388)	(23.72%)
Employee Transportation Subsidy	51700 \$4,352	\$4,713	\$1,068	(\$3,645)	(77.34%)
Workers' Compensation	51800 \$1,290	\$2,358	\$1,616	(\$741)	(31.45%)
Other Post-Employment Benefits	51850 \$46,397	\$41,006	\$28,111	(\$12,895)	(31.45%)
Board Stipends	51900				
Total Personnel Expenditures	\$616,708	\$596,056	\$479,999	(\$116,058)	(19.47%)
Services & Supplies Expenditures					
Travel In-State	52200 \$636	\$2,000	\$2,000		
Travel Out-Of-State	52225				
Training & Education	52300	\$1,500	\$1,500		
Repair & Maintenance (Equipment)	52400				
Communications	52500 \$209				
Building Maintenance	52600				
Utilities	52700				
Postage	52800				
Printing & Reproduction	52900	\$1,500	\$1,500		
Equipment Rental	53100				
Rents & Leases	53200				
Professional Services & Contracts	53300 \$12,320	\$70,000	\$70,000		
General Insurance	53400				
Shop & Field Supplies	53500				
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800	\$3,000	\$3,000		
Stationery & Office Supplies	53900	\$500	\$500		
Books & Journals	54100	\$200	\$200		
Minor Office Equipment	54200	\$1,000	\$1,000		
Depreciation & Amortization	54300				
Non-Capital Assets	54600				
Total Services & Supplies Expenditures	\$13,165	\$79,700	\$79,700		
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115				
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125				
Communications Equipment	60130				
General Equipment	60135				
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures					
Transfer Out	70005 \$105,754	\$35,781	\$126,010	\$90,229	252.17%
Total Expenditures	\$735,626	\$711,537	\$685,709	(\$25,829)	(3.63%)

Vehicle Buy-Back Program		312
Managing Division: Strategic Incentives		
Contact Person: Anthony Fournier		
Program Purpose: Accelerate the removal of high-emitting vehicles from the on-road motor vehicle fleet within the District's jurisdiction.		
Description of Program: The program removes high-emitting motor vehicles from the region's roadways by purchasing and scrapping eligible vehicles from registered owners on a voluntary basis.		
Justification of Change Request: No change.		
Activities		
Implement procurement process for vehicle scrapping services.		
Oversee contractor's purchase and scrapping of vehicles.		
Respond to inquiries regarding Vehicle Buy-Back Program.		
Implement procurement process for direct mail campaign services.		
Oversee contractor's direct mailings.		
Acquire and update Department of Motor Vehicles (DMV) database used for direct mail annually.		
Develop and update Vehicle Buy-Back outreach materials.		
Conduct site visits of dismantling yards and dismantler offices.		
Manage suppression list and update DMV database.		
Review and approve scrapping contractor invoices.		
Review and approve direct mail contractor invoices.		
Major Objectives		Delivery Date
Implement the Vehicle Buy-Back program, monitor contractor performance, review/ pay program invoices.		Ongoing
Report program expenditures to the California Air Resources Board (CARB)		8/31/18

MEETING HELD ON MARCH 28, 2018

Vehicle Buy Back Program

312

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		0.24	0.54	0.65	0.11	21.04%
Personnel Expenditures						
Permanent Salaries	51105	\$27,450	\$56,580	\$65,968	\$9,388	16.59%
Overtime Salaries	51150					
Temporary Salaries	51200					
Payroll Taxes	51300	\$413	\$797	\$942	\$146	18.29%
Pension Benefits	51400	\$4,296	\$10,521	\$12,941	\$2,420	23.00%
FICA Replacement Benefits	51500	\$346	\$625	\$1,122	\$497	79.56%
Group Insurance Benefits	51600	\$4,420	\$10,756	\$8,187	(\$2,569)	(23.88%)
Employee Transportation Subsidy	51700	\$287	\$520	\$874	\$354	67.94%
Workers' Compensation	51800	\$84	\$344	\$377	\$33	9.45%
Other Post-Employment Benefits	51850	\$3,017	\$5,984	\$6,549	\$565	9.45%
Board Stipends	51900					
Total Personnel Expenditures		\$40,313	\$86,127	\$96,960	\$10,833	12.58%
Services & Supplies Expenditures						
Travel In-State	52200					
Travel Out-Of-State	52225					
Training & Education	52300					
Repair & Maintenance (Equipment)	52400					
Communications	52500		\$100	\$100		
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$5,156,561	\$7,200,000	\$7,200,000		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$5,156,561	\$7,200,100	\$7,200,100		
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005	\$6,913				
Total Expenditures		\$5,203,787	\$7,286,227	\$7,297,060	\$10,833	0.15%

MISCELLANEOUS INCENTIVE PROGRAMS

316

Managing Division:

Strategic Incentives

Contact Person:

Chengfeng Wang

Program Purpose:

Administer new, one-time pass through, sources of funding to implement emissions reductions projects

Description of Program:

Each year the Air District receives grant revenues from sources such as the Bay Area Clean Air Foundation, State of California, Federal government, and settlement agreements that augment and complement funding from its other perennial sources of funding. Grant funding from these sources is often awarded to the District through a competitive solicitation process that results in funding that can be used to support specific projects for a limited and specified period (e.g., 1 to 2 years). In addition, this program also covers the activities of certain Air District funded incentive programs, such as the Wood Smoke Reduction Incentive Program.

Justification of Change Request:

No Change.

Activities

Research opportunities, and prepare and submit applications for new sources of funding from the State of California, Federal government and other sources.

Develop policies and guidelines, issue calls for projects, conduct workshops, attend meetings, and outreach to potential project sponsors.

Review, evaluate and rank project applications to determine their eligibility and award amount, and prepare associated project documents (contracts, letters, reports, and communications).

Prepare recommendations for award of eligible projects for approval by the Air District's Board of Directors.

Monitor, inspect, and audit funded programs and projects to assure compliance of applicable guidelines, policies, and statutory and regulatory requirements.

Review progress reports, process reimbursement requests, and ensure project files are complete and up to date.

Prepare technical, financial, and staff reports.

Major Objectives

Delivery Date

Research opportunities and apply for funding.

Ongoing

Develop policies and guidelines, issue calls for projects, conduct workshops, attend meetings, and outreach to potential project sponsors.

Ongoing

Review and evaluate applications, prepare recommendations for award of eligible projects, prepare associated project documents (contracts, letters, reports, and communications).

Ongoing

Monitor, inspect, and audit funded programs and projects; review progress reports, process reimbursement requests, and ensure project files are complete and up to date; and prepare technical, financial, and staff reports.

Ongoing

Miscellaneous Incentive Program

316

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)	0.10	0.10	1.64	1.54	1540.00%
Personnel Expenditures					
Permanent Salaries	51105 \$11,241	\$13,605	\$212,167	\$198,562	1459.50%
Overtime Salaries	51150				
Temporary Salaries	51200				
Payroll Taxes	51300 \$157	\$192	\$3,040	\$2,849	1487.63%
Pension Benefits	51400 \$1,558	\$2,529	\$40,556	\$38,027	1503.43%
FICA Replacement Benefits	51500 \$102	\$116	\$2,863	\$2,747	2359.93%
Group Insurance Benefits	51600 \$1,353	\$2,199	\$26,742	\$24,543	1116.09%
Employee Transportation Subsidy	51700 \$92	\$192	\$660	\$468	243.89%
Workers' Compensation	51800 \$34	\$64	\$950	\$886	1382.92%
Other Post-Employment Benefits	51850 \$1,235	\$1,114	\$16,524	\$15,410	1382.92%
Board Stipends	51900				
Total Personnel Expenditures	\$15,773	\$20,011	\$303,504	\$283,492	1416.65%
Services & Supplies Expenditures					
Travel In-State	52200		\$7,700	\$7,700	
Travel Out-Of-State	52225		\$5,000	\$5,000	
Training & Education	52300		\$3,000	\$3,000	
Repair & Maintenance (Equipment)	52400				
Communications	52500				
Building Maintenance	52600				
Utilities	52700				
Postage	52800				
Printing & Reproduction	52900				
Equipment Rental	53100				
Rents & Leases	53200				
Professional Services & Contracts	53300		\$4,000	\$4,000	
General Insurance	53400				
Shop & Field Supplies	53500				
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800				
Stationery & Office Supplies	53900				
Books & Journals	54100				
Minor Office Equipment	54200				
Depreciation & Amortization	54300				
Non-Capital Assets	54600				
Total Services & Supplies Expenditures			\$19,700	\$19,700	
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115				
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125				
Communications Equipment	60130				
General Equipment	60135				
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures					
Transfer Out	70005				
Total Expenditures	\$15,773	\$20,011	\$323,204	\$303,192	1515.10%

Light Duty Electric Vehicles		317
Managing Division: Technology Implementation Office		
Contact Person: Ranyee Chiang		
Program Purpose: Administer funding, outreach, and planning to accelerate the adoption of plug-in electric vehicles (PEVs) and PEV infrastructure in the Bay Area.		
Description of Program: The Air District's 2013 Bay Area Plug-In Electric Vehicle Readiness Plan identified PEV adoption goals of a minimum of 110,000 PEVs on our roads by 2020, and 247,000 by 2025, which was expanded to a goal of 90% of the Bay Area fleet by 2050 in the Air District's 2017 Clean Air Plan. The Plan also outlined a series of strategies, best practices, and readiness actions that can be taken by regional agencies to remove potential barriers and accelerate PEV deployment. This program implements these strategies, and will also update the Plan to reflect the current state of vehicle technologies, consumers, and market. This program provides incentives for publicly available charging infrastructure, vehicle fleets, vehicles for low-income consumers, and outreach, partnerships, and planning to ensure regional coordination and maximize effectiveness of Air District programs.		
Justification of Change Request: New grant funding from the California Air Resources Board and Metropolitan Transportation Commission to support incentives for low-income consumers (ARB) and outreach, planning, and evaluation (MTC).		
Activities		
Develop policies and guidelines for Program funding and prepare recommendations for Board of Director consideration of Program policies and award of project funds for light-duty electric vehicle fleets, charging infrastructure, and vehicles for low-income consumers (Clean Cars 4 All).		
Conduct workshops, outreach and project solicitation.		
Review and evaluate applications and proposals for conformance with the applicable guidelines, policies, and regulations, and prepare Program documents, contracts, letters, reports, and communications.		
Track status and performance of projects, conduct inspections, and audit current and previously funded projects to assure compliance with Program requirements.		
Review progress reports, process reimbursement requests, and ensure project files are complete and up to date.		
Organize and participate in workgroups and events to increase awareness about PEVs, support deployment and sharing best practices.		
Develop updated roadmap for incentive program strategy and goal for charging infrastructure.		
Prepare technical, financial, and staff reports.		
Major Objectives		Delivery Date
Develop policies and guidelines for Program funding and obtain Board of Directors' approval of recommendations for award of TFCA Program funds (light-duty electric vehicle fleet and charging infrastructure programs) and ARB incentives (Clean Cars 4 All).		12/31/18
Launch Clean Cars 4 All pilot		1/31/2019
Launch Clean Cars 4 All program		6/30/2019
Submit light-duty EV incentive and infrastructure roadmap to Board		06/30/19
Prepare technical, financial, and staff reports.		Ongoing

Light Duty Electric Vehicles

317

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		0.39	2.18	6.98	4.80	219.82%
Personnel Expenditures						
Permanent Salaries	51105	\$44,245	\$240,981	\$736,285	\$495,304	205.54%
Overtime Salaries	51150	\$202		\$25,000	\$25,000	
Temporary Salaries	51200					
Payroll Taxes	51300	\$670	\$3,400	\$10,886	\$7,485	220.13%
Pension Benefits	51400	\$6,948	\$44,909	\$139,652	\$94,743	210.97%
FICA Replacement Benefits	51500	\$511	\$2,540	\$12,094	\$9,553	376.06%
Group Insurance Benefits	51600	\$6,975	\$42,429	\$92,152	\$49,723	117.19%
Employee Transportation Subsidy	51700	\$594	\$3,797	\$2,583	(\$1,214)	(31.97%)
Workers' Compensation	51800	\$135	\$1,398	\$4,044	\$2,645	189.18%
Other Post-Employment Benefits	51850	\$4,862	\$24,319	\$70,327	\$46,008	189.18%
Board Stipends	51900					
Total Personnel Expenditures		\$65,142	\$363,775	\$1,093,023	\$729,248	200.47%
Services & Supplies Expenditures						
Travel In-State	52200		\$11,800	\$15,500	\$3,700	31.36%
Travel Out-Of-State	52225		\$2,300	\$12,100	\$9,800	426.09%
Training & Education	52300	\$2,378	\$4,000	\$8,000	\$4,000	100.00%
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700					
Postage	52800					
Printing & Reproduction	52900					
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$51,623	\$425,000	\$513,000	\$88,000	20.71%
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900		\$500	\$500		
Books & Journals	54100		\$200	\$200		
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$54,001	\$443,800	\$549,300	\$105,500	23.77%
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005					
Total Expenditures		\$119,143	\$807,575	\$1,642,323	\$834,748	103.36%

Enhanced Mobile Source Inspections		318
Managing Division: Compliance & Enforcement		
Contact Person: Juan Ortellado		
Program Purpose: Conduct enhanced inspection patrols to report smoking vehicles to promote repair or retirement of these vehicles to protect public health. Conduct enhanced inspections to enforce drayage truck and related truck/mobile source regulations at and adjacent to the Port of Oakland.		
Description of Program: The enhanced mobile source inspection program is conducted to reduce particulate matter (PM) emissions throughout the Bay Area and PM and other emissions specifically at, and adjacent to, the Port of Oakland. Enhanced enforcement patrols are conducted for smoking vehicles. All Air District inspectors patrol for smoking vehicles on the road, between performing inspections and answering complaints. Smoking vehicles are reported to Air District dispatchers; owner information is extracted from Department of Motor Vehicles (DMV) records. Letters are sent to owners to request that they repair or retire the respective vehicles; compliance assistance materials are included. Enhanced enforcement of the State drayage truck regulation and related truck/mobile source regulations is conducted at, and adjacent to, the Port of Oakland. Targeted enforcement includes ensuring compliance with required upgrades and modifications to engine model year 2010 and newer for drayage trucks. Enhanced patrols and enforcement are conducted to ensure that illegal dray-off activities and excess idling are not performed. Compliance checks of mobile source equipment and vehicles are conducted to verify adherence to State regulations. Compliance assistance materials are developed; outreach is conducted with truckers and other mobile source operators regarding regulation(s) requirements, compliance deadlines and the availability of Air District grants.		
Justification of Change Request: None.		
Activities MEETING HELD ON MARCH 28, 2018		
Smoking Vehicles: Conduct inspection patrols for smoking vehicles. Vehicle owners are identified using Department of Motor Vehicles (DMV) records. Notification letters are sent to vehicle owners to inform them of the vehicle's excess emissions and to request that they repair the vehicle or contact assistance programs to retire the vehicle.		
Port Trucks Compliance Assurance: Conduct enhanced mobile source inspections at and adjacent to the Port of Oakland for compliance with the State drayage truck regulation (DTR) and related truck/mobile source regulations. Additional inspections are conducted and targeted at ensuring upgrades and modifications to engine model year 2010 and newer trucks in compliance with the requirements of Phase 1 and Phase 2 of ARB's DTR regulation. Additional focused inspections are conducted for compliance with dray-off provisions of the regulation and to ensure that non-compliant trucks do not enter the Port. Verify compliance with State mobile source regulations pursuant to the Air District's Mobile Source Compliance Plan.		
Port Trucks Enforcement: Conduct investigations and inspections, issue and process NOVs for trucks and other mobile sources found in non-compliance.		
Port Trucks Compliance Assistance: Develop fact sheets, posters and other outreach materials to provide to Port operators and truckers on regulatory requirements, upcoming compliance dates and the availability of Air District grants. Develop compliance assistance materials for related mobile source regulatory requirements. Provide compliance assistance during inspections and following enforcement actions; provide bilingual assistance where needed. Identify and translate compliance assistance materials. Participate in Monthly Trucker Workgroup meetings at the Port.		
Compliance and enforcement activities associated with Regulation 14, Rule 1 – Bay Area Commuter Benefits Program.		
Major Objectives		Delivery Date

		FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		1.87	5.93	0.14	(5.79)	(97.71%)
Personnel Expenditures						
Permanent Salaries	51105	\$208,074	\$598,612	\$15,831	(\$582,781)	(97.36%)
Overtime Salaries	51150					
Temporary Salaries	51200	\$18,859				
Payroll Taxes	51300	\$3,075	\$8,471	\$227	(\$8,245)	(97.33%)
Pension Benefits	51400	\$32,797	\$111,881	\$3,146	(\$108,735)	(97.19%)
FICA Replacement Benefits	51500	\$3,674	\$6,900	\$234	(\$6,666)	(96.60%)
Group Insurance Benefits	51600	\$36,661	\$105,308	\$2,365	(\$102,943)	(97.75%)
Employee Transportation Subsidy	51700	\$2,165	\$1,942	\$89	(\$1,852)	(95.40%)
Workers' Compensation	51800	\$636	\$3,798	\$79	(\$3,719)	(97.93%)
Other Post-Employment Benefits	51850	\$22,866	\$66,054	\$1,368	(\$64,685)	(97.93%)
Board Stipends	51900					
Total Personnel Expenditures		\$328,805	\$902,966	\$23,339	(\$879,627)	(97.42%)
Services & Supplies Expenditures						
Travel In-State	52200					
Travel Out-Of-State	52225					
Training & Education	52300					
Repair & Maintenance (Equipment)	52400					
Communications	52500	\$2,957	\$3,000	\$3,000		
Building Maintenance	52600					
Utilities	52700					
Postage	52800		\$4,000	\$4,000		
Printing & Reproduction	52900		\$8,000	\$8,000		
Equipment Rental	53100					
Rents & Leases	53200					
Professional Services & Contracts	53300	\$420	\$250,000	\$250,000		
General Insurance	53400					
Shop & Field Supplies	53500					
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800					
Stationery & Office Supplies	53900					
Books & Journals	54100					
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54600					
Total Services & Supplies Expenditures		\$3,377	\$265,000	\$265,000		
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005	\$155,941	\$475,866	\$10,503	(\$465,363)	(97.79%)
Total Expenditures		\$488,124	\$1,643,832	\$298,842	(\$1,344,990)	(81.82%)

COMMUTER BENEFITS PROGRAM		319
Managing Division:		
Compliance and Enforcement		
Contact Person:		
Juan Ortellado		
Program Purpose:		
Implementation of the Commuter Benefits Program, per the requirements of Air District Regulation 14-1.		
Description of Program:		
As part of the implementation of the Commuter Benefits Program, staff plans to continue performing education, outreach, monitoring, and tracking of approximately 10,000 Bay Area employers subject to the program.		
Justification of Change Request:		
None		
Activities		
Perform outreach to affected employers.		
Continue education campaign for affected employers.		
Perform tracking and monitoring of program.		
Facilitate data reporting and storage for affected employers.		
Coordinate activities with Metropolitan Transportation Commission's 511.org.		
Prepare and implement a compliance and enforcement system.		
MEETING HELD ON MARCH 28, 2018		
Major Objectives		Delivery Date
Conduct outreach and education		ongoing
Prepare and implement a compliance and enforcement system.		6/30/19

Commuter Benefits Program

319

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change
Number of Positions (FTE)		2.00		(2.00)	(100.00%)
Personnel Expenditures					
Permanent Salaries	51105	\$200,687		(\$200,687)	(100.00%)
Overtime Salaries	51150				
Temporary Salaries	51200				
Payroll Taxes	51300	\$2,834		(\$2,834)	(100.00%)
Pension Benefits	51400	\$37,429		(\$37,429)	(100.00%)
FICA Replacement Benefits	51500	\$2,328		(\$2,328)	(100.00%)
Group Insurance Benefits	51600	\$38,466		(\$38,466)	(100.00%)
Employee Transportation Subsidy	51700	\$3,031		(\$3,031)	(100.00%)
Workers' Compensation	51800	\$1,281		(\$1,281)	(100.00%)
Other Post-Employment Benefits	51850	\$22,286		(\$22,286)	(100.00%)
Board Stipends	51900				
Total Personnel Expenditures		\$308,341		(\$308,341)	(100.00%)
Services & Supplies Expenditures					
Travel In-State	52200	\$6,000	\$6,000		
Travel Out-Of-State	52225				
Training & Education	52300				
Repair & Maintenance (Equipment)	52400				
Communications	52500				
Building Maintenance	52600				
Utilities	52700				
Postage	52800				
Printing & Reproduction	52900				
Equipment Rental	53100				
Rents & Leases	53200				
Professional Services & Contracts	53300	\$250,000	\$250,000		
General Insurance	53400				
Shop & Field Supplies	53500				
Laboratory Supplies	53600				
Gasoline & Variable Fuel	53700				
Computer Hardware & Software	53800				
Stationery & Office Supplies	53900				
Books & Journals	54100				
Minor Office Equipment	54200				
Depreciation & Amortization	54300				
Non-Capital Assets	54600				
Total Services & Supplies Expenditures		\$256,000	\$256,000		
Capital Expenditures					
Leasehold Improvements	60100				
Building & Grounds	60105				
Office Equipment	60110				
Computer & Network Equipment	60115				
Motorized Equipment	60120				
Lab & Monitoring Equipment	60125				
Communications Equipment	60130				
General Equipment	60135				
PM 2.5 Equipment	60140				
Biowatch Equipment	60145				
Total Capital Expenditures					
Transfer Out	70005	\$138,753		\$138,753	100.00%
Total Expenditures		\$703,094	\$256,000	(\$447,094)	(63.59%)

MEETING HELD ON MARCH 28, 2018

California Goods Movement Bond - Grants Administration		323
Managing Division: Strategic Incentives		
Contact Person: Anthony Fournier		
Program Purpose: The purpose of this program is to protect public health by reducing emissions associated with goods movement activities.		
Description of Program: In 2007, the California State Legislature enacted Senate Bill 88 authorizing \$1 billion in bond funding over four years for projects to protect public health from emissions associated with goods movement activities. In FYE 2018 staff will continue administration of the Year 5 round of program funding, monitor progress in implementing funded projects, work to ensure projects are completed as required, disburse grant funds by the specified deadlines, and report on project status and use of funds. Funding from AB134 (2017) will be primarily administered through the Carl Moyer Program and Proposition 1B Goods Movement Program.		
Justification of Change Request: No change.		
Activities		
Develop policies and procedures for the administration of the Goods Movement Bond Program (GMP).		
Conduct outreach to interested parties and provide application assistance.		
Evaluate grant applications for eligibility with GMP guidelines.		
Conduct inspections of the baseline and funded project equipment.		
Prepare grant award recommendations and coordinate the execution of funding agreements for the selected projects.		
Administer and monitor projects that have been awarded GMP grants.		
Prepare and submit reports to the California Air Resources Board (CARB) on the implementation of the GMP.		
Monitor, inspect, and audit current and previously funded programs and projects to assure compliance with State and Air District guidelines, policies, and statutory and regulatory requirements.		
Prepare technical, financial, and staff reports.		
Major Objectives		Delivery Date
Monitor Year 5 projects, ensure projects are completed and paid on schedule.		12/31/2018
Conduct project inspections, review applications, and prepare reports for submittal to CARB.		12/31/2018
Monitor the performance of previously funded GMP projects.		Ongoing

MEETINGS HELD ON MARCH 28, 2018

	FYE 2017 Audited Program Expenditures	FYE 2018 Amended Program Budget	FYE 2019 Proposed Program Budget	FTE/Dollar Change	Percent Change	
Number of Positions (FTE)	2.62	3.16	2.73	(0.43)	(13.61%)	
Personnel Expenditures						
Permanent Salaries	51105	\$290,700	\$361,083	\$328,124	(\$32,959)	(9.13%)
Overtime Salaries	51150	\$268				
Temporary Salaries	51200	\$6,182				
Payroll Taxes	51300	\$4,366	\$5,111	\$4,698	(\$413)	(8.09%)
Pension Benefits	51400	\$45,455	\$67,504	\$63,145	(\$4,359)	(6.46%)
FICA Replacement Benefits	51500	\$3,686	\$3,678	\$4,723	\$1,045	28.40%
Group Insurance Benefits	51600	\$46,591	\$60,956	\$41,693	(\$19,264)	(31.60%)
Employee Transportation Subsidy	51700	\$3,300	\$5,011	\$1,359	(\$3,651)	(72.87%)
Workers' Compensation	51800	\$882	\$2,025	\$1,582	(\$443)	(21.88%)
Other Post-Employment Benefits	51850	\$31,713	\$35,211	\$27,506	(\$7,705)	(21.88%)
Board Stipends	51900					
Total Personnel Expenditures		\$433,143	\$540,580	\$472,830	(\$67,749)	(12.53%)
Services & Supplies Expenditures						
Travel In-State	52200	\$1,275	\$2,000	\$2,000		
Travel Out-Of-State	52225					
Training & Education	52300	\$150	\$1,500	\$1,500		
Repair & Maintenance (Equipment)	52400					
Communications	52500					
Building Maintenance	52600					
Utilities	52700	\$166	\$400	\$400		
Postage	52800		\$100	\$100		
Printing & Reproduction	52900		\$500	\$500		
Equipment Rental	53100					
Rents & Leases	53200	\$24,696	\$30,000	\$30,000		
Professional Services & Contracts	53300	\$42,693	\$50,000	\$50,000		
General Insurance	53400					
Shop & Field Supplies	53500		\$3,000	\$3,000		
Laboratory Supplies	53600					
Gasoline & Variable Fuel	53700					
Computer Hardware & Software	53800		\$1,500	\$1,500		
Stationery & Office Supplies	53900		\$1,000	\$1,000		
Books & Journals	54100					
Minor Office Equipment	54200					
Depreciation & Amortization	54300					
Non-Capital Assets	54400					
Total Services & Supplies Expenditures		\$68,980	\$90,000	\$90,000		
Capital Expenditures						
Leasehold Improvements	60100					
Building & Grounds	60105					
Office Equipment	60110					
Computer & Network Equipment	60115					
Motorized Equipment	60120					
Lab & Monitoring Equipment	60125					
Communications Equipment	60130					
General Equipment	60135					
PM 2.5 Equipment	60140					
Biowatch Equipment	60145					
Total Capital Expenditures						
Transfer Out	70005	(\$437,762)	(\$455,462)	(\$412,830)	(\$42,632)	9.36%
Total Expenditures		\$64,361	\$175,118	\$150,000	(\$25,117)	(14.34%)

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MEETING HELD ON MARCH 28, 2018

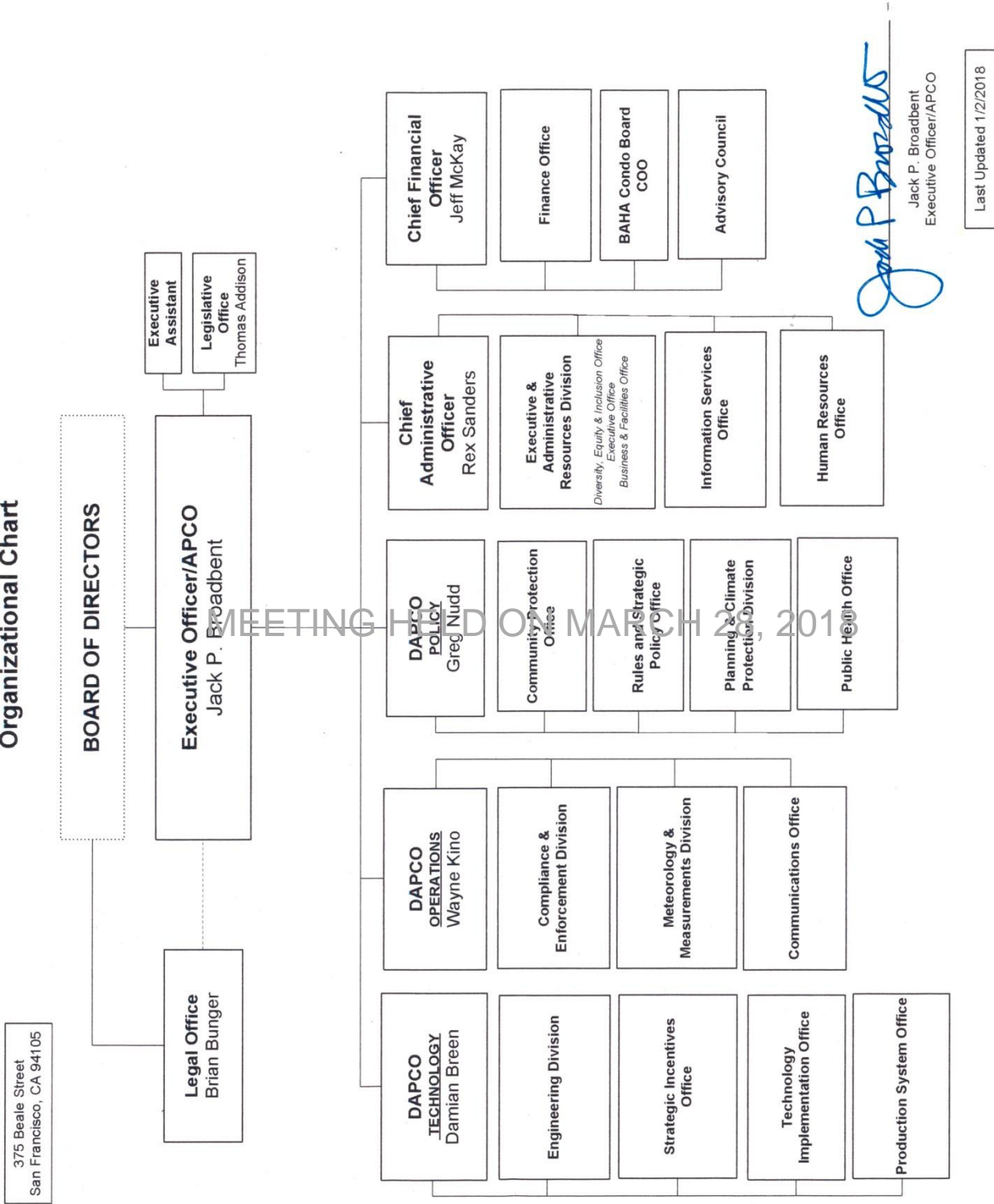
APPENDICES

MEETING HELD ON MARCH 28, 2018

APPENDIX A

PROGRAM ORGANIZATIONAL CHART SUMMARY

Organizational Chart



Jack P. Broadbent
 Jack P. Broadbent
 Executive Officer/APCO

Last Updated 1/2/2018



**BAY AREA
 AIR QUALITY
 MANAGEMENT
 DISTRICT**

APPENDIX B

SELECTED LEGAL REQUIREMENTS

The following highlights selected major legal requirements regarding the use and collection of funds that are considered when developing and reviewing the Air District's budget:

1. Federal law requires that the Air District collect fees from affected facilities to fund the implementation of Title V of the Federal Clean Air Act (42 U.S.C. Section 7401, et seq. and implementing regulations in 40 CFR Parts 60 and 70). Implementation of Title V includes all activities involved in the review, issuance, and enforcement of Title V Permits. "Affected facilities" include all major stationary sources as defined in the Federal Clean Air Act.
2. Revenue received by the Air District pursuant to California Health and Safety Code Section 44220, et seq. (Transportation Fund for Clean Air (TFCA)) may only be used to fund approved projects, and certain expenditures incurred for administration of the TFCA program, including audits. The expenditures for the administration of TFCA grants are contained in the Transportation Fund for Clean Air Administration, Program #308. Air District sponsored and managed TFCA projects include; a portion of Intermittent Control Programs #306 and Transportation fund for clean Air Administration #308. Administration, Program #308. Regional Bikeshare Program #315, Electric Vehicle Program #317, Enhanced Mobile Source and Inspections Program #318, and Commuter Benefits Program #319.
3. Permit fee revenue may only be used to fund activities associated with the permitting, monitoring, and enforcement of regulations affecting permitted stationary sources. Past audits of District activities have shown that the Air District's programs meet this test.
4. Funding from several sources, including grants, is restricted, and thus may only be used to fund certain activities. Air District accounts are periodically audited to ensure that such funds are used appropriately.
5. California Health and Safety Code Section 40131(a)(3) requires that two public hearings be held regarding the adoption of the District budget. The first hearing is for the exclusive purpose of reviewing the budget and providing the public with the opportunity to comment upon the proposed budget. This hearing must be separate from the hearing at which the District adopts its budget. The adoption hearing may not be held any sooner than two weeks after the first hearing. Thirty (30) days public notice must be given before the first public hearing.

The Maintenance of Effort (MOE) level refers to a Federal EPA Section 105 grant condition. This condition states that, "No agency shall receive any grant under this section during any fiscal year when its expenditures of non-Federal funds for recurrent expenditures for air pollution control programs will be less than its expenditures were for such programs during the preceding fiscal year unless the Administrator, after notice and opportunity for public hearing, determines that a reduction in expenditures is attributable to a non-selective reduction in the expenditures in the programs of all Executive branch agencies of the applicable unit of Government." Depending on the expenditures reported on the Federal Status Report (FSR) at the conclusion of the federal FYE 2018, receipt of the Federal grant funds for FYE 2019 could be delayed or jeopardized because of this MOE requirement

APPENDIX C

GENERAL FUND BALANCE

FUND BALANCES	6/30/2017 Audited	6/30/2018 Projected	6/30/2019 Projected
DESIGNATED: *			
Building Acquisition	-	-	7,000,000
Diversity, Equity & Inclusion	-	100,000	-
Economic Contingency	16,519,959	17,390,311	19,084,769
GHG Abatement Technology Study	1,500,000	1,500,000	-
IT- Event Response	500,000	500,000	-
Litigation	-	500,000	-
Napa/Sonoma Fireplace Replacement Grant	-	-	3,000,000
Pension & Post Employment Liability	1,600,000	440,000	-
Technology Implementation Office	-	3,350,000	-
Tech- Meterological Network Equipment	131,100	131,100	-
Tech- Mobile Monitoring Instruments	80,000	80,000	-
Woodchip Program	-	150,000	-
Woodsmoke Grants	-	1,000,000	1,000,000
Worker's Comp Self -Funding	1,000,000	1,000,000	-
TOTAL DESIGNATED	\$21,331,059	\$26,141,411	\$ 30,084,769
UNDESIGNATED	20,455,742	15,645,390	4,000,000
Use of Fund Balance	(852,032)	(7,702,032)	(4,000,000)
TOTAL UNDESIGNATED	\$19,603,710	\$ 7,943,358	\$0
TOTAL DESIGNATED & UNDESIGNATED	\$40,934,769	\$ 34,084,769	\$ 30,084,769
BUILDING PROCEEDS:	4,668,200	4,668,200	4,668,200
TOTAL FUND BALANCE	\$45,602,969	\$ 38,752,969	\$ 34,752,969
* Designated Fund Balances are subject to change at Board's discretion.			
UNFUNDED LIABILITIES	(Based on 2016 Actuarial Valuation Report)		
CalPERS Pension Retirement			77,114,925
Other Post Employment Benefits			32,954,000
TOTAL UNFUNDED LIABILITIES			\$ 110,068,925

APPENDIX C

GENERAL FUND BALANCE

APPENDIX C depicts the actual unrestricted cash at the end of FYE 2017, as well as, the projected amount for FYE 2018 and FYE 2019. For FYE 2018, a recommendation of \$7.7 million was approved by the Board from fund balance reserves for implementation of the clean air plan, health risk assessment and the establishment of a Technology Implementation Office. For FYE2019, a recommendation of \$4.0 million is to fund projects using a revolving loan arrangement to leverage these funds. In an effort to remain fiscally prudent, the District established an economic contingency reserve policy (greater than 20% of General Fund operating expense) to ensure the stability of services for a period of time and the ability to set aside fund for anticipated projects and future obligations. During the budget process, staff recommends designations for the remaining fund balance. The following is a brief description summarizing designated categories as shown in the table on the previous page:

- Building Acquisition established in FYE 2019 to purchase East Bay space to replace rented space and for future expansion.
- Diversity Equity & Inclusion established in FYE2018 for education and training.
- Economic Contingency was established in FYE2008 at the request of the Board for unplanned expenditures and/or unanticipated loss in revenues. In FYE2016, the Board approved a 20% reserve policy as a funding target.
- GHG Abatement Technology Study established in FYE2015 to provide funding, via the Air District's Clean Air Foundation, for a study into the best available control technology for greenhouse gases at permitted sources.
- IT Event Response established in FYE2014 to address information technology related incidents that compromises the District's IT systems.
- Litigation – established in FYE2017 to address uncertainties for pending litigation.
- Napa/Sonoma Fireplace Replacement Grant establish in FYE 2019 to assist fire victims rebuild home fireplaces with cleaner heating options.
- Pension Retirement & Post-Employment Benefits established in FYE2002 to prefund Cal PERS to reduce future rate increases to pension benefits over time and fund future Other Post-Employment Benefits (OPEB) obligations to reduce unfunded OPEB liability over time.
- Tech-Meteorological Network Equipment established in FYE2014 to replace network equipment that is no longer supported and has past the end of its useful life.
- Tech- Mobile Monitoring Instruments established in FYE2014 to purchase instruments to operate the Air District's Mobile Monitoring Program.
- Woodchip Program established in FYE2018 to provide grants for alternative to burning.
- Wood Smoke Grant established in FYE2018 to extend the grants program especially to high wood smoke areas.
- Worker's Compensation established in FYE2004 as a result self-funded policy which requires the District to pay for potential claims over and above its deductible limits.
- Building Proceeds established in FYE2015 from the sale of 939 Ellis Building and will be used towards the acquisition of 375 Beale and associated obligations.

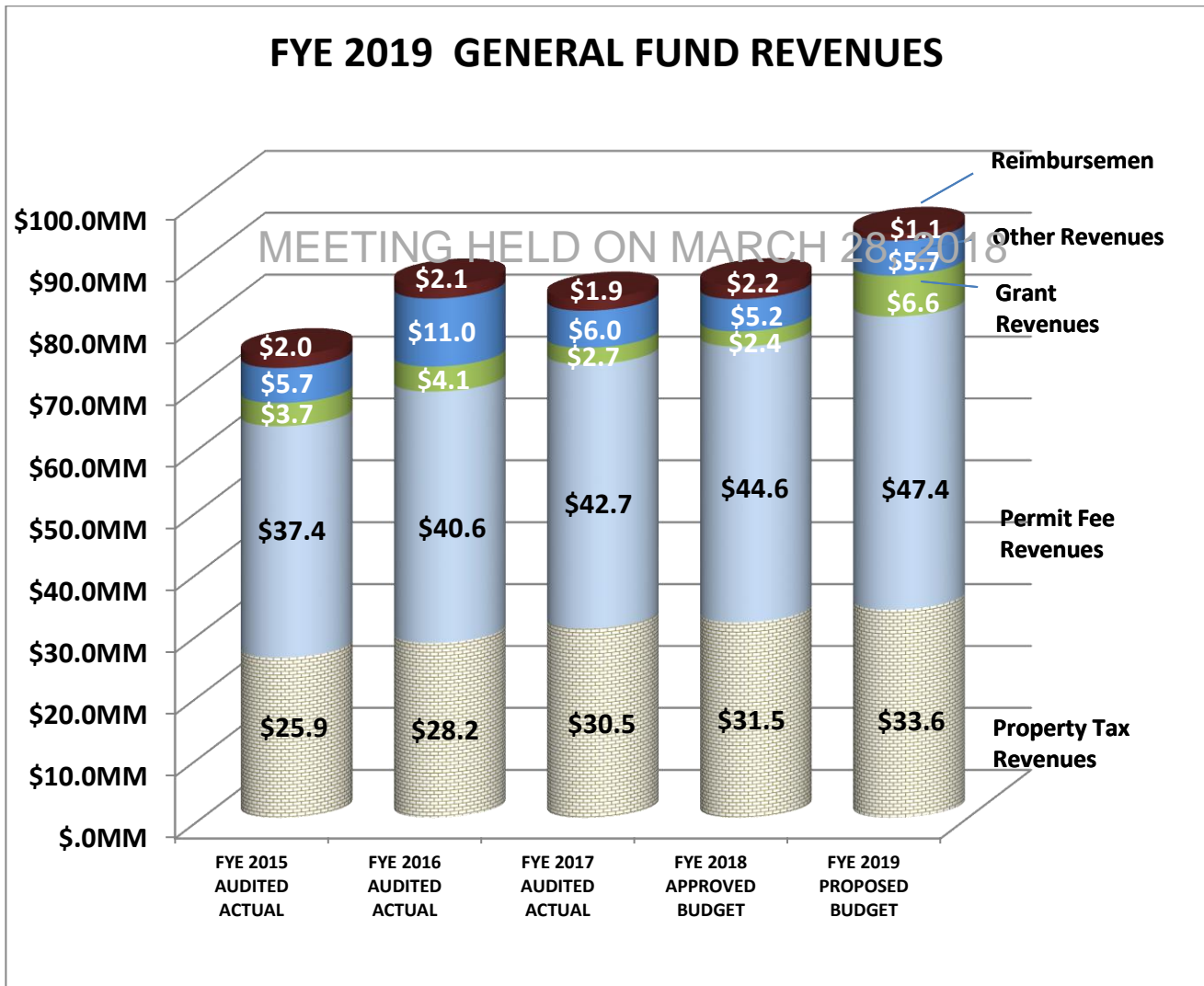
APPENDIX D

Figure 1

Sources of Revenue Trends

Figure 1 below graphically displays the trends in the sources of revenue used to fund expenditures each year from FYE 2015 through FYE2019 along with the adopted and proposed budget for FYE 2018 and FYE 2019, respectively.

As seen from Figure 1, permit fees are the District's largest single source of revenue. Permit fees fluctuates from FYE 2015 through FYE 2018 as a result of certain fees being billed and collected on a two-year cycle. Projected fees are expected to increase approximately 6.2% due to proposed fee increase consistent with the Air District's cost recovery policy. County revenues experienced significant increases over the past three years as a result of increased property valuation and construction activities in the Bay Area. This revenue source is expected to continue to grow in FYE 2019. Other General Fund sources of revenue have experience slight growth as well over the year, especially in FYE 2019 as a result of state grant related to activities for the implementation of Assembly Bill 617. Reimbursement Revenues sources are projected to decrease slightly in FYE2019.

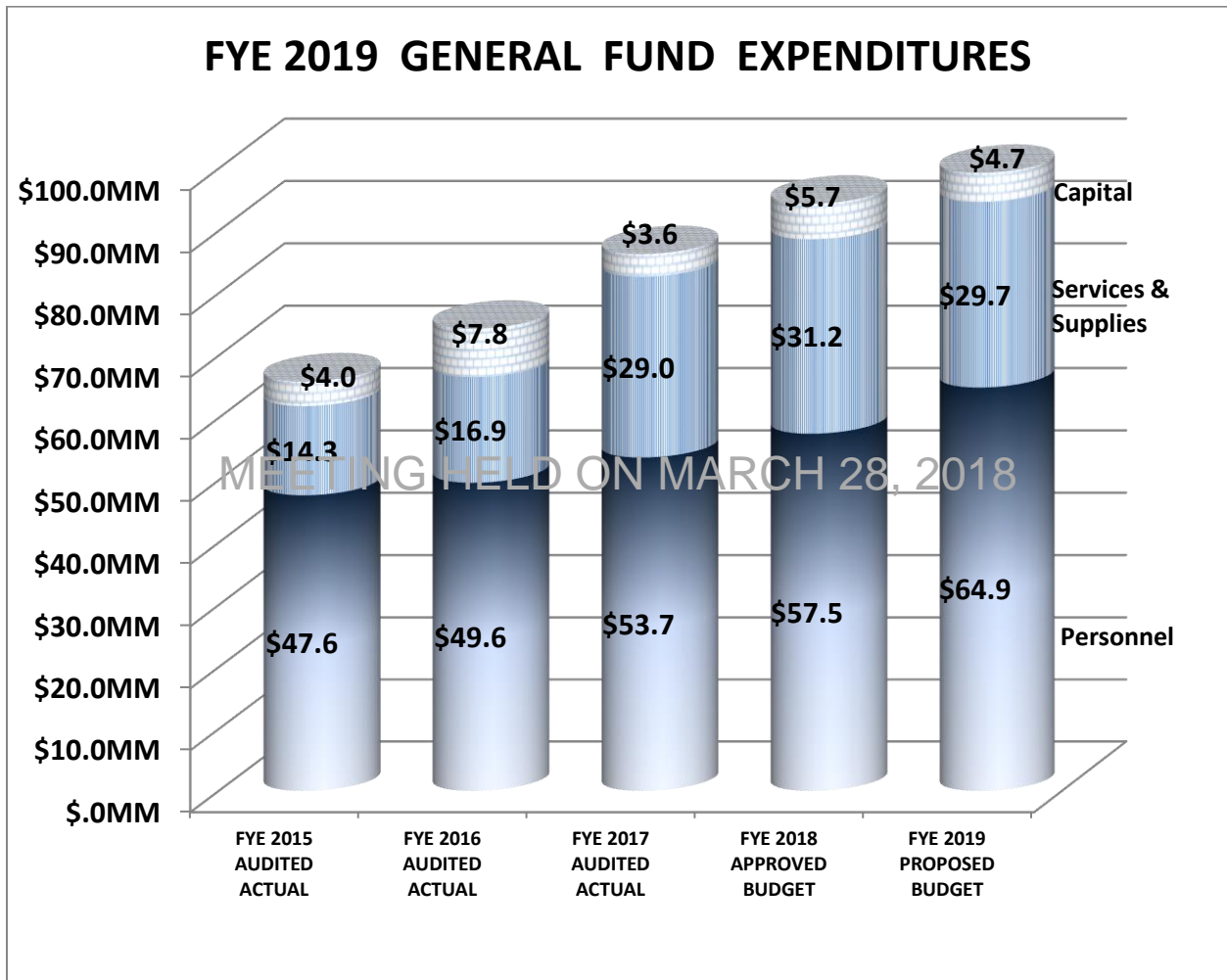


APPENDIX E

Figure 2

Expenditure Trends

Below Figure 2 shows the trends in actual expenditures from FYE 2015 through FYE 2017 along with the approved and proposed budget expenditures for FYE 2018 and FYE 2019, respectively. From FYE 2015 through FYE 2017, total General Fund have risen at an average rate of 11% per year from \$65.9 million to \$99.3 million due to increased Personnel Costs, Services and Capital Programs expenditures. The FYE 2019 General Fund Proposed Budget shows a projected \$4.3 million increase in expenditures over FYE 2018; which is mainly attributed to increase Personnel Costs as staffing levels increase.



APPENDIX F

Figure 3 and Detail

Projected Revenues and expenditures

Revenue Assumptions

County Property Tax revenue is expected to increase this year based on housing valuations and county receipt information, with projected underlying increases in future years of not more than the allowable 2% of Secured Taxes, as stipulated under *Health & Safety (Code) Section 40271*. The Code established the funding formula by which the District receives its revenue from this source.

Permit Fees should continue to increase in accordance with the Cost Recovery study as the Air District will implement the recommendations contained in the study. The Air District has also established the use of the Cost of Living Adjustment (COLA) as a means to maintain the costs associated with processing operating permit renewals and new and modified permit requests.

Restoration of the State Subvention instituted many years ago, has been realized and State funding for FYE 2019 remains at the \$1.7 million level same as FYE 2017. The FYE 2019 anticipates continued funding through Federal Grant Assistance Programs.

Expenditure Assumptions

Future Cost of Living Adjustments (COLA) increases.

Health benefit costs will continue to increase.

Cal PERS rates will continue to increase.

MEETING HELD ON MARCH 28, 2018

Services and Supplies will remain relatively steady; except for fluctuates due to one-time expenditures.

Capital expenditures will decrease slightly in FYE 2019 and will fluctuate from year to year based on capital replacement schedule.

APPENDIX F

GENERAL FUND 3 YEAR PROJECTION

	FYE 2017 Audited Revenue & Transfers	FYE 2018 Approved Revenue & Transfers	FYE 2019 Projected Revenue & Transfers	FYE 2020 Projected Revenue & Transfers	FYE 2021 Projected Revenue & Transfers
REVENUE					
County Revenues	\$30,541,028	\$31,518,760	\$33,274,701	\$34,197,942	\$35,949,089
Permits/Fees	\$42,698,788	\$44,606,480	\$47,172,397	\$49,560,763	\$51,110,226
Grant Revenues	\$3,783,371	\$3,786,488	\$7,495,726	\$7,633,922	\$7,786,601
Other Revenues	\$6,822,792	\$6,102,000	\$6,358,348	\$6,504,165	\$6,653,635
Sub Total	\$83,845,980	\$86,013,728	\$94,301,172	\$97,896,793	\$101,499,551
Transfer from Special Funds	\$541,767	\$976,358	\$849,835	\$866,832	\$884,168
Transfer from / (to) Fund Balance	\$3,891,782	\$7,850,000	\$4,000,000	(\$13,853)	(\$43,116)
TOTAL REVENUE	\$88,279,529	\$94,840,086	\$99,151,007	\$98,749,772	\$102,340,603
EXPENDITURES					
Personnel & Benefits (net Pension/OPEB)	\$44,551,484	\$46,682,759	\$52,141,974	\$53,149,716	\$54,728,938
Retirement Pension	\$5,345,340	\$7,103,634	\$8,587,259	\$10,316,270	\$11,548,959
Other Post Employment Benefits (OPEB)	\$3,753,678	\$3,673,428	\$3,676,028	\$3,678,838	\$3,681,734
Services and Supplies	\$31,002,037	\$31,195,830	\$29,676,361	\$27,274,803	\$27,999,314
Capital Expenditures	\$3,626,490	\$5,691,775	\$4,656,556	\$3,904,930	\$3,943,687
Sub Total	\$88,279,529	\$94,347,425	\$98,738,178	\$98,324,557	\$101,902,631
Transfer Out	\$0	\$492,661	\$412,830	\$425,215	\$437,971
TOTAL EXPENDITURE	\$88,279,529	\$94,840,086	\$99,151,007	\$98,749,772	\$102,340,603
General Fund Balance					
Beginning	\$49,494,751	\$45,602,969	\$38,752,969	\$34,752,969	\$34,766,822
(Use of)/Transfer to Fund Balance	(\$3,891,782)	(\$6,850,000)	(\$4,000,000)	\$13,853	\$43,116
Ending Fund Balance	\$45,602,969	\$38,752,969	\$34,752,969	\$34,766,822	\$34,809,938

APPENDIX G

Definitions

AB 434 (Assembly Bill 434) – This enacted bill resulted in *California Health and Safety Code* Section 44241 which authorizes the District to levy a fee on motor vehicles registered in the District. The revenue must be used to fund specified programs aimed at the reduction of air pollution from motor vehicles. The bill allows the District to allocate not more than five percent (5%) of the fees distributed for administrative costs. See TFCA (Transportation Fund for Clean Air).

AB 617 (Assembly Bill 617) This enacted bill requires the state board to develop a uniform statewide system of annually reporting of emissions of criteria air pollutants and toxic air contaminants for use by certain categories of stationary sources.

AB 923 (Assembly Bill 923) – This enacted bill allows an additional \$2 surcharge on Motor Vehicle Registration fees for MSIF (Mobile Source Incentive Fund).

AHM (Acutely Hazardous Material) – Those materials that have been defined as such by either State or Federal regulations as being hazardous to human health.

AIRS (Aerometric Information Retrieval System) – Computerized information system as delineated by the EPA (Environmental Protection Agency).

APCO – Air Pollution Control Officer – Appointed by the Board of Directors.

Appropriation – A legal authorization to incur obligations and to make expenditures for specific purposes.

Association of Bay Area Governments (ABAG) – Regional agency covering the nine counties of the Bay Area, responsible for population projections, various services for local agencies, and co-lead agency for federal air quality planning.

A&WMA (Air & Waste Management Association) – The international nonprofit organization of regulatory, business, academic and research communities for air and waste management professionals.

BACT (Best Available Control Technology) – The lowest achievable emission rate to be applied to new and modified stationary sources pursuant to the District's New Source Review permitting program.

Board – Board of Directors and also Hearing Board. The Board of Directors is the governing body of the District. The Hearing Board is appointed by the Board of Directors. (See Programs 121 and 122).

California Clean Air Act 1988 – Statutory scheme to reduce air pollution from stationary and mobile sources as set forth in *California Health and Safety Code* Section 39600 et seq.

Capital Expenditures – An amount spent to acquire land, building, equipment, vehicles etc. in order to increase capacity or efficiency by the District for more than 1 year. Such purchases are capitalized or depreciated over the useful land, except for land.

Carl Moyer Program – Provides grants to public and private entities to reduce emissions of oxides of nitrogen, reactive organic gases and particulate matter from existing heavy-duty engines by either replacing or retrofitting them.

CAPCOA (California Air Pollution Control Officers Association) – Organization comprised of local air pollution control officials; human resource and fiscal staff are also members.

CARB or ARB (California Air Resources Board) – The State agency responsible for setting California Ambient Air Quality Standards (CAAQS) and motor vehicle emission standards, and for overseeing implementation of the California Clean Air Act.

CEC (California Energy Commission) – The state agency responsible for energy policy and planning.

CEMS – (Continuous Emissions Monitoring Systems) – Technology that allows the District to measure certain emissions on a continuous basis.

CEQA (California Environmental Quality Act) – State law that requires public agencies to analyze environmental impacts of proposed projects and plans. (*California Public Resources Code* Section 21000 et seq.)

CFC (Chlorofluorocarbon) – Any of a group of compounds that contain carbon, chlorine, fluorine and sometimes hydrogen and are used as refrigerants, cleaning solvents, and aerosol propellants and in the manufacture of plastic foams.

Clean Air Act Amendments of 1990 – Revisions to the Federal legislation governing air quality planning and control programs to meet National ambient air quality standards.

CMA (Congestion Management Agency) – Countywide agency responsible for preparing and implementing congestion management programs.

CMAQ – (Congestion Mitigation and Air Quality) - The District receives funding under this grant to fund the Spare the Air campaign.

Contractual Services – Services rendered to a government by private firms, individuals, or other governmental agencies.

COLA (Cost of Living Adjustment) – An adjustment to salaries based on the increased cost of living as defined by the percent change in the U.S. Department of Labor's Consumer Price Index.

DAPCO (Deputy Air Pollution Control Officer) – Deputy Officer to the APCO.

Environmental Justice – The fair treatment of people of all races and incomes with respect to development, implementation, and enforcement of environmental laws, regulations, and policies. Fair treatment implies that no person or group of people should shoulder a disproportionate share of negative environmental and economic impacts resulting from the execution of environmental programs.

EPA (Environmental Protection Agency) – Federal agency that oversees air, water and waste management. An assistance grant is provided to various agencies in their efforts to reduce air pollution.

EPA 103 Grant – Provides funding for all aspects of operating the PM_{2.5} fine particulate monitoring program as well as BioWatch, the National Air Toxic Trends Study (NATTS) Program and other supplemental study programs awarded by the EPA.

EPA 105 Grant – Grant pursuant to federal Clean Air Act Section 105.

Fiscal Year – A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization; July 1 through June 30 is the fiscal year for the District.

FICA (Federal Insurance Corporation Act) Replacement Benefits – In 1981, District employees elected to terminate participation in Social Security. FICA costs listed in the budget reflect the replacement benefit premiums paid in lieu of Social Security.

Fixed Assets – Assets of long-term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

FTE (Full-time Equivalent Position) – A position converted to the decimal equivalent of a full-time position based on 2,080 hours of work per year.

Fund – A fiscal entity with revenues and expenditures that are segregated for the purpose of carrying out a specific purpose or activity.

Fund Balance – Designated – That portion of the fund balance designated by the governing body to indicate tentative plans for financial resource utilization in a future period.

Fund Balance – Reserved – That portion of the fund balance obligated by the issuance of purchase orders or contracts (encumbrances), or otherwise obligated and unavailable to meet the District's operating expenditures.

Fund Balance – Undesignated – That portion of the unreserved fund balance that represents the accumulated surplus which, as specified in the *California Government Code*, is restricted to the following uses: to meet cash requirements before the proceeds from revenues are available, to meet emergency expenditures, and at the end of each fiscal year to meet current year operating or subsequent year budget deficits.

Fund Balances – The equity accounts for the governmental fund types.

Group Insurance Benefits – benefits provided to BAAQMD employees, including medical, dental, vision, and life insurance as well as State Disability Insurance, Section 125 cafeteria plan, Long Term Care and Long Term Disability, Section 457 deferred compensation plan, and COBRA program.

IRIS (Integrated Reporting Information System) – The name of the District's database conversion project.

MACT (Maximum Achievable Control Technology) – EPA standards mandated by the 1990 amendments to the Federal Clean Air Act for control of toxic air contaminants.

Metropolitan Transportation Commission (MTC) – Bay Area regional agency responsible for transportation planning, financing and coordination; co-lead agency for Federal air quality planning.

MSIF (Mobile Source Incentive Fund) – The Air District's grant program for allocating revenues from an additional motor vehicle registration fee surcharge for implementation of eligible projects.

NOV (Notice of Violation) – A written citation informing a facility, or individual, that it has violated a specific air quality regulation or rule.

OVA (Organic Vapor Analyzer) – Hand-held analyzer used to detect organic vapor leaks from valves and other chemical and refinery equipment.

PERP (Portable Equipment Registration Program) – a program established by CARB allowing the operation of portable equipment in any air district throughout the state without individual local district permits.

PERS (Public Employees Retirement System) – The retirement system contracted by the District to provide retirement benefits to employees

Program Budget – A budget that allocates financial resources to functions or activities of government, rather than to specific types of expenditure, or to specific departments.

PSM (Process Safety Management) – Federal OSHA regulation that requires industrial safety audits.

Request for Proposals (RFP) – A document requesting bids to provide specified services or supplies.

RMPP (Risk Management and Prevention Plan) – State Program that the District monitors to prevent accidental releases of hazardous materials.

SIP (State Implementation Plan) – Bay Area portion of California plan to attain and maintain national ambient air quality standards.

State Subvention Revenue – Pursuant to Part 2, Chapter 5 of the *California Health and Safety Code*, the California Air Resources Board must subvene and distribute funds to Districts engaged in the reduction of air contaminants. The distribution is based on a per-capita basis of population contained in the District.

T-BACT (Toxic Best Available Control Technology) – The lowest achievable emission rate for toxic air contaminants at new or modified stationary sources.

TCM (Transportation Control Measure) – A strategy to reduce vehicle trips, vehicle use, vehicle miles traveled, vehicle idling, or traffic congestion for the purpose of reducing motor vehicle emissions.

TFCA (Transportation Fund for Clean Air) – The District's grant program for allocating revenues from a motor vehicle registration fee surcharge to public agencies for implementation of eligible projects that reduce motor vehicle emissions.

UNIX – A computer operating system.

UTM – A coordinate system for geographical locations.

Vehicle Buy Back – The District's sponsored incentive program for the scrapping of 1985 and older models funded under TFCA. The program will pay eligible owners \$650 to contract with a specific auto dismantler to have their vehicle dismantled.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson David Hudson and Members
of the Board of Directors

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 23, 2018

Re: Report of the Public Engagement Committee Meeting of April 2, 2018

RECOMMENDED ACTION

The Public Engagement Committee (Committee) may recommend Board of Directors' approval of the following items:

A) Approval of Contract for Spare the Air Advertising and Messaging Campaigns;

- 1) The Committee will consider recommending Board of Directors approval of Pro시오 Communications as the selected contractor for the Spare the Air Campaigns, Advertising, Communications and Evaluation Services.

The Committee will also consider recommending Board of Directors authorization for the Executive Officer/APCO to execute a contract with Pro시오 Communications, for an amount not to exceed \$1,950,000 per contract year, during Fiscal Year Ending (FYE) 2019 and FYE 2020, and \$2,019,000 for FYE 2021, to be broken down as follows:

Spare the Air Every Day Campaign

Advertising	\$600,000
Media Relations	\$200,000
Social Media	\$75,000
Employer Program	\$200,000
Public Opinion Surveys	\$50,000

Winter Spare the Air Campaign

Advertising	\$600,000
Media Relations	\$100,000
Social Media	\$75,000
Public Opinion Surveys	\$50,000
In-Language Option Surveys	\$69,000 (3rd year of contract only)

B) Authorization to Execute Contract Amendments for Spare the Air Program Website Development;

- 1) Recommend Board of Directors authorize the Executive Officer/APCO to execute contract amendments with the following vendor in the amount listed below:

Vendor	Amount	Service Description
Cylogy	\$100,000	Backend website content management system development, integration, customization, and infrastructure support.

C) Selection of a Contractor to Facilitate the Spare the Air Resource Teams;

- 1) Recommend Board of Directors:

- Approve the selection of Community Focus, a contractor to facilitate the Spare the Air Resource Team;
- Approve the selection of Kearns and West, a contractor to establish a Spare the Air Resource Team in Marin County;
- Authorize the Executive Officer/APCO to execute a contract with Community Focus for facilitation services in an amount not to exceed \$222,000 per contract year, for up to three years; and
- Authorize the Executive Officer/APCO to execute a contract with Kearns and West to create a new Spare the Air Resource Team and meeting facilitation support in an amount not to exceed \$38,000 per contract year, for up to three years.

D) Accept and Appropriate Funds from Two State Community Climate Investment Grants for Supporting Community Engagement Efforts in Alameda County;

- 1) The Committee will consider recommending Board of Directors, accept and appropriate California State Climate Investment funds, as part of two separate grant contracts allocated to the Air District, in support of ongoing community engagement efforts in East and West Oakland respectively:

(1) Accept and appropriate funds from the County of Alameda Flood Control District for the California Natural Resources Agency Urban Greening Grant in an amount not to exceed \$109,000 in support of the San Leandro Creek Urban Greenway, Phase 1 project in East Oakland; and

(2) Accept and appropriate funds from the California Department of Conservation for the State Transformative Climate Community Program in an amount not to exceed \$170,000, in support of the West Oakland Marcus Garvey Commons Project.

E) Overview of the Spare the Air Youth for Environmental Sustainability (YES) Conference

1) None; receive and file.

F) Overview of Awarded Fiscal Year Ending (FYE) 2019 James Cary Smith Community Grant Projects

1) None; receive and file.

BACKGROUND

The Committee will meet on Monday, April 2, 2018 and will receive the following reports:

A) Approval of Contract for Spare the Air Advertising and Messaging Campaigns;

B) Authorization to Execute Contract Amendments for Spare the Air Program Website Development;

C) Selection of a Contractor to Facilitate the Spare the Air Resource Teams;

D) Accept and Appropriate Funds from Two State Community Climate Investment Grants for Supporting Community Engagement Efforts in Alameda County;

E) Overview of the Spare the Air Youth for Environmental Sustainability (YES) Conference

F) Overview of Awarded Fiscal Year Ending (FYE) 2019 James Cary Smith Community

Chairperson Brad Wagenknecht will provide an oral report of the Committee meeting.

BUDGET CONSIDERATION/FINANCIAL IMPACT

A) Funding for this contract comes from the following sources:

- Spare the Air Every Day
 - Congestion Mitigation Air Quality (CMAQ) - \$925,000 per contract year FYE 2019-21
 - Transportation Fund for Clean Air (TFCA) - \$200,000 per contract year FYE 2019-21
- Winter Spare the Air
 - General Revenue - \$825,000 per contract year FYE 2019 and FYE 2020
 - General Revenue - \$894,000 contract year FYE 2021

B) Funding for this contract amendment comes from the following sources:

- Spare the Air Every Day
 - Transportation Fund for Clean Air (TFCA) - \$40,000 from FYE 2018 budget
- Winter Spare the Air
 - General Revenue - \$60,000 from FYE 2018 budget

C) Funding for the first year of this contract is included in the Fiscal Year Ending 2019 budget.

D) Funding for both grant projects are reimbursable by the State, but not specifically included in the current Fiscal Year Ending (FYE) 2018 or proposed FYE 2019 budget.

E) Air District funding for expanding this program is included in the Fiscal Year Ending (FYE) 2019 budget.

F) None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Kristine Garcia
Reviewed by: Vanessa Johnson

Attachment 18A: 04/02/18 – Public Engagement Committee Meeting Agenda #3
Attachment 18B: 04/02/18 – Public Engagement Committee Meeting Agenda #4
Attachment 18C: 04/02/18 – Public Engagement Committee Meeting Agenda #5
Attachment 18D: 04/02/18 – Public Engagement Committee Meeting Agenda #6
Attachment 18E: 04/02/18 – Public Engagement Committee Meeting Agenda #7
Attachment 18F: 04/02/18 – Public Engagement Committee Meeting Agenda #8

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Public Engagement Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 21, 2018

Re: Approval of a Contract for Spare the Air Advertising and Messaging Campaigns

RECOMMENDED ACTION

The Committee will consider recommending Board of Directors approval of Pro시오 Communications as the selected contractor for the Spare the Air Campaigns, Advertising, Communications and Evaluation Services.

The Committee will also consider recommending Board of Directors authorization for the Executive Officer/APCO to execute a contract with Pro시오 Communications, for an amount not to exceed \$1,950,000 per contract year, during Fiscal Year Ending (FYE) 2019 and FYE 2020, and \$2,019,000 for FYE 2021, to be broken down as follows:

- Spare the Air Every Day Campaign
 - Advertising \$600,000
 - Media Relations \$200,000
 - Social Media \$75,000
 - Employer Program \$200,000
 - Public Opinion Surveys \$50,000

- Winter Spare the Air Campaign
 - Advertising \$600,000
 - Media Relations \$100,000
 - Social Media \$75,000
 - Public Opinion Surveys \$50,000
 - In-Language Option Surveys \$69,000 (3rd year of contract only)

BACKGROUND

The Air District's Communications Office relies on contractors to assist with various aspects of its advertising and outreach programs. The Communications Office recently completed a Request for Proposal (RFP) process to solicit responses for the following services: Advertising, Media Relations, Social Media, Public Opinion Surveys and Employer Outreach services.

- **Advertising Services:** To develop professional quality broadcast, print, digital advertising and educational materials for the Spare the Air campaigns.
- **Media/Public Relations Services:** To provide media relations services to promote activities through the media that support the Spare the Air campaigns.
- **Social Media Services:** To provide social media strategies including concept development, writing, design, production and technical services.
- **Public Opinion Survey Services:** To measure the effectiveness of the Air District's Spare the Air Every Day and Winter Spare the Air campaigns, and assess public behavior patterns/change.
- **Employer Outreach Services:** To notify Bay Area employers of the Commuter Benefits Program requirements, encourage employers in the Spare the Air Employer Program to educate their employees about air quality, notify them when a Spare the Air Alert is called and change commute behaviors to benefit air quality.

DISCUSSION

The RFP for Spare the Air Advertising, Communications & Evaluation Services was released on February 6, 2018. The RFP was posted on the Air District website for three weeks and sent to many media relations and advertising firms in the Bay Area.

Thirteen proposals were received from the following:

Big Wave Media	Flip2 Agency	RALLY
Cohn & Wolfe	H&L Partners	TTWN
Creative Digital Agency	NCM National Cinemedia	Westfield
D&A Communications	O'Rorke Inc.	
The Elevated Tribe	Prosio Communications	

A panel of three Air District staff, performed a thorough evaluation of proposals and conducted interviews based on the six evaluation criteria outlined in the RFP:

Expertise	30
Skill	20
Approach	20
Cost	20
References	5
Local/Green	5
Total Points	100

EVALUATION

The panel members’ scores were averaged and the average scores were summed for each bidder. Interviews were conducted for the top four proposals. The tables below list the RFP evaluation criteria and show each firm’s averaged score for the proposal evaluations and the interviews.

RFP proposal and interview scores – Spare the Air Advertising/Messaging Campaigns

Firm	Proposal / 100 pts	Interview / 100 pts	Total / 200 pts
Prosidio Communications	81.33 pts	91.33 pts	172.67 pts
O’Rourke, Inc.	86.33 pts	80.33 pts	166.67 pts
Big Wave Media	71.33 pts	65 pts	136.33 pts
Creative Digital Agency, Inc.	77.67 pts	51 pts	128.67 pts

Prosidio Communications received the highest combined score of 172.67 for the proposal and interview evaluation.

Firms not selected for interviews received the following scores for their proposals:

Company	Score
Cohn & Wolfe	55
D&A Comm.	66.6
Elevated Tribe	45.3
Flip2 Agency	47.6
H&L Partners	39
NCM National Cinemedia	10.6
Rally	43
TTWN	15
Westfield	10

BUDGET CONSIDERATION/FINANCIAL IMPACT

Funding for this contract comes from the following sources:

- Spare the Air Every Day
 - Congestion Mitigation Air Quality (CMAQ) - \$925,000 per contract year
FYE 2019-21
 - Transportation Fund for Clean Air (TFCA) - \$200,000 per contract year
FYE 2019-21

- Winter Spare the Air
 - General Revenue - \$825,000 per contract year FYE 2019 and FYE 2020
 - General Revenue - \$894,000 contract year FYE 2021

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Kristine Roselius
Reviewed by: Lisa Fasano

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Public Engagement Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 21, 2018

Re: Authorization to Execute Contract Amendments for Spare the Air Program Website
Development

RECOMMENDED ACTION

Recommend Board of Directors authorize the Executive Officer/APCO to execute contract amendments with the following vendor in the amount listed below:

Vendor	Amount	Service Description
Cylogy	\$100,000	Backend website content management system development, integration, customization, and infrastructure support.

BACKGROUND

Air District staff is recommending contract amendments for an existing vendor, assisting with website development and management to meet 2018 calendar year-end goals for the Spare the Air program online.

DISCUSSION

The Spare the Air components on the BAAQMD.gov and the SpareTheAir.org websites, provide important information and functionality to the public.

To continue supporting the Air District’s Spare the Air-related content management infrastructure and enhance current features, staff plans to focus on the following activities during the second half of the 2018 calendar year:

- Enhance the text alert system for Spare the Air Alerts
- Improve functionality for the website alert system for Spare the Air Alerts
- Implement language translation services for the Spare the Air website
- Improve search functionality, content tagging, and form support
- Integration of web short-links to facilitate access
- Improve analytics and user experiences

Staff recommends the continued use of a proven vendor familiar with Air District website and content management system, for the additional work needed in the remainder of the 2018 calendar year. The Air District has successfully collaborated with Cylogy, Inc. in the design, development and testing of the Air District websites and content management system through prior contracts.

Vendor	Type of Services	Current Contract	Most Recent Procurement Method
Cylogy, Inc.	Backend website content management system integration, customization, and infrastructure support.	2013.115	Request for Proposal (RFP) rebid in FYE 2014. One of four firms to respond had appropriate staff, expertise and availability to perform the required scope of work.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Funding for this contract amendment comes from the following sources:

- Spare the Air Every Day
 - Transportation Fund for Clean Air (TFCA) - \$40,000 from FYE 2018 budget

- Winter Spare the Air
 - General Revenue - \$60,000 from FYE 2018 budget

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Kristine Roselius
Reviewed by: Lisa Fasano

MEETING HELD ON APRIL 2, 2018

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Public Engagement Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 21, 2018

Re: Selection of a Contractor to Facilitate the Spare the Air Resource Teams

RECOMMENDED ACTION

Recommend Board of Directors:

- Approve the selection of Community Focus, a contractor to facilitate the Spare the Air Resource Team;
- Approve the selection of Kearns and West, a contractor to establish a Spare the Air Resource Team in Marin County;
- Authorize the Executive Officer/APCO to execute a contract with Community Focus for facilitation services in an amount not to exceed \$222,000 per contract year, for up to three years; and
- Authorize the Executive Officer/APCO to execute a contract with Kearns and West to create a new Spare the Air Resource Team and meeting facilitation support in an amount not to exceed \$38,000 per contract year, for up to three years.

BACKGROUND

One of the Air District's innovative efforts to engage the public was the formation of local resource teams in 1991, in conjunction with the creation of the Spare the Air program. Since the inception of the program, local community groups, public agencies, businesses and environmental organizations meet regularly and work collaboratively to implement projects that promote cleaner air. The Air District will operate eight pre-existing teams in the region:

- Contra Costa County Spare the Air Resource Team
- Napa Valley Clean Air Coalition
- San Francisco Spare the Air Resource Team
- San Mateo County Spare the Air Resource Team
- Santa Clara County (and San Jose) Spare the Air Resource Team
- Sonoma County Spare the Air Resource Team
- Southern Alameda County Spare the Air Resource Team
- Tri-Valley Spare the Air Resource Team

The Air District would like to start a new team in Marin County during this contract period, for a total of nine teams.

The teams meet at least every two months, to select and coordinate work on team projects. Past projects have included:

- Idle Free Bay Area;
- Walk and Roll to School;
- The Great Race for Clean Air;
- Green Business Workshops; and
- Home Energy Workshops

DISCUSSION

The Community Engagement Section relies on a contractor to assist with the administration, coordination, recruitment, retention and facilitation of the nine Spare the Air Resource Teams.

On December 12, 2018, the Air District issued a request for proposals (RFPs) for this project. In this request, the Air District invited proposals from qualified firms experienced in: community engagement to bring together businesses, civic organizations and local governments to collectively develop and implement collaborative, community-wide air pollution reduction programs; and with the capability to foster innovative ideas among team members. The RFP was posted on the Air District website for approximately eight weeks and was distributed to a list of over 30 civic engagement firms and the Air District's Community Groups mailing list made up of approximately 85 stakeholders.

EVALUATION

Staff evaluated all proposals according to the criteria below:

Criteria	Description	Weight
Expertise	Related expertise, size and structure of the firm and personnel assigned to RFP tasks; firm's ability to perform and complete the work in a professional and timely manner.*	25%
Skill	Past experience of the firm and, in particular, experience of the team working on projects of similar scope for other governmental agencies.	25%
Approach	Responsiveness of the proposal, based upon a clear understanding of the work to be performed.	25%
Cost	Cost or cost effectiveness and resource allocation strategy	10%

Criteria	Description	Weight
Outreach	Proposed plan to target Members. The advertising plan will be evaluated for effectiveness and the ability to reach as many prospective Members in the Bay Area as possible.	10%
Firm's Specialty Focus Area	Local business (2.5%)/Green Business (2.5%)	5%
	Total	100%

Based on the evaluation described above, staff recommends Community Focus as the contractor to facilitate the existing Spare the Air Resource Team Program and Kearns and West to establish a Spare the Air Resource Team in Marin. Below is a summary of the scores of the proposals submitted on the RFP:

Civic Edge Consulting	Avg
Evaluative Criteria	
Expertise	0
Skill	0
Approach	0
Cost	7
Outreach	0
Firm's Focus Area	0
Total Points	7.3
Community Focus	
Evaluative Criteria	Avg
Expertise	22
Skill	22
Approach	22
Cost	7.3
Outreach	6
Firm's Focus Area	3.6
Total Points	83

LD ON APRIL 2, 2018

Hughes Collaboration	
Evaluative Criteria	<u>Avg</u>
Expertise	19.3
Skill	21
Approach	10
Cost	6
Outreach	4.3
Firm's Focus Area	1.3
<u>Total Points</u>	62

<u>Kearns and West</u>	
<u>Evaluative Criteria</u>	<u>Avg</u>
<u>Expertise</u>	22.67
<u>Skill</u>	21
<u>Approach</u>	21.67
<u>Cost</u>	8
<u>Outreach</u>	6.6
<u>Firm's Focus Area</u>	2.8
<u>Total Points</u>	82.83

LD ON APRIL 2, 2018

BUDGET CONSIDERATION/FINANCIAL IMPACT

Funding for the first year of this contract is included in the Fiscal Year Ending 2019 budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Kristina Chu
Reviewed by: Luz Gomez

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Public Engagement Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 21, 2018

Re: Accept and Appropriate Funds from Two State Community Climate Investment
Grants for Supporting Community Engagement Efforts in Alameda County

RECOMMENDED ACTION

The Committee will consider recommending Board of Directors, accept and appropriate California State Climate Investment funds, as part of two separate grant contracts allocated to the Air District, in support of ongoing community engagement efforts in East and West Oakland respectively:

- (1) Accept and appropriate funds from the County of Alameda Flood Control District for the California Natural Resources Agency Urban Greening Grant in an amount not to exceed \$109,000 in support of the San Leandro Creek Urban Greenway, Phase 1 project in East Oakland; and
- (2) Accept and appropriate funds from the California Department of Conservation for the State Transformative Climate Community Program in an amount not to exceed \$170,000, in support of the West Oakland Marcus Garvey Commons Project.

BACKGROUND

The Community Engagement staff began working with stakeholders in East Oakland in 2015 and participated in discussions on what modes of green infrastructure projects could realize both climate/greenhouse gas (GHG) reduction benefits as well as air pollution impact and local health benefits. One specific project that was discussed was the on-going vision for a 6-mile greenway through East Oakland along the San Leandro Creek. This greenway would provide a dense urban forest corridor/buffer that would filter air pollution and mitigate urban heat island effects as well as providing a safe route for hikers and bicyclists to access transit, jobs and recreation, thereby enabling reduction of VMT. Overall, this project seeks to provide a naturalized green-space to off-set the fragmented concrete urban landscape of East Oakland.

Staff assisted in the mapping and community coordination of this project including bringing it to the attention of the California Environmental Protection Agency (EPA) and the Strategic Growth Council as the type of local-regional co-benefit mitigation and adaptation strategy we should be collaborating to support. A \$4.1 million capital grant application for the first-phase of the project

was submitted by the County of Alameda Flood Control District, working with local community partners. The Air District was listed as a key agency community engagement partner. The grant was selected for funding and awarded in October 2017. Pursuant to the grant, the Air District has been asked by the County Flood Control District to lead the outreach and engagement portions of the community design work in an amount not to exceed \$109,000.

Concurrent to the above grant program, the State opened a separate and new climate investment grant program entitled the Transformative Climate Community Program (TCCP). While the majority of the \$140M funding is allocated to large-scale capital projects that are situated in the most disadvantaged census tracts in the State, a portion of funding was set-aside for planning projects.

As the grant required a local government entity serve as lead, the West Oakland Environmental Indicators Project (WOEIP), formally requested the Air District serve as lead, for a grant application, to engage residents and other stakeholders in the development, design and planning of a large-scale urban biofilter alongside the heavily-trucked I-880 freeway, that courses between the residential areas and Port areas of West Oakland. Given our ongoing work in West Oakland, and our AB 617 involvement, staff agreed to be the lead applicant for a TCCP grant. In addition to awarding a TCCP planning grant for East Oakland and Richmond, the state awarded this project – the Marcus Garvey Commons Urban Biofilter project – a grant of \$170,000, to carry out this proposed planning work. The Air District is slated to become the grant administrator and pass through the majority of funds to the project partners including WOEIP and Urban Biofilter design group.

MEETING HELD ON APRIL 2, 2018
DISCUSSION

Staff believes that involvement in these two grant projects will enable us to focus our engagement and resident participation activities in two key CARE community areas, in addition to helping mobilize local awareness of air quality planning actions that are be proposed via AB 617. Staff have established good working-relations with stakeholders in each community and will utilize our existing involvement as well as community grant programs to further leverage collaborative local air pollution mitigation planning and implementation.

BUDGET CONSIDERATION/FINANCIAL IMPACT:

Funding for both grant projects are reimbursable by the State, but not specifically included in the current Fiscal Year Ending (FYE) 2018 or proposed FYE 2019 budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: David Ralston
Reviewed by: Greg Nudd

Attachment 6A: California Natural Resources Agency – San Leandro Creek Urban Greenway
Phase

Attachment 6B: TTCP Grant – West Oakland Marcus Garvey Commons Project

MEETING HELD ON APRIL 2, 2018

PROJECT DESCRIPTION – California Natural Resources Agency - San Leandro Creek Urban Greenway Phase I

Applicant:

County of Alameda Flood Control District and the San Leandro Creek Alliance¹. Key partners include the Civicorps and the Bay Area Air Quality Management District.

Project Description:

Create a functional 1.2-mile greenway segment linking the MLK Jr. Shoreline Park to 105th Ave along the San Leandro Creek in Oakland, CA. The project is based on ongoing community planning and a 30% Caltrans Sustainable Communities funded master plan as well as earlier design work by the UC-Berkeley Landscape Architecture Department. This project is the first phase of a multi-phase project designed to connect the MLK Jr. Regional Shoreline, Downtown San Leandro BART and the Lake Chabot/Bay Area Ridge trail through this dense urbanized East Bay area. Other grants will be sought for further planning, floodplain improvements and stream naturalization in appropriate areas.

Phase 1 of the greenway project consists of completing a dense urban forestry corridor of 300-500 new trees along with a top of bank multi-modal path as part of a linear green space combined with native riparian landscape installation and community access amenities incorporating design-build spaces, places for art, performance and concessions. The greenway provides direct and safe route connections between three adjacent neighborhoods, two schools, business and commercial districts to transit (Coliseum BART) as well as the regional Shoreline Park. The estimated cost for the project is \$4 M for implementation. This is a multi-agency cooperative project using the existing public lands owned by the County of Alameda and leveraging other public investments and resources from the City of Oakland, Oakland Unified School District and the Bay Area Air Quality Management District.

The project sits within two of the worst cumulative impact disadvantaged census tracts in the Bay Area (per CES 2.0). The surrounding low-income neighborhoods of Brookfield Village, Columbia Gardens and Sobrante Park are predominantly African American and Latino with significant populations of Mien, Tongan/Samoan populations. The project builds on over 8-years of community planning and involvement by Merritt College and boasts many committed partners such as Planting Justice, Sobrante Park Leadership Council, Higher Ground, East Oakland Boxing Association. The project is designated as a Bay Area priority conservation urban greening areas and is designated in the City of Oakland's *Open Space, Conservation and Recreation Element*. Many storm drains adjacent to the project are also designated on the City's green infrastructure plan. San Leandro Creek is part of a designated floodplain and hazard mitigation area leading to the sensitive Arrowhead Marsh wetlands.

¹ Includes representatives from Friends of San Leandro Creek, EBRPD, Merritt College, BART, Cities of Oakland and San Leandro.

Project Quantification and Benefits:

This project provides direct net GHG benefits in addition to fulfilling the requirements of SB 859 and providing multiple co-benefits. The project will sequester carbon by implementing the urban forestry corridor with up to 600 trees and will, through construction of a bicycle and pedestrian path, reduce VMT by diminishing trips that may otherwise be done by motorized transit. The greenway establishes safe routes to school for local youth; routes to transit for local businesses, and direct routes to recreation and commercial centers for adjacent residents. In addition to reducing GHG emissions, this project will achieve measurable benefits by creating community green space via a linear greenway that connects and enhances access to existing parks and incorporates the natural systems of the San Leandro Creek riparian zone as the frame for the greening corridor. Other co-benefits include air pollution reduction by establishing vegetative buffers to mitigate emissions from the I-880 freeway; greening existing school facilities at Madison Park Academy including the alleyway linking to the school; decreasing water pollution from storm runoff and dumping/trash from adjacent streets through permeable green street aspects such as bioswales and debris catch basins; reducing urban heat island with the increased tree canopy; providing healthy and active living opportunities by connecting neighborhoods to the now inaccessible MLK Jr. Regional shoreline; and improving riparian habitat by providing shading for fish passage and top of bank native landscaping. Finally, through a design-build engagement and stewardship process, this greenway project provides critical pathways for job/workforce opportunities for local residents and youth.

TTCP Grant - West Oakland Marcus Garvey Commons Project

Community Led Response to Air Pollution & Climate Change: Developing solutions at the Freeway-Residential Interface in West Oakland

Primary Applicant: Bay Area Air Quality Mitigation District (BAAQMD)

Sub-Applicant: West Oakland Environmental Indicators Project (WOEIP)

Application Supplements: Diagram map of project area; letters of support (ACPHD)

This neighborhood scale project is for the research, analysis and planning phase of a citizen based and led urban planning, climate change and environmental health adaptation project. It is motivated by the environmental justice issues of air pollution and the associated health impacts in West Oakland that are and will be exacerbated by climate change. It seeks to explore how freeway-adjacent land can be developed with green infrastructure and other technology to mitigate and adapt to the various impacts of climate change, especially where there is existing freeway-adjacent housing and planned future affordable and transit-accessible housing near freeways. The project supports comprehensive data collection and research to understand the challenges and localized constraints and a multi-stakeholder engagement process connecting residents with researchers, developers, government agencies and City officials. The intention is to use this project as a planning phase of future mitigation implementation for this neighborhood and to use the process as a pilot for developing community led solutions for climate change and other environmental health and justice challenges in other communities.

Therefore, this project will both further the understanding of climate change's impact on air quality and human and environmental health and identify viable tools to adapt to and mitigate exposure and health risk, with a particular focus on freeways as a source of pollution and opportunity for adaptation. Climate change impact on freeways has been analyzed, but there is little information or response to how freeways may exacerbate the negative impacts of Climate Change. This project will help fill that knowledge gap.

Project Site

The project site sits in the bend of the 880 freeway, between 7th and 9th Streets that encompasses several different freeway typologies including a recessed on-ramp, freeway adjacent sound wall and a wide flat buffer zone. This area includes an existing affordable housing complex and planned ultra-low income housing on the former industrial site of the Phoenix Ironworks and is adjacent to the public Prescott elementary school. As a westernmost part of West Oakland, this area falls partially within a 2050 flood scenario and fully in a 2100 scenario.

Motivation and Need: Freeways, Air Pollution and Climate Change

The project is motivated by the understanding that freeways are a source of air pollution and exacerbate several negative impacts of climate change: ground level ozone, urban heat island effect and increased stormwater pollution and flooding off of freeways in large storm events. All of these contribute to an environmental justice issue that impacts people's' health now and will likely increase in the future with climate change. This project also recognizes the opportunity to

proactively address these challenges and to adapt freeways as a potential infrastructure solution for reducing resident exposure and health impact.

Numerous studies show higher levels of ambient and localized air pollution in the historically African American community of West Oakland than other parts of Oakland. A 2008 California Air Resources Board (CARB) health risk assessment found that air diesel pollution levels in West Oakland are three times higher than the average levels in the Bay Area. Alameda County Public Health Department (ACPHD) and Bay Area Air Quality Mitigation District (BAAQMD) reports link high levels of air pollution to lower life expectancy, premature death, higher rates of emergency department visits for asthma among children. ACPHD data shows that rates of emergency department visits for asthma are disproportionately higher for African American children living in West Oakland than other groups. Air pollution is also linked to higher rates of stroke, congestive heart failure and cancer. Additional studies conducted in the last year have increased the amount and quality of data on air pollution in West Oakland and help us to better understand the type, amount and distribution of pollution and risk. These include an Environmental Defense Fund (EDF) study conducted in collaboration with Google street car data collection and WOEIP to sample air quality in the residential streets of West Oakland and a block by block study to look at air quality in the places people live and work.

This data offers a higher level of detail to ambient air quality monitored by regulatory agencies. It suggests high levels of pollution associated with the freeways that bound West Oakland in addition to the industrial activities and truck traffic of the Ports of Oakland. And it shows more clearly the inequities in and hotspots of pollution that in many cases overlap with affordable housing and residential areas adjacent to freeways. And it confirms this project's site area as a particular hotspot of pollution.

Ground level ozone is produced solely by the chemical reaction of nitrogen oxides and volatile organic compounds which are both produced and released from fuel combustion in vehicles. Additionally, ozone production is exacerbated by higher temperatures and increased sunlight, particularly when wind speeds are low, both of which are likely to increase with climate change. Research also links ozone with a variety of health problems, particularly for sensitive populations, and harmful environmental impacts. And modeling studies suggest an increase in asthma related emergency room visits with increased ground level ozone production. With increased traffic from the densification of Oakland and the Bay Area and likely increased temperatures, longer summers and more cloud-less days, ground-level ozone production in freeway adjacent zones is likely to increase in the future with urban development and climate change.

Project Summary

This project is a three-year project that is divided into three phases: initial research and data collection, collaborative problem solving, and solution implementation planning.

Research & Data Collection: Citizen Science, Health Impacts and Climate Change

The initial research phase intends to fill in data and knowledge gaps in collaboration with appropriate project partners including the Alameda County Public Health Department (ACPHD), academic air modeling researchers, climate change researchers, etc. Neighborhood based data collection will be conducted to gain updated, relevant data about this neighborhood with WOEIP's citizen team process and team. This data includes additional air quality monitoring and resident health surveys. Additional research conducted in this phase includes: CFD air modeling of wind and air movement patterns in and around the project area, air quality exacerbation with temperature rise modeling and economic cost-benefit analysis of mitigation. The program manager will also collect all relevant data related to the project area, air pollution and exposure risk, health impacts, climate change, sea level rise and flooding, etc. and summarize into a presentation that can be communicated to the community. The intent for this phase is to organize and build a body of knowledge that can enable an informed collective decision making process in the second phase.

Collaborative Problem Solving with Community Leadership

Fundamental to this process is community engagement and leadership. The second phase builds a community led, multi-stakeholder workgroup to analyze the data, identify viable solutions, and develop an implementation plan to address the question: How can CalTrans adjacent land be adapted to mitigate air pollution and climate change exposure and related health risks on communities living in freeway-adjacent housing?

Facilitation support will include communicating and explaining data from phase one, coordinating additional consultants and experts as requested, facilitating discussion and decision making and supporting with initial outreach and retention of additional work group participants. The core project team of WOEIP staff will provide supervision and technical assistance to the working group, while allowing stakeholders to have leadership and ownership in the work and ensuring that the community needs are centered and addressed. Intended non-community participants include the landowners: CalTrans, Holliday Development landowner and intended manager of the ultra low income housing and East Bay Asian Local Development Corporation (EBALDC) owner of the affordable housing complex Marcus Garvey. Agency and government participation include: City of Oakland Planning and Sustainability Offices, the EPA, ACPHD, BAAQMD and CARB. Additional experts on green infrastructure, transportation planning and air quality will be incorporated into the work group as needed. Attention will be given to include various community organizations and institutions in the neighborhood that include: residents of Marcus Garvey affordable housing, members of the two Churches, neighboring residences in the surrounding blocks, the Parent Teachers Association and Principal and Teachers at nearby Prescott Elementary.

Implementation-Ready Planning

The expectation from the workgroup is that stakeholders will collectively develop an implementation plan that leverages resources, knowledge, skills and tools from their various organizations and clearly identifies a process for solution implementation, research study designs, community participation, community job training and employment and potential implementation funding.

West Oakland Environmental Indicators Project

West Oakland Environmental Indicators Project (WOEIP) is a community based organization in West Oakland that has fought for environmental justice in the historically African American neighborhood of West Oakland for over twenty years. One of the particular and ongoing issues that WOEIP faces is air pollution that contributes to a variety of health challenges and reduced life expectancy for West Oakland residents. Air pollution is linked to the major freeways surrounding the neighborhood in addition to the Port of Oakland and site preparations for, as well as possible future activities of, the new bulk terminal for the City of Oakland.

MEETING HELD ON APRIL 2, 2018

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Public Engagement Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 21, 2018

Re: Overview of the Spare the Air Youth for Environmental Sustainability (YES)
Conference

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The Youth for the Environment and Sustainability (YES) conference is an annual Spare the Air Youth program, jointly sponsored by the Metropolitan Transportation Commission and the Air District. The conference, typically scheduled at the beginning of the year, provides high school and middle school students the opportunity to present on and discuss active transit, clean air and climate change issues with their peers from around the Bay Area. The program includes youth keynote speakers, interactive presentations and various breakout sessions. For this year's conference, based on strong support from the Board of Directors, we sought to continue growing the conference and succeeded in bringing together more than 1,000 youth from throughout the region to the Laney College campus in Oakland.

DISCUSSION

The 2018 YES Conference, took place on Saturday February 24, 2018, from 10:00 a.m. to 3:00 p.m. featuring over 50 youth-led interactive sessions and presentations. The theme for this year's conference was social equity and sustainability. Staff from the Air District, in conjunction with support from the Spare the Air Youth program, MTC and our event contractors, successfully grew this year's conference and increased attendance, outreach and impact. The YES Conference continues to garner the interest and attendance of many teachers and youth-serving groups across the nine-county Bay Area region who wished to participate in this youth-led environmental sustainability education convening. This year, we also attracted attendees from Stanislaus County.

Overall, we received positive feedback from conference attendees and are looking forward to continuing our efforts to produce a high quality and impactful conference. We will also continue our efforts in outreach, with more diversity in schools and youth and hopefully provide interest in air quality careers for a new generation of leaders.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Air District funding for expanding this program is included in the Fiscal Year Ending (FYE) 2019 budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: David Ralston
Reviewed by: Greg Nudd

MEETING HELD ON APRIL 2, 2018

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Brad Wagenknecht and Members
of the Public Engagement Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 21, 2018

Re: Overview of Awarded Fiscal Year Ending (FYE) 2019 James Cary Smith
Community Grant Projects

RECOMMENDED ACTION

None; review and file.

BACKGROUND

In October 2017, the Air District released a call for the third round of the James Cary Smith Community Grants with an allocation of \$250,000. The James Cary Smith Community Grant Program, was developed as a means for supporting community groups, schools and nonprofits across the region to proactively address air quality issues.

For this year's cycle, the Community Grant program sought projects in the following focus areas: education and engagement; local air pollution impact mitigations; and community-based participatory research/"citizen science" as well as a separate set-aside for K-12 teacher support mini-grants. We received 15 full-applications by our December 1, 2018, deadline and after our review process, selected eight grantees for funding as well as three projects for second-phase funding.

DISCUSSION

The FYE 2019 Community Grant Program, approved specific projects in seven-different counties all of which included direct partnerships with community-based organizations, or with one or more local high/junior high schools. Projects ranged from expanding a community-led air monitoring network in Vallejo; conducting ground-truthing and fence-line receptor-oriented monitoring at a local elementary school in West Oakland; measuring fire/smoke impact to community garden crops and soil in the Santa Rosa area; conducting a bike-build program in the Mission; to engaging local groups on resiliency, adaptation and community air planning in Marin City, East Palo Alto and East Oakland. (please see Attachment A for an overview and highlights for each project). Phase-two projects included support for a focused community-science PM_{2.5} monitoring campaign in Bayview Hunters Point; implementation of the Green Ninja air quality and low-cost sensor curricula in East San Jose and a similar interactive AQ curriculum project in San Leandro and Fremont.

Most of these awarded projects focused on education and engagement activities. Three projects focused on some degree of “citizen science”/community-based participatory research. All the selected projects directly involved CARE communities or areas adjacent to a major freeway and two projects are specifically-focused in the fire recovery area of Sonoma County. Staff has sent out award letters and held a grant kick-off orientation on February 20, 2018. We are now in the process of developing contract scopes and look forward to having these projects start up in May.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: David Ralston
Reviewed by: Greg Nudd

Attachment 8A: 2018 James Carey Smith Community Grant Program

2018 James Cary Smith Community Grant Program

	Grantee	Project	Area (Bold=CARE)	Ave Score	Amount Asked	Amt Rec	Description
1	ECO2School	ECO2School Youth Leadership Program	Sonoma	96	\$25,000	\$25,000	Initiate Eco2School curriculum at 3 high schools in Sonoma County. Collect transportation data, youth leadership training, Implement engagement activities with students
2	WOEIP	Owning Our Air: A Neighborhood Science Investigation	West Oakland	90.5	\$25,000	\$25,000	Re-use monitors deployed from 100x100 study to measure BC (with support from UCB) along fence-line of Prescott School. Ground-truth Prescott neighborhood? Engage school, parents and teachers
3	St. Vincent	Vallejo Community Air Monitoring Network: Outreach and Development	Vallejo	87.5	\$25,000	\$25,000	Further develop community sensor network from 17 monitors to up to 42 with ancillary equipment support. Hold 6 public outreach events about AQ data. Develop metrics for measure of success and community-accessible data base set-up.
4	Rose Found.	West Oakland Tree Planning and Youth Education taskforce	West Oakland	86.5	\$25,000	\$15,000	Work with high school students from McClymonds in West Oakland to hold AQ community workshops and to participate in neighborhood tree and vegetative buffer planning as part of the ongoing AB617 work.
5	SEI	Student Air Quality Citizen Science and Action Program	San Rafael	84.5	\$25,000	\$15,000	AQ education and instructional support - Leverage Kids Making Sense educational team with AirBeam and Air casting online database to monitor local AQ. With 2 high schools including San Rafael.
6	PODER	Bicis del Pueblo (Bicycles for the People)	SF, Mission	80.5	\$25,000	\$25,000	Education and Engagement project in Mission, excelsior, Bayview. Project includes community safety workshop event, 200 bike giveaways, advocates climate change and behavior change.
7	UC/Sonoma	Produce Safety After Urban Wildfire	Sonoma/Roseland	80	\$25,000	\$25,000	Teach how to get other AQ data beyond getting AD data; Petaluma, county food access, do full air testing by produce at 5 community gardens, lab testing, garden control site next to freeway
8	Rooted in Resilience	Empowering Community to Address Air Pollution and Climate Impact Mitigation	EPA, East Oakland, Marin City	79	\$25,000	\$15,000	Conduct workshops and trainings in 2 Bay Area communities (Marin City and East Oakland) and connect with AB617 preparedness.
						\$170,000	