



BOARD OF DIRECTORS
FINANCE AND ADMINISTRATION COMMITTEE

October 16, 2024

BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

COMMITTEE MEMBERS

DAVINA HURT – CHAIR
MARGARET ABE-KOGA
DAVID HAUBERT
RAY MUELLER
MARK ROSS

LYNDA HOPKINS - VICE CHAIR
JUAN GONZÁLEZ III
TYRONE JUE
KATIE RICE

**MEETING LOCATION(S) FOR IN-PERSON ATTENDANCE BY
COMMITTEE MEMBERS AND MEMBERS OF THE PUBLIC**

**Bay Area Metro Center
1st Floor Board Room
375 Beale Street
San Francisco, CA 94105**

**Office of Contra Costa County
Supervisor John Gioia
Conference Room
11780 San Pablo Ave., Suite D
El Cerrito, CA 94530**

**Office of Alameda County Supervisor
David Haubert
Heritage House
4501 Pleasanton Ave.
Pleasanton, CA 94566**

**Santa Rosa Junior College Campus
Doyle Library, Room 148
1501 Mendocino Ave.
Santa Rosa, CA 95401**

THE FOLLOWING STREAMING OPTIONS WILL ALSO BE PROVIDED

These streaming options are provided for convenience only. In the event that streaming connections malfunction for any reason, the Finance and Administration Committee reserves the right to conduct the meeting without remote webcast and/or Zoom access.

The public may observe this meeting through the webcast by clicking the link available on the air district's agenda webpage at www.baaqmd.gov/bodagendas.

Members of the public may participate remotely via Zoom at <https://bayareametro.zoom.us/j/89095500216>, or may join Zoom by phone by dialing (669) 900-6833 or (408) 638-0968. The Webinar ID for this meeting is: [890 9550 0216](https://bayareametro.zoom.us/j/89095500216)

Public Comment on Agenda Items: The public may comment on each item on the agenda as the item is taken up. Members of the public who wish to speak on a matter on the agenda will have two minutes each to address the Committee on that agenda item, unless a different time limit is established by the Chair. No speaker who has already spoken on an item will be entitled to speak to that item again.

The Committee welcomes comments, including criticism, about the policies, procedures, programs, or services of the District, or of the acts or omissions of the Committee. Speakers shall not use threatening, profane, or abusive language which disrupts, disturbs, or otherwise impedes the orderly conduct of a Committee meeting. The District is committed to maintaining a workplace free of unlawful harassment and is mindful that District staff regularly attend Committee meetings. Discriminatory statements or conduct that would potentially violate the Fair Employment and Housing Act – i.e., statements or conduct that is hostile, intimidating, oppressive, or abusive – is *per se* disruptive to a meeting and will not be tolerated.

FINANCE AND ADMINISTRATION COMMITTEE MEETING AGENDA

WEDNESDAY, OCTOBER 16, 2024

10:00 AM

1. **Call to Order - Roll Call**

The Committee Chair shall call the meeting to order and the Clerk of the Boards shall take roll of the Committee members.

2. **Pledge of Allegiance**

CONSENT CALENDAR (Item 3)

The Consent Calendar consists of routine items that may be approved together as a group by one action of the Committee. Any Committee member or member of the public may request that an item be removed and considered separately.

3. **Approval of the Draft Minutes of the Finance and Administration Committee Meeting of September 18, 2024**

The Committee will consider approving the Draft Minutes of the Finance and Administration Committee Meeting of September 18, 2024.

INFORMATIONAL ITEM(S)

4. **Update on the Corrective Action Plan to Implement Recommendations from the Engineering Performance Audit**

The Committee will consider and discuss an update on the implementation of the Corrective Action Plan developed in response to recommendations from the Engineering Performance Audit. The Corrective Action Plan lays out short-term and long-term actions to address the main audit findings, which focus on: timeliness of permit actions, tracking, staffing and workload management, and cost recovery. This item will be presented by Pamela Leong, Engineering Division Director.

OTHER BUSINESS

5. Public Comment on Non-Agenda Matters

Pursuant to Government Code Section 54954.3, members of the public who wish to speak on matters not on the agenda will be given an opportunity to address the Committee. Members of the public will have two minutes each to address the Committee, unless a different time limit is established by the Chair. The Committee welcomes comments, including criticism, about the policies, procedures, programs, or services of the District, or of the acts or omissions of the Committee. Speakers shall not use threatening, profane, or abusive language which disrupts, disturbs, or otherwise impedes the orderly conduct of a Committee meeting. The District is committed to maintaining a workplace free of unlawful harassment and is mindful that District staff regularly attend Committee meetings. Discriminatory statements or conduct that would potentially violate the Fair Employment and Housing Act – i.e., statements or conduct that is hostile, intimidating, oppressive, or abusive – is per se disruptive to a meeting and will not be tolerated.

6. Committee Member Comments

Any member of the Committee, 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)

7. Time and Place of Next Meeting

Wednesday, November 6, 2024, at 11:30 a.m. at 375 Beale Street, San Francisco, CA 94105. The meeting will be in-person for the Finance and Administration Committee members and members of the public will be able to either join in-person or via webcast.

8. Adjournment

The Committee meeting shall be adjourned by the Chair.

CONTACT:

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

- 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 Air 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, Suma Peesapati, at (415) 749-4967 or by email at spesapati@baaqmd.gov.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

375 BEALE STREET, SAN FRANCISCO, CA 94105

FOR QUESTIONS PLEASE CALL (415) 749-4941

EXECUTIVE OFFICE:

MONTHLY CALENDAR OF AIR DISTRICT MEETINGS

OCTOBER 2024

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Finance and Administration Committee	Wednesday	16	10:00 a.m.	1 st Floor Board Room
Board of Directors Policy, Grants and Technology Committee	Wednesday	16	1:00 p.m.	1 st Floor Board Room
Advisory Council Meeting	Wednesday	30	9:30 a.m.	1 st Floor Board Room

NOVEMBER 2024

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Meeting	Wednesday	6	10:00 a.m.	1 st Floor Board Room
Board of Directors Finance and Administration Committee	Wednesday	6	11:30 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee	Wednesday	13	10:00 a.m.	1 st Floor, Yerba Buena Room
Board of Directors Community Equity, Health, and Justice Committee	Wednesday	13	1:00 p.m.	1 st Floor, Yerba Buena Room
Board of Directors Finance and Administration Committee – CANCELLED AND RESCHEDULED to Wednesday, November 6, 2024, at 11:30 a.m.	Wednesday	20	10:00 a.m.	1 st Floor Board Room
Board of Directors Policy, Grants and Technology Committee	Wednesday	20	1:00 p.m.	1 st Floor Board Room
Board of Directors Community Advisory Council Meeting	Thursday	21	6:00 p.m.	1 st Floor, Yerba Buena Room

MV 10/4/2024 – 3:45 p.m.

G/Board/Executive Office/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Davina Hurt and Members
of the Finance and Administration Committee

From: Philip M. Fine
Executive Officer/APCO

Date: October 16, 2024

Re: Approval of the Draft Minutes of the Finance and Administration Committee
Meeting of September 18, 2024

RECOMMENDED ACTION

Approve the Draft Minutes of the Finance and Administration Committee Meeting of September 18, 2024.

BACKGROUND

None.

DISCUSSION

Attached for your review and approval are the Draft Minutes of the Finance and Administration Committee Meeting of September 18, 2024.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

ATTACHMENTS:

- 1. Draft Minutes of the Finance and Administration Committee Meeting of September 18, 2024

Bay Area Air Quality Management District
375 Beale Street, Suite 600
San Francisco, CA 94105
(415) 749-5073

Finance and Administration Committee
Wednesday, September 18, 2024

DRAFT MINUTES

This meeting was webcast, and a video recording is available on the website of the Bay Area Air Quality Management District at www.baaqmd.gov/bodagendas

CALL TO ORDER

1. **Opening Comments:** Finance and Administration Committee (Committee) Chairperson, Davina Hurt, called the meeting to order at 10:05 a.m.

Roll Call:

Present, In-Person (Bay Area Metro Center (375 Beale Street, 1st Floor Board Room, San Francisco, California, 94105): Committee Chairperson Davina Hurt; and Directors Mark Ross, and Katie Rice.

Present, In-Person Satellite Location (Santa Rosa Junior College Campus, Doyle Library, Room 148, 1501 Mendocino Ave, Santa Rosa, California, 95401): Vice Chairperson Lynda Hopkins.

Present, In-Person Satellite Location (San Mateo County Board of Supervisors Offices, 500 County Center, 5th Floor, Redwood City, California, 94063): Director Ray Mueller.

Absent: Directors Margaret Abe-Koga; Juan González III, David Haubert, Tyrone Jue.

2. **PLEDGE OF ALLEGIANCE**

CONSENT CALENDAR (ITEMS 3-5)

3. **APPROVAL OF THE DRAFT MINUTES OF THE FINANCE AND ADMINISTRATION COMMITTEE MEETING OF MAY 15, 2024**

The Committee approved the Draft Minutes of the Finance and Administration Committee Meeting of May 15, 2024.

4. **FINANCIAL UPDATE FOR THE FISCAL YEAR (FY) 2023-2024 THIRD QUARTER ENDING MARCH 31, 2024**

The Committee received the FY 2023-2024 financial update for the third quarter ending March 31, 2024.

5. **HEARING BOARD QUARTERLY REPORT: JANUARY 2024 - MARCH 2024**

The Committee received the Hearing Board Quarterly Report for the period of April 2024 through June 2024.

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Rice made a motion, seconded by Director Ross to **approve** the Consent Calendar, Items 3 through 5, inclusive; and the motion **carried** by the following vote of the Committee:

AYES: Hopkins, Hurt, Mueller, Rice, Ross.
NOES: None.
ABSTAIN: None.
ABSENT: Abe-Koga, González, Haubert, Jue.

ACTION ITEM

6. **AMENDMENT TO STAFF ATTORNEY POSITION CLASSIFICATION TO REDUCE BARRIERS TO RECRUITING**

Alexander Crockett, General Counsel, gave the staff presentation *Amendment to Staff Attorney Position Classification to Reduce Barriers to Recruiting*, including: outcome; requested action; Environmental Justice (EJ) Fellowship program overview; content of the EJ Fellowship program; program timeline; need for staff attorney class specification revision; solution: create “Staff Attorney Trainee” specification; and recommended action.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed whether attempting to modify this existing classification specification, in an effort to eliminate barriers to employment, has shed light on potential improvements

that need to be made in other (recruitment) programs at the AD; competing with the private sector for job candidates; the belief that the Air District’s EJ Fellowship is an interesting way to address financial hardship (and may carry debt) of program candidates living in overburdened communities who have lived experience with EJ issues; the suggestion that the Air District offers “tours” of Air District offices to give young people exposure to office buildings and professional working environments, especially in the public sector; the suggestion of reaching out to junior and community colleges so that potentially interested students can know of the opportunity sooner than later; and what course of action would be taken if an admitted fellow who has not passed the California Bar exam within the first year of their fellowship has still not passed the exam into their second year of the fellowship.

Committee Action

Director Ross made a motion, seconded by Director Rice, to **adopt** an amendment to the “Staff Attorney” position classification to add a “Staff Attorney Trainee” level for recent law school graduates who want to begin work while awaiting their bar exam results and admission to practice; and the motion **carried** by the following vote of the Committee:

AYES: Hopkins, Hurt, Mueller, Rice, Ross.
NOES: None.
ABSTAIN: None.
ABSENT: Abe-Koga, González, Haubert, Jue.

OTHER BUSINESS

7. PUBLIC COMMENTS ON NON-AGENDA MATTERS

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

8. COMMITTEE MEMBER COMMENTS

Regarding public comments that were given during Item 7 (Public Comments on Non-Agenda Matters), Director Mueller requested that Air District staff report back on the status of the Regulated Community’s desire for a modified labor tracking/billing practice that includes specific efforts, such as permit number, facility, and equipment.

9. TIME AND PLACE OF NEXT MEETING

Wednesday, October 16, 2024, at 10:00 a.m. at 375 Beale Street, San Francisco, CA 94105. The meeting will be in-person for the Finance and Administration Committee members and members of the public will be able to either join in-person or via webcast.

10. ADJOURNMENT

The meeting was adjourned at 10:34 a.m.

Marcy Hiratzka
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Davina Hurt and Members
of the Finance and Administration Committee

From: Philip M. Fine
Executive Officer/APCO

Date: October 16, 2024

Re: Update on the Corrective Action Plan to Implement Recommendations from the
Engineering Performance Audit

RECOMMENDED ACTION

No action requested at this time.

BACKGROUND

In 2023, the Air District engaged Sjoberg Evashenk Consulting, Inc. to conduct a Performance Audit of the Air District Engineering Functions that focused on timeliness of permit actions, tracking, staffing and workload management, and cost recovery. Findings were presented to the Finance and Administration Committee by the auditor on December 20, 2023. Staff presented the Corrective Action Plan to address the key audit findings at the Finance and Administration Committee on April 17, 2024.

DISCUSSION

The Engineering Division of the Air District plays a crucial role in granting air quality permit applications and granting permits to businesses operating equipment that could potentially emit air pollutants. In recent years, the number of permitted sources and the complexity of permits has increased, contributing to delays in some permit actions. For example, at the October 17, 2022, Stationary Source and Climate Impacts Committee meeting we reported that over the last decade, although the Air District issued 77% of permits within 180 days of receiving the application, permitting actions for other applications consistently extended past the deadlines required by our own regulations. In most of these cases, the applications pertained to equipment used in facilities with complex emissions sources, including refineries, landfills, composting operations, wastewater treatment facilities, and concrete & asphalt batch plants.

The Engineering Performance Audit began in May 2023 and the results, which aligned with our internal understanding of recent challenges, were reported to the Finance and Administration Committee by Sjoberg Evashenk Consulting in December 2023. The Committee directed the Executive Officer to prepare an action plan to address the Engineering Audit Report's recommendations which were presented to the Committee on April 17, 2024.

The action plan schedule was set up in three general phases taking into account other efforts being undertaken at the Air District including: strategic plan development, a compensation/classification study, rule development agenda/schedule, and the New Production System (NPS) and website upgrade schedule.

Phase 1: Planning

- Next 6 months
- Develop plans for backlog reduction, tracking, staffing, work prioritization, cost recovery
- Create metrics to report progress to Board of Directors
- Complete concrete near-term recommendation
- Continue on-going improvements (e.g., NPS upgrades, efficiency measures, etc.)

Phase 2: Implementation of corrective actions and establishment of robust tracking

- End of 2024-2027

Phase 3: Adjust and maintain performance improvements

- 2028-2029+

Staff will present an update on Phase I and early stages of Phase II for implementation of the Engineering Corrective Action Plan. Key achievements and progress made to address key audit findings are outlined below. Staff continue working on long-term efforts to address the audit findings to set up for long-term success.

Key Findings and Progress:

- Timeliness/Backlog: Permit applications are not always processed in a timely manner and a backlog exists.
 - Decreased backlog of comprehensive Health Risk Assessments by over 60%
 - Developed additional streamlined approaches for Health Risk Assessments
 - Developed streamlined permit processing approaches for backup generators (high volume source category) and composting (complex source category)
 - Prioritized rule development needed for permit streamlining
 - Launched in-house comprehensive technical training and new permit handbook
 - Improved permit process lifecycle coordination with other division

- Tracking: Engineering does not track all information necessary to assess efficiency of permitting processes, identify resource needs, and ensure facilities are properly permitted.
 - Developed reporting tools
 - Mapped key process steps for tracking
 - Upgraded New Production System (NPS)
 - Corrected NPS data migration errors
 - Completed programming of application ‘overdue’ reasons for tracking, reporting, and removing barriers

Resource Management:

- Staffing: Engineering has been impacted by hiring freezes, attrition, training, and loss of institutional knowledge.
- Workload: Engineering has insufficient resources for increasingly complex permitting, increase in non-core activities, inefficiencies in permit processing and delinquent accounts.
- Hired a Project Manager for the Corrective Action Plan

Cost Recovery: Opportunities exist to enhance current fee schedules to better recover costs.

- Developing options for consideration at the December Finance and Administration Committee to consider

Both near and long-term efforts in the Corrective Action Plan will be transitioned to the Air District *2024-2029 Strategic Plan* implementation. Engineering Performance Audit Recommendations and Planned Actions will be mapped directly to the corresponding Strategic Plan Goals, Commitments, and Actions.

Staff will also present options for the reporting of permitting performance metrics and improved customer service tools as requested by the Committee Members at the April 17, 2024, Finance and Administration Committee.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Pamela Leong and Dr. Meredith Bauer
Reviewed by: Dr. Philip M. Fine

ATTACHMENTS:

1. Update on Corrective Action Plan Presentation



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

AGENDA

Update on the Corrective Action Plan Implement Recommendations from Engineering Performance

Finance and Administration Committee Meeting
October 1, 2010

Pamela Pleong
Engineering Division Director
pleong@baaqmd.gov



Presentation Outcome

- Consider and discuss an update on the implementation of the Corrective Action Plan developed in response to recommendations from the Engineering Performance Audit

Presentation Outline

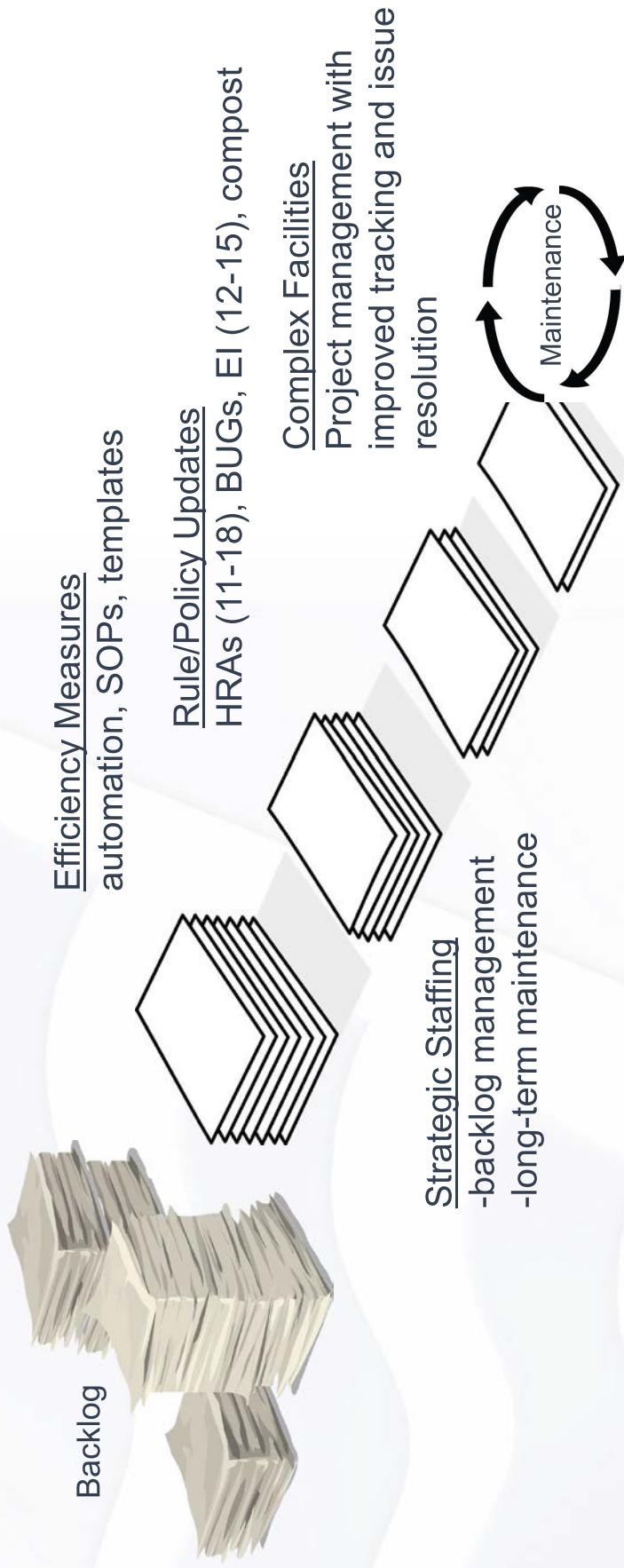
- Recap of the December 2023 Audit Findings
- March 2024 Corrective Action Plan
- Progress Updates on Key Areas
 - Progress on Tracking, Permit Timeliness, and Resource Management
 - Near-term key achievements = indicators of progress
 - Long-term efforts = setting up for long-term success
 - Action Plan Status
 - Transition to Strategic Plan
 - Highlight: Reporting metrics
 - Highlight: Permit tools for the public
- Next Steps

Engineering Audit Findings and Recommendations

Finding(s)	Recommendation(s)
Timeliness/backlog	<ol style="list-style-type: none"> 1. Develop a backlog plan 2. Improve tracking 6(a)(1). Assess resource needs (including staffing) 6(a)(ii). Identify/resolve bottlenecks
Tracking: Permit Process and Bottlenecks	<ol style="list-style-type: none"> 2(a). Track permit process steps 2(c). Create reports for efficiency, bottlenecks, and payments 2(d). Develop standardized reports for management 2(e). Identify/correct erroneous data migrated to NPS 6(a)(ii). Identify/resolve bottlenecks
Tracking: Management Time	<ol style="list-style-type: none"> 3. Track and account for management time spent on permit program
Tracking: Accounts	<ol style="list-style-type: none"> 2(b). Track payments in NPS 2(c). Create reports for efficiency, bottlenecks, and payments 6(b). Track, identify, and collect payments for delinquent accounts
Resource Management: Staffing and Workload	<ol style="list-style-type: none"> 4. Create a new job classification for an entry-level position for the Division 5. Review/update workload prioritization process 6. Assess resource needs to meet workload demands 6(a). Assess/transfer non-core activities 6(a)(i). Assess whether current staffing can implement work from newly added positions
Cost Recovery	<ol style="list-style-type: none"> 7. Re-evaluate/update (as needed) Cost Recovery and Containment Policy



Corrective Action Plan



Tracking: • ID opportunities • accountability • transparency • progress

Corrective Action Plan - Phases

Phase I: Planning

- 6 months
- Plans for backlog reduction, tracking, staffing, work prior cost recovery
- Create metrics to report progress to the Board of Directors
- Complete concrete near-term recommendations
- Continue on-going improvements (NPS, efficiency measures etc.)

Phase II: Implementation of corrective actions and establish tracking

- End of 2024-2027

Phase III: Adjust and maintain performance improvements

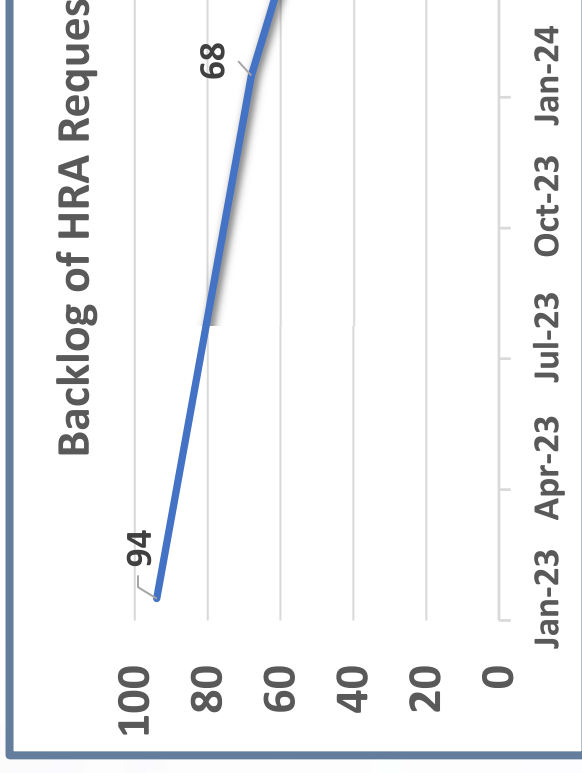
- 2028-2029+

Progress: Key Achievements

Timeliness/Backlog Reduction = Efficiency Improvement

- Developed streamlined backup generator approach
- Developed streamlined compost approach
- Streamlined Health Risk Assessments (HRAs) in 1Q 2024
 - ✓ additional efficiencies developed for Tier 4 backup gene

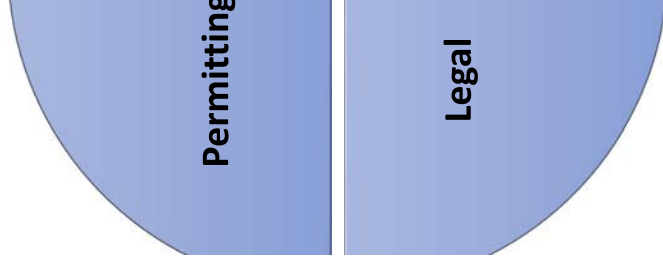
- Improvements in Risk Assessment and Reduction Section (staffing and efficiencies)



Progress: Key Achievements (cont'd)

Timeliness/Backlog Reduction = Efficiency Improvement

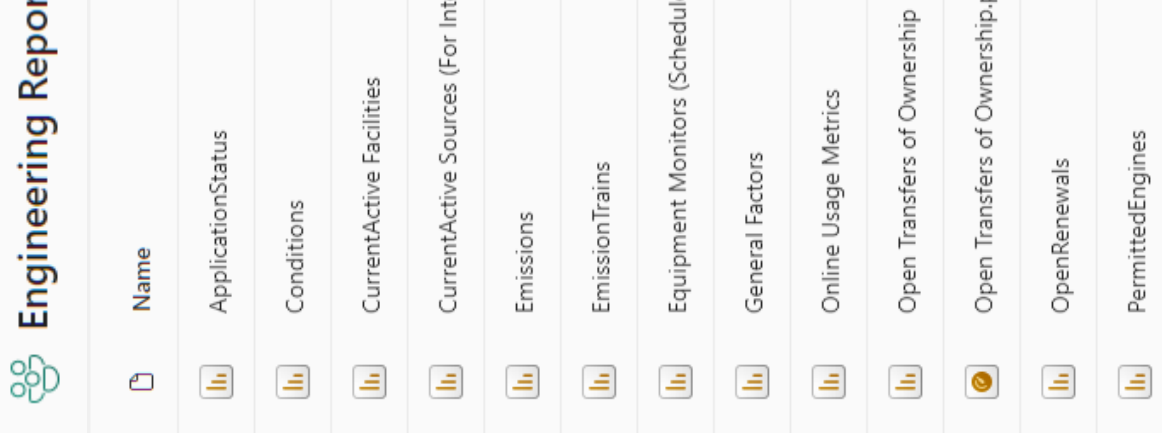
- Prioritized Rule Development needed for Permit Streamlining
- Launched in-house comprehensive technical training courses
- New Permit Handbook
- Improving permitting process lifecycle coordination



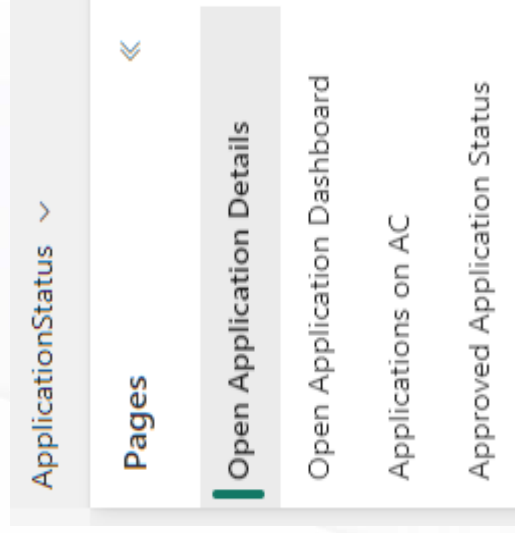
Progress: Key Achievements (cont'd)

Tracking and Reporting

- New Production System (NPS) Upgrades
- Developed reporting tools to monitor progress
- Mapped key permit process steps for tracking



Engineering Report
Name
ApplicationStatus
Conditions
CurrentActive Facilities
CurrentActive Sources (For Int
Emissions
EmissionTrains
Equipment Monitors (Schedul
General Factors
Online Usage Metrics
Open Transfers of Ownership
Open Transfers of Ownership.
OpenRenewals
PermittedEngines



ApplicationStatus
Pages
Open Application Details
Open Application Dashboard
Applications on AC
Approved Application Status

Progress: Key Achievements (cont'd)

Tracking and Reporting

- NPS data migration errors corrected
- Programmed Application Overdue Reasons for tracking, reporting and removing barriers

The image shows two screenshots from a software interface. The top screenshot displays the 'APPLICATION STATUS' for a specific application. It includes a yellow status bar indicating 'COMPLETE - APPLICATION UNDER EVALUATION', a red clock icon for the 'Next Due' date of '-339 Days Overdue Oct 16, 2023', and the 'Initial Submit Date' of '6/26/2023'. There is also a field for 'Update Application Status' and an 'Add Note' section.

The bottom screenshot shows a dropdown menu for 'Overdue Reason Type'. The selected option is 'Applicant review', which is marked with a green checkmark. Other options include 'Awaiting ENG management decision', 'Compliance issues - BACT/TBACT', 'Compliance issues - Other', and 'Compliance issues - Project Risk'. A 'Data Clean-up' link is visible at the bottom of the dropdown. To the right of the dropdown, there are financial values: '\$1,313.00' (with a red X), '(\$2,020.00)', and '(\$707.00)'. An 'Invoice Information' icon is also present.

Progress: Key Achievements (cont'd)

Resource Management

- Hired a Project Manager for Corrective Action Plan
 - Purpose
 - Implementation of the corrective action plan
 - Developing and executing a structured approach to address the of overdue permits and applications
 - Accomplishments
 - Developed New Metrics and Reporting Systems to track program corrective actions
 - Improved Internal Stakeholder Communication regarding status corrective action plan
 - Automated Processes for Optimization for greater efficiency and errors

Progress: Long-term

Timeliness/Backlog Reduction = Efficiency Improvement

- Regulatory Revisions to streamline permitting
- Continuous improvement of Improving permitting process in coordination *including incorporating into NPS*

Tracking and Reporting

- Programming additional key permitting steps in NPS for reporting to assess efficiency and remove bottlenecks

Progress: Long-term (cont'd)

Resource Management

- Development of facility funded Dedicated Engineer/Project Manager
- Development of Expert Consultant Bench

Cost Recovery

- Development of options for consideration at the December Finance Administration Committee

Action Plan Status: Timeliness/Backlog

Finding: Audit Rec. No.	Timeliness/backlog Planned Action	complete	Phase 1 - Plan		Phase 2 - Implement			Phase
			Q2 2024	Q3 2024	Q4 2024	2025	2026	
1	Staff will develop a comprehensive backlog reduction plan		✓	✓				
1,2	Staff will create standard metrics to report progress to the Board							
1	Staff will create a list of backlogged permits and identify the action(s) and timeline to take final action		✓	✓				
1	Staff will finalize action on backlogged permits		✓	✓				
1, 6(a)(i)	Staff will assess resource-intensive programs and identify opportunities for efficiencies, which may require rule amendments (e.g., 2-5, 12-15, 11-18, BUGs, BACT, composting)		✓	✓				
1	Staff will develop a rule amendment plan, including a timeline		✓	✓				
1	In consultation with the Board of Directors, staff will develop policy updates and/or rule amendments for Rule 11-18, Rule 12-15, Rule 2-5, BUGs, BACT, and composting, along with others that may be identified in the rule amendment plan		✓	✓				
1, 5, 6	Staff will create project teams for complex sources to have more streamlined coordination							
1, 6(a)(ii)	Staff will initiate a procurement for outside project management services to develop internal coordination tools and efficiency measures							

Action Plan Status: Timeliness/Backlog (cont)

Finding: Audit Rec. No.	Timeliness/backlog Planned Action	complete	Phase 1 - Plan		Phase 2 - Implement			Pha
			Q2 2024	Q3 2024	Q4 2024	2025	2026	
1	Staff will implement efficiency measures based on tracking corrective actions							
1, 2, 6(a)(ii)	Staff will evaluate external causes of permit delays (e.g., applicant, school notifications, CEQA, EIR) and develop a plan to address the impact on permit timelines							
1, 2, 6(a)(ii)	Staff will identify and resolve bottlenecks in the permit process based on metrics and reports developed through the tracking corrective actions							
1	Staff will complete revisions of the Permit Handbook and managers will work with staff to ensure Air District policies are efficiently implemented	✓	✓	✓				
1	Staff will enhance and expand customer service tools on the permit process (e.g., tools for complete submittals, status checker, dispute resolution)							
1, 6(a)(i)	Staff will develop backlog reduction and maintenance staffing plans based on workload corrective actions							



Action Plan Status: Tracking – Permit Process Bottlenecks

Finding: Audit Rec. No.	Tracking: Permit Process and Backlog Planned Action	complete	Phase 1 - Plan		Phase 2 - Implement			Phase 2 - 2027
			Q2 2024	Q3 2024	Q4 2024	2025	2026	
2(a)	Staff will map out key permit process steps, including those in other Divisions and by external entities, and known bottlenecks		✓	✓				
2(a), 2(c), 2(d)	Staff will initiate a procurement for outside project management services to develop standard tracking metrics and reports		✓	✓				
2(a), 2(c), 2(d)	Staff will develop a project plan to systematically build internal tracking tools and routine reports to management		✓	✓				
2(a), 2(c), 2(d)	To the extent possible, staff will build tracking and reporting tools in NPS. If needed, staff will initiate RFQ for services to build the necessary tools, in consultation with the Board of Directors.			✓				
1, 2(a)	Staff will enhance and expand tools for applicants to track the status of individual permits							
1, 6(a)(ii)	Staff will initiate a procurement for outside project management services to develop an internal coordination plan							

Action Plan Status: Tracking – Permit Process Bottlenecks

Finding: Audit Rec. No.	Tracking: Permit Process and Backlog Planned Action	complete	Phase 1 - Plan			Phase 2 - Implement			Phase
			Q2 2024	Q3 2024	Q4 2024	2025	2026	2027	
2(a), 6(a)(ii)	Based on the internal coordination plan, staff will integrate key information from other Divisions into NPS (e.g., source test status, NOVs, AB617 community, unresolved/past enforcement actions), incorporate HRA process information and steps, and track title V permits								
1, 2(c), 6(a)(ii)	Staff will identify bottlenecks in the permit process based on metrics and reports developed through the tracking updates and create de-bottlenecking recommendations								
1, 6(a)(ii)	In consultation with Legal and Source Test, staff will explore options to expedite current AC permits that are awaiting source test approval		✓	✓					
2(e)	Staff will identify and correct erroneous data that was migrated to NPS			✓					

Action Plan Status: Tracking – Management – Management

Finding: Audit Rec. No.	Tracking: Management Time Planned Action	complete	Phase 1 - Plan		Phase 2 - Implement			Phase
			Q2 2024	Q3 2024	Q4 2024	2025	2026	
3	In consultation with the Human Resources Office and Finance Division, staff will develop a process to track time spent by management on permit program		✓	✓				
3	Management will track time spent on permit program, in alignment with the new process							



Action Plan Status: Tracking – Accounts

Finding: Audit Rec. No.	Tracking: Accounts Planned Action	complete	Phase 1 - Plan			Phase 2 - Implement			Pha
			Q2 2024	Q3 2024	Q4 2024	2025	2026	2027	
2(b), 2(c), 6(b)	Staff will identify delinquent accounts	✓							
6(b)	In consultation with Legal and Compliance and Enforcement, staff will determine how to expeditiously achieve compliance		✓	✓					
2(b), 2(c), 6(b)	In consultation with Legal and Compliance and Enforcement, staff will create and implement a standard procedure to quickly address applications with delinquent fees		✓	✓					

Action Plan Status: Resource Management: Staffing

Finding: Audit Rec. No.	Resource Management - Staffing and Workload Planned Action	complete	Phase 1 - Plan			Phase 2 - Implement			Phase
			Q2 2024	Q3 2024	Q4 2024	2025	2026	2027	
1, 6	Staff will hire retired annuitants	✓							
1, 6	In consultation with Human Resources and the Employee Association, staff will develop a backlog reduction staffing plan that will consider, among other things, the use of contractors (per audit recommendation)		✓	✓					
1,6	Based on the backlog reduction staffing plan, in consultation with the Board, staffing levels will be adjusted in order to reduce the backlog to 2017 levels within 5 years (i.e., 2029)								
4, 6	In consultation with Human Resources, staff will identify hiring barriers (e.g., intro-level job classification)		✓	✓					
6, 6(a)(i)	Staff will develop long-term staffing plan (maintenance level) based on rule/policy updates, tracking data, and efficiency/de-bottlenecking measures								
6	In order to maintain adequate staffing and retain institutional knowledge, staff will develop a retention plan								
5.6	To increase efficiency, effectiveness, expertise, and consistency, staff will develop a training and collaboration plan		✓	✓					

Action Plan Status: Resource Management: Staff Workload

Finding: Audit Rec. No.	Resource Management - Staffing and Workload Planned Action	complete	Phase 1 - Plan		Phase 2 - Implement			Phase
			Q2 2024	Q3 2024	Q4 2024	2025	2026	
6, 6(a)	Staff will assess non-core activities and, based on strategic planning priorities, develop a plan address their impact on the permit backlog							
5	Use strategic plan and tracking information to develop a prioritization process that utilizes staffing resources to meet Air District priorities							
5	Utilize tracking data to identify resource-intensive sources and develop a plan to efficiently and effectively manage projects							
1, 5, 6	Staff will create project teams for complex sources to have more streamlined coordination		✓	✓				
5	Staff will initiate early coordination on sensitive projects, which will be identified based on strategic planning priorities and in consultation with Legal and C&E		✓	✓				
6(a)(ii)	In consultation with Rules and Planning, staff will develop a process to identify unexpected impacts of new programs on permit processing, which should happen in early stages of program							

Action Plan Status: Cost Recovery

Finding: Audit Rec. No.	Cost Recovery Planned Action	complete	Phase 1 - Plan			Phase 2 - Implement			Phase
			Q2 2024	Q3 2024	Q4 2024	2025	2026	2027	
7	Staff will initiate RFQ for service to provide a report on cost recovery methods used by other agencies and options for the Air District to								2024
7	In consultation with the Board of Directors, consider updates to the cost recovery methodology for the Air District based on findings from the cost recover report, and that consider time spent by management and on			✓	✓				2024
7	In consultation with Finance and the NPS Team, identify opportunities to streamline fee payment and tracking to ensure the Air District receives timely and adequate fees		✓	✓					2024
7	The NPS team will develop a plan for implementing fee payment and tracking improvements in NPS								2024
7	To the extent possible, staff will build fee streamlining tools in NPS. If needed, staff will initiate RFQ for services to build the necessary tools, in consultation with the Board of Directors.								2024



Transition to Strategic Plan

Corrective Action Plan		Transition to →	Strategic Plan: Goal 4: Be Efficient, Accountable, and Customer Oriented	
Action Plan: Timeliness/Backlog			Strategy 4.1 Timely Permits	
Audit Rec. No.	Planned Action		Commitment	Action
1	Staff will develop a rule amendment plan (needed for permit streamlining), including a timeline.		Update regulations to ensure permits can be done efficiently and timely	Create schedule incorporating efficient
2(a)	Staff will map out key permit process steps...		Better track permit applications, address bottlenecks in permitting process, and improve internal coordination.	Build feedback and tracking a permit
2(a), 2(c), 2(d)	Staff will build tracking and reporting tools in NPS.			



Highlight: Reporting Metrics

Permit Applications

1. Submitted and Completed (weekly, monthly, annual)
2. Application Processing Times
3. Application Status and Overdue in Each Status

#2

Pending NSR application processing times	Count	% of total
<180 days	345	34%
180 days to <1 year	172	17%
1 to <2 years	202	20%
2 to <3 years	94	9%
3 to <4 years	100	10%
4 to <5 years	43	4%
5+ years	69	7%
Total	1025	

#3

Applications	
Application Status	Total
Evaluating Permit Application Completeness	1
Incomplete	3
Complete - Application Under Evaluation	5
Undergoing Public Comment	1
Final 10 Day Evaluation	1
Total	11

*staff flag for review, need to revise for Overdue

Non-Title V Applications: Submitted vs. Finished

#1



2015 2016 2017 2018 2019
Submitted Finished



Highlight: Reporting Metrics

Permit Renewals

#1

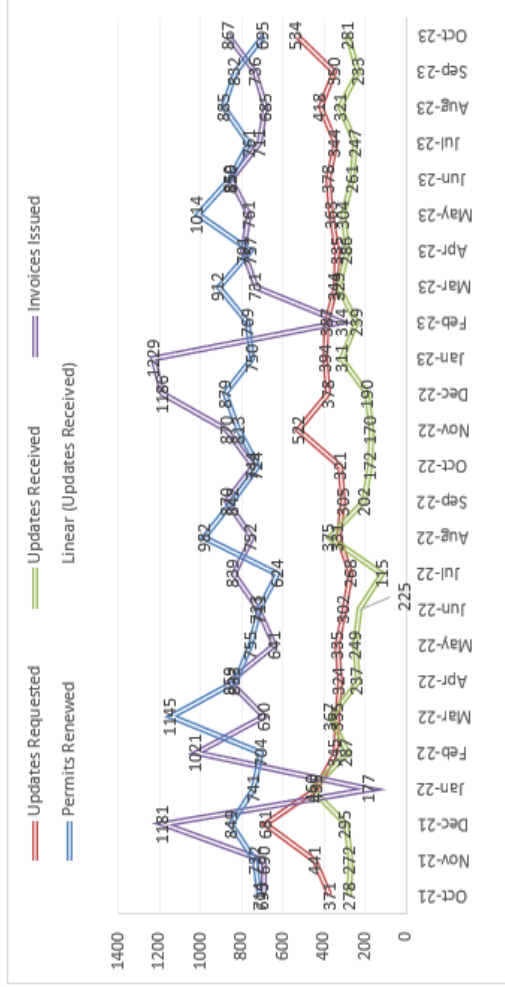
1. Renewal Revenue collected versus outstanding
2. Emissions Inventory Requests
3. Invoices Issued and Paid - renewed

Renewal Period End Year	Revenue from Permit Renewed
2020	40,896,306
2021	41,648,989
2022	44,491,112
2023	51,164,847
2024	53,646,430
2025	29,609,896

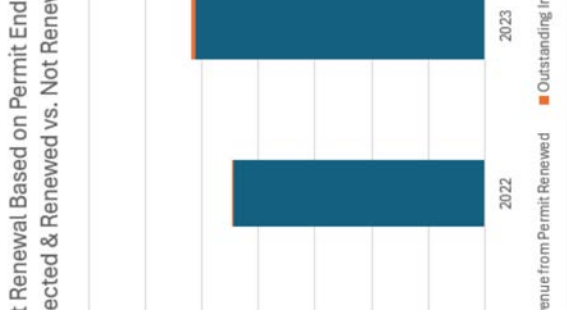
PERMIT RENEWALS

Updates Requested FYE 2023	Updates Received FYE 2023	Invoices Issued FYE 2023	Permits Renewed FYE 2023
1646	1082	2999	3173

#1



#2 and 3



Highlight: Reporting Metrics

Facility-Level Tracking

- Uses
 - Assess potential outliers within a fee schedule
 - Track staff time on permits for potential facility-funded projects
- Limitations
 - Represents a narrow portion of Air District work on a facility (e.g., source tests, rulemaking, response, community meetings, etc.)
 - Permit activity is often episodic and unpredictable

Highlight: Tools for the Public

- Approach: develop pilot tools and engage with community and regulated entities for feedback
- Overview of permit process
- Access to permits to operate
- Access to permit application status
- Improve access and instructions for electronic submittal of application

Highlight: Tools for the Public (cont'd)

Transition to plain language and infographics

The Air District is responsible for the issuance of air quality permits for stationary equipment in the Bay Area and the management of the resulting air emissions (pollutants). Nearly all stationary equipment that emits to the atmosphere requires an Air District permit. An air quality permit is a document that gives the permit holder authorization to build equipment and/or to operate that equipment. Each project is evaluated before a business can build and operate their equipment to ensure that all air quality requirements are met.

The program also manages an air emissions inventory from all permitted equipment. The inventory is used to track the level of air emissions and to make future decisions to reduce those emissions by tightening Air District rules.

Permitting and Approval Programs

Here are common permit and approval documents that the Air District issues:

Authority to Construct (A/C) - This is a pre-construction permit that is issued before equipment is installed. An A/C may require the permit holder to meet certain conditions before operation can begin.

Permit to Operate (P/O) - This permit allows the holder to operate (use) all equipment or activities listed on the permit.

Certificate of Registration - This type of permit is given to specific types of equipment or activities that are smaller in nature.

NEW 9/24/2024

An Air District permit is a document that gives the permit holder authorization to build and operate stationary equipment that emits to the atmosphere. Nearly all stationary equipment that emits to the atmosphere requires an Air District permit. Each project is evaluated before a business can build and operate their equipment to ensure that all air quality requirements are met. During the permitting process, air quality engineers determine compliance with all federal, state and local regulations before issuing a permit.

Application Received



Air District reviews application and applicant



1. Calculate Emissions and Conduct
2. Complete a Health Risk Assessment
3. Determine Compliance with Regulations
4. Require Add-on Pollution Control
5. Set Emissions & Operating Limit Monitoring in the Permit Conditions
6. Post a Public Notice, Address any Comments

II. Issue Authority to Construct



Issue Authority to Construct After Approval



1. Project Construction, Startup, and
2. Review Source Test for Compliance Conditions

III. Issue Permit to Operate

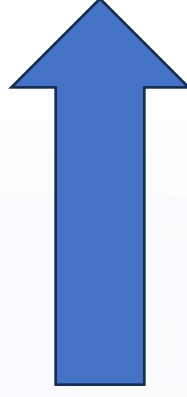


If All Requirements are Met, Air District Issues Permit to Operate

IV. Ensure Continued Compliance



Ensure Continued Compliance with Enforcement Division



Highlight: Tools for the Public (cont'd)

Improve Application Status Data and metrics

SEARCH & FILTERS Collapse to hide search or filter options

Search:

Date Range: From To

City: County:

Status: Notifications:

CLEAR SEARCH & FILTERS

Facility CCL Label-Sonoma (203719) **Status** Evaluating Permit Application Completeness **NEW**

Address
CCL Label-Sonoma
21481 8TH STREET EAST
#15C
Sonoma
CA, 95476

Plant Reference # N/A

Public Participation Period
Not currently available for comment.

Date	Activity	Person	Status
9/24/2024	714790 Rubber Molds and Wood	Manuel Palos Sculpture (203777)	Evaluating Permit Application Completeness NEW
9/24/2024	714786 Change of Conditions for S-8 and S-9	Anritsu Company (247)	Incomplete for Initial Fees NEW
9/23/2024	714744 Solvent Cleaning	Lockheed Martin	Evaluating Permit NEW



Application Specific Information

[Go to FIND](#)

Application Number:	653505	Application Type:	New Construction (Permit to Construct)
Facility ID:	198028	Application Status:	ASSIGNED TO ENGINEER - CLASS 1
Facility Name:	KOJA ANAHEIM FACILITY, LLC	Facility Team:	F
Permit Number:	--	Facility Team Name:	CHEMICAL
Permit Status:	--	Engineer:	FAVE GANSER - FG04
Equipment Type:	B - Basic	Engineer Phone:	909-396-2421
Basic:	011003 - BOILER (5-20 MMBTU/HR) NAT GAS ONLY	Deemed Completed Date:	6/25/2024
Control:	--	PC Issued Date:	N/A
Estimated Construction Start Date:	8/1/2024	Current Diary Entry:	Public Review / Notice
		Current Diary Date:	9/20/2024 5:19:19 PM

Application Status Progress



Application History

Show entries

Progress Status	Status Date	Target Date	Closed Date
Public Review / Notice	9/20/2024 5:19:19 PM	10/15/2024	--
Complete Required Public Notice	9/5/2024 5:00:36 PM	10/5/2024	9/12/2024
Approve PC, Recommended by	8/6/2024 4:49:53 PM	--	--

Next Steps

- Integration of the corrective actions into the strategic plan implementation and budget proposal for the upcoming fiscal year
- Continue implementation of corrective action plan or permit improvement process
- Actions for next 6 -12 months
 - Tracking and Reporting & Transparency
 - Develop reporting metrics, improve website and public access
 - Build NPS tools to track all phases of permit process
 - tracking and efficiency analysis

Next Steps (cont'd)

- Actions for next 6 -12 months (cont'd)
 - Timeliness/Backlog - Efficiency Measures
 - Utilize new overdue status for tracking and removing
 - Complete and implement streamlining approaches for composting and backup engines
 - Continue improvements to permit lifecycle coordination
 - Resource Management
 - Enhance staffing
 - Create and execute backlog reduction using new tools and efficiency measures
 - Cost Recovery Options

Questions and Discussion