

PROPOSED BUDGET FISCAL YEAR 2016-17

Santa Barbara County Air Pollution Control District
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Aeron Arlin Genet
Air Pollution Control Officer

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SANTA BARBARA COUNTY AIR POLLUTION CONTROL DISTRICT BOARD OF DIRECTORS

Supervisor Salud Carbajal

First District

Santa Barbara County Board of Supervisors

Supervisor Janet Wolf

Second District

Santa Barbara County Board of Supervisors

Supervisor Doreen Farr

Third District

Santa Barbara County Board of Supervisors

Supervisor Peter Adam, Chair

Fourth District

Santa Barbara County Board of Supervisors

Supervisor Steve Lavagnino

Fifth District

Santa Barbara County Board of Supervisors

Councilmember Holly Sierra

Alternate – Mayor Ed Andrisek

City of Buellton

Councilmember Al Clark

Alternate – Councilmember Wade Nomura

City of Carpinteria

Councilmember Michael T. Bennett

Alternate – Councilmember Roger Aceves

City of Goleta

Mayor John Lizalde

Alternate – Councilmember Jerry Beatty

City of Guadalupe

Councilmember James Mosby, Vice-Chair

Alternate – Councilmember DeWayne

Holmdahl

City of Lompoc

Mayor Helene Schneider

Alternate – Councilmember Bendy White

City of Santa Barbara

Mayor Alice Patino

Alternate – Councilmember Etta Waterfield

City of Santa Maria

Mayor Jim Richardson

Alternate – Councilmember Ed Skytt

City of Solvang

AIR POLLUTION CONTROL OFFICER'S BUDGET MEMORANDUM

May 19, 2016

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

Dear Chair Adam and Board Members:

The Fiscal Year (FY) 2016-17 Proposed Budget was prepared according to the policy framework and direction provided by the Board and the Air Pollution Control District Strategic Plan.

Budget Overview

This budget is planned for FY 2016-17, which runs from July 1, 2016 through June 30, 2017. The budget adoption process is specified in California Health and Safety Code Section 40131 and includes requirements for two public hearings and notification to all fee payers. In addition, the District conforms to the provisions of the County Budget Act of 2010, Revision 1, effective January 1, 2013 and starting with Government Code Section 29000.

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

The majority of the FY 2016-17 revenues will be generated by two sources: 1) funds earned by "operational" employees (predominately engineers, specialists, and technicians) who conduct work products such as permits, inspections, evaluations, planning, and reviews for regulated sources, and 2) federal and state grants and their uses are prescribed by the agency providing the funds. The work products generated by grant funding are air quality monitoring, data acquisition, clean air plans, environmental planning documents, innovative technology grants

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

The FY 2016-17 budget was built to ensure continued mission success and continued progress toward its vision, Clean Air.

and public outreach. Expense line items are thoroughly reviewed each year in an effort to keep costs down.

FY 2016-17 Budget at a Glance

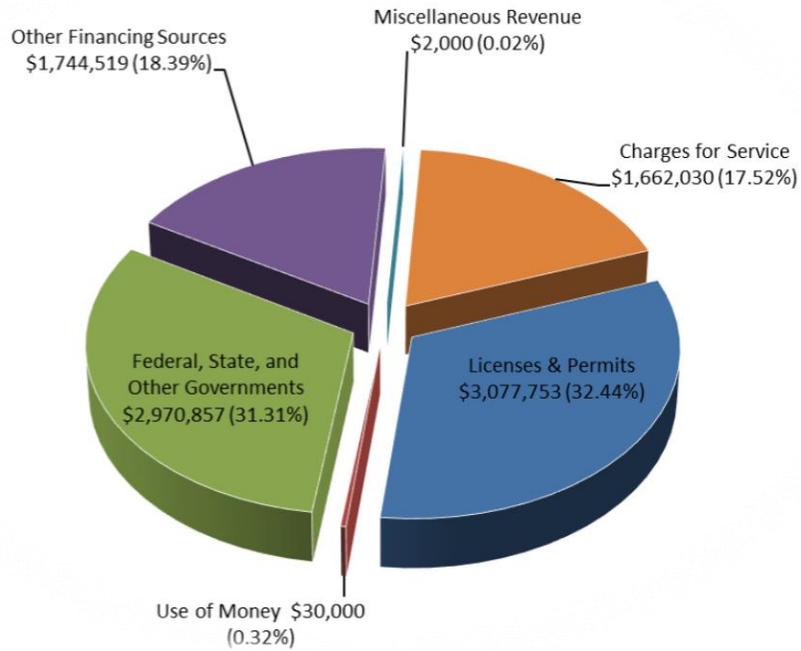
The District's proposed balanced budget for FY 2016-17 totals \$9,487,159, an 8.3% reduction from the current year's adopted budget. The two figures below depict proposed District Revenues and Expenses. Expenditures continue to be dominated by salaries and benefits, which total \$5,629,355. The requested funding level will provide the resources needed by the District to maintain core and mandated air quality programs.

The District is well prepared for unforeseen expenses in that our fund balances provides an adequate reserve. Our fund balance total is forecasted to be \$5,402,465 and of that total \$1,500,000 (approximately 15% of total budget) has been set aside by our Board as strategic reserve to be used during a fiscal emergency.

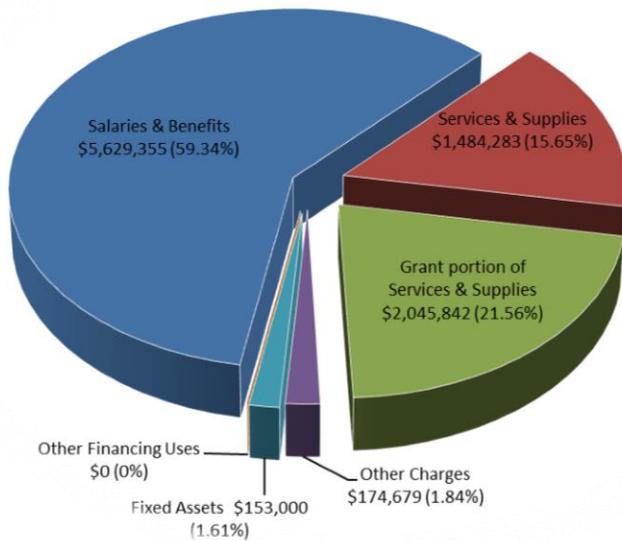


A comparison of the adopted FY 2015-16 budget (\$10,341,516) with the proposed FY 2016-17 budget reveals a year-to-year decline of 8.3% equating to an overall budget decrease of \$854,357 from last FY. This negative change is largely due to the oil pipeline shutdown and the onshore oil sector declines.

Total Revenue \$9,487,159



Total Expenditures \$9,487,159



Revenue Changes

Overall revenue is estimated to decrease in FY 2016-17 compared to FY 2015-16. Recent activity associated with a failed onshore pipeline has resulted in significant reduction of projected revenue. Combined with the downturn in the price of oil, reduction in associated permit application activities and the cyclical nature of reevaluation fees, the operating revenue shortfall is \$854,357. The following FY 2016-17 revenue line items are summarized below for your consideration.

- **Plains All American Pipeline Shutdown:**
On May 19, 2015, Plains All American 901 pipeline ruptured and spilled as much as 3,400 barrels of crude oil at Refugio State Beach. This event has resulted in significant shut down of oil and gas facilities that were dependent on the onshore pipeline to distribute product outside of Santa Barbara County. Sources such as ExxonMobil, FreeportMcMoRan and Venoco have all ceased production activity due to the pipeline shut down, this resulted in reduced annual emission fees, source testing, monitoring fees and reimbursable fees. For FY 2016-17 the District anticipates a total projected loss of revenue of \$484,041.
- **Downturn in Petroleum Industry Activity:**
In early 2016 oil prices are down near a 13-year low resulting in a reduction of petroleum related permit activity throughout Santa Barbara County. The District has noted a reduction in applications submitted, and associated billable hours for evaluations and related emission fees. In FY 2016-17, the projected total loss of revenue associated with the downturn in oil prices is \$196,157.
- **Reevaluation Fees:**
The cyclical nature of reevaluation fees is making its predicted low-year downturn this fiscal year. Reevaluation fees have a 3-year cycle: a high, high-mid and low budget year. FY 2016-17 is the low-year of the 3-year cycle, and will result in lower reevaluation fees than last fiscal year (the high-mid-year). For FY 2016-17, reevaluation fees will be approximately 33% lower than the previous FY (\$327,181 less). To accommodate for this 3-year cycle, we deposit a portion of revenue into a reserve saving fund during the high-years and withdraw during the low-year. This FY we will withdraw \$240,639 from our reevaluation cycle fund balance to smooth out the loss of revenue for the year.
- **State Grant Funding:**
Through the Carl Moyer grant program the District provides incentive funding for cleaner-than-required engines, equipment and infrastructure. The District also manages the \$2 Department of Motor Vehicle grant program that provides incentive funding for school buses and old car buy back. For FY 2016-17 both the Carl Moyer and \$2 DMV fee grants programs are expected to remain consistent at a value (\$539,303 and \$686,999 respectively). Recently adopted legislation has increased the amount of administrative fees allocated to air districts to better compensate for the time and resources needed

for grant program implementation. The administrative funds for these two programs will total \$109,583.

- **Fee Revenues:**

The District has not proposed an increase in the Rule 210 fee schedule for regulated sources since 1991 other than the annual adjustment for Consumer Price Index (CPI) change allowed in our rules, which, for FY 2016-17 is 1.1%. CPI fee adjustments are made July 1st to our permit application and evaluation fees, source testing fees, annual emission fees, as well as other fees prescribed in Rule 210.

Expenditures

Over the last four years, the District focused on streamlining many of its operations while still meeting its program commitments. The efforts include reducing expenditures while maximizing the efficient use of staff and resources. For FY 2016-17, the need to streamline and reduce expenditures becomes even more important due to the revenue shortfall discussed above. The following expenditure changes warrant review.

- **Staffing Levels:**

Staffing levels will decrease to 43.0 FTE. Due to the pipeline shutdown and loss of revenue the District will leave 4 positions open, which are currently vacant. The District understands that these staffing levels are only temporary and will be reinstated once the pipeline is back online, oil & gas permit activity increases and the revenue stream begins to materialize.

- **Retirement Costs:**

Over the last ten years the District's contribution to retirement planning has increased by more than 73%. For FY 2016-17 the District contribution rates for each tier is increasing slightly, by 1.45%. Although retirement contribution rates are increasing, costs are down from last FY due to decreasing the District's work force by 4.0 FTE. Furthermore, the District implemented PEPRA, which impacts new employees who were hired beginning January 1, 2013. Currently we have 10 employees enrolled in the new PEPRA retirement tier which is 21% of our work force. Savings will increase incrementally with each new employee until all employees are eventually enrolled.

- **Services and Supplies (S&S) Costs:**

Each year the District diligently conducts a line item review of S&S expenditures. This year was extremely important due to the loss of revenue from the major factors listed above in the revenue section. Staff was tasked with recognizing line items that could be reduced to help with this year's projected budget deficit. Some of those lines items include: Small Equipment purchases, Membership fees, Office Expenses, Software Expenses, Special Department Expenses, Business Travel and Training. The changes listed above resulted in an overall decrease in S&S by \$281,316 from the prior fiscal year.

Fund Balances

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

- **Restricted Funds:**

Restricted fund balances are those where use is prescribed by law. These savings accounts are generated through grant allocations received from federal and state agencies. Monies in these accounts are managed by our Innovative Technologies Group (ITG) and pass through the District to qualified projects benefitting clean air. An example of a restricted fund balance is the State’s Carl Moyer grant program. For FY 2016-17 restricted fund balances total \$327,734.

- **Committed Funds:**

Committed fund balances are monies set aside for specific categorized expenditures, such as capital replacement, retiree health subsidy, and the data acquisition system (DAS). It should be noted that the District previously put together a plan to actively reduce the fund balance for the DAS, by offering a discount on the system fees. Now that the fund balance has been reduced to an appropriate amount for service replacement, the District DAS fees will reinstate billing 100% of the DAS fees. Also, within committed fund balances there are discretionary dollars available for spending at planned intervals or when unforeseen circumstances arise requiring a withdrawal. Discretionary fund balances consist of our strategic reserve, reevaluation cycle, and an account for unforeseen operational requirements. For FY 2016-17 committed fund balances total \$5,060,245 with \$3,298,626 designated as discretionary.

Conclusion

The FY 2016-17 proposed budget represents thoughtful consideration of impacts, consequences, alternatives and workforce levels. The District was optimistically cautious in generating a revenue forecast and balanced total expenses by carefully deliberating the need for each outlay. It is my belief that the District can execute this proposed budget with the confidence that our mission requirements will continue to be met throughout the year.

Very Respectfully,



Aeron Arlin Genet

Air Pollution Control Officer

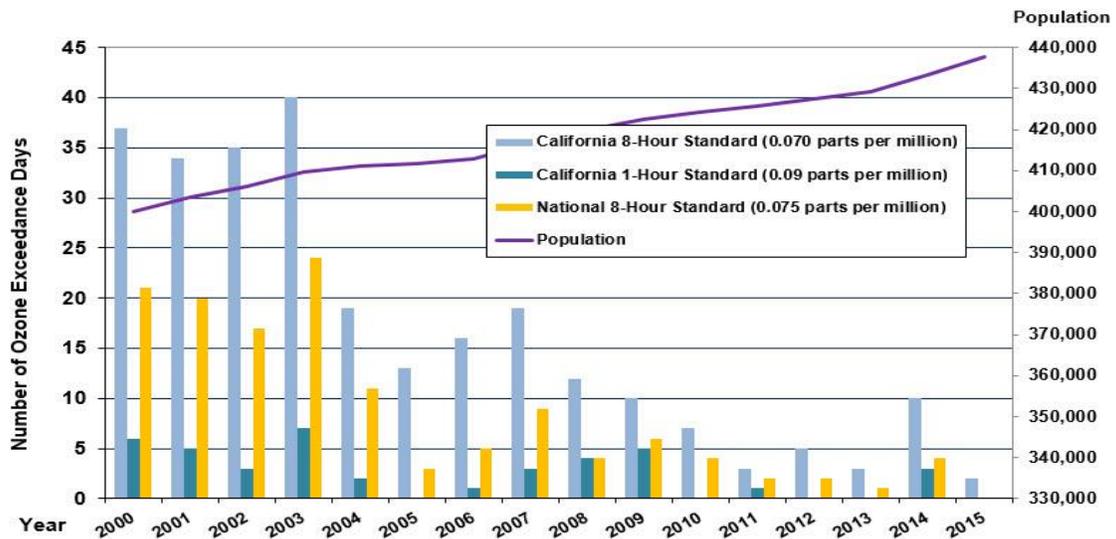
SANTA BARBARA COUNTY HISTORICAL AIR QUALITY

Santa Barbara County's air quality has historically violated both the state and federal ozone standards. Ozone concentrations above these standards adversely affect public health, diminish the production and quality of many agricultural crops, reduce visibility, and damage native and ornamental vegetation.

In 1970, when the District was formed, the air in Santa Barbara did not meet the federal one-hour ozone standard. For 40 years our efforts focused on attaining that standard. On August 8, 2003, Santa Barbara County was officially designated an attainment area for the federal one-hour ozone standard. Furthermore, USEPA has designated Santa Barbara County as "attainment" for the federal eight-hour ozone standard (0.075 parts per million). The eight-hour standard replaced the previous federal one-hour standard. In addition, we attained the state one-hour ozone standard for the first time during 2004-2006. On December 28, 2015, the USEPA strengthened the federal eight-hour ozone standard to 0.070 ppm. Determination of attainment or non-attainment of the standard is expected in 2017. Based on current trends, it appears that we will meet the new standard and be classified as attainment for this National Ambient Air Quality Standard.

The California eight-hour ozone standard was implemented in June 2006. The County violates the state eight-hour ozone standard and the state standards for PM₁₀. As shown in the chart, the number of ozone exceedance days has gone down while population has increased.

*Santa Barbara County Ozone Exceedance Days
2000-2015*



ABOUT THE DISTRICT

What is the District?

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

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

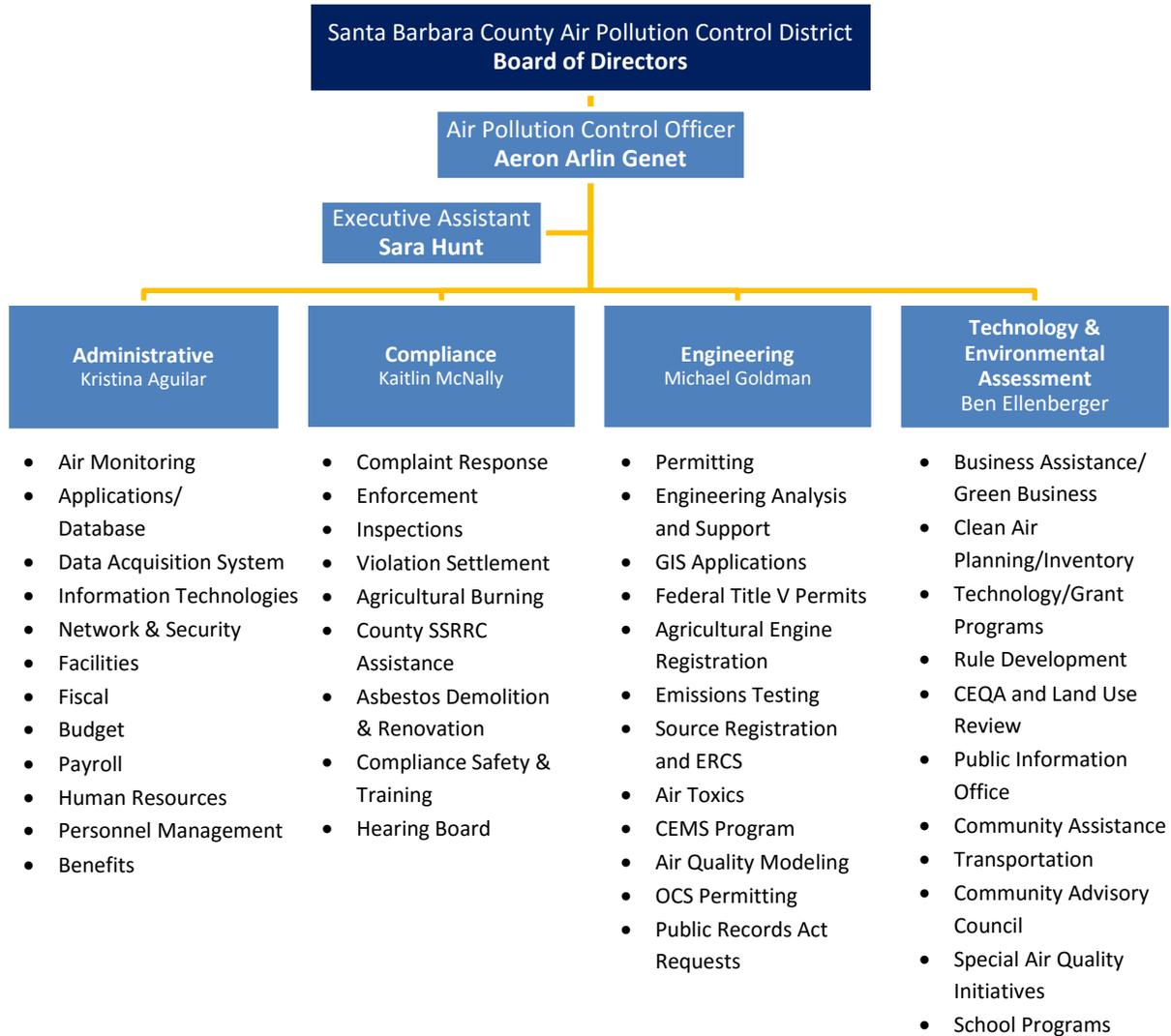
The District's Mission

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

We accomplish this mission by implementing state and federal air pollution control laws in order to attain all ambient air quality standards and to minimize public exposure to airborne toxins and nuisance odors. In carrying out this mission, we strive at all times to demonstrate excellence and leadership in the field of air pollution control.

Our goal is to provide consistent, high-quality, cost-effective professional services to the public and regulated community. In striving towards our goal, the District embraces the attributes of accessibility, accountability, and transparency.

Organizational Chart



Fiscal Year 2016-17 Job Class Table (Effective June 16, 2016)

Position Number	Classification Title	Adopted FY 2015-16	Additions / Deletions	Proposed FY 2016-17	Range Number	Monthly Equivalent Salary Range (A-E)	Representation Unit
Funded Positions							
170	OFFICE TECHNICIAN	3.00		3.00	5152	3160-3841	23
179	EXECUTIVE ASSISTANT/BOARD CLERK	1.00		1.00	6302	5614-6824	32
180/181	ACCOUNTING TECHNICIAN I/II	1.00		1.00	5046/5346	2997-4232	24
182	ACCOUNTING TECHNICIAN III	1.00		1.00	5646	4045-4916	24
190	ACCOUNTING SUPERVISOR	1.00		1.00	6390	5866-7130	32
200	ADMINISTRATIVE MANAGER	1.00		1.00	7050	8158-9917	43
312	NETWORK TECHNICIAN III	1.00		1.00	6454	6057-7362	24
322	EDP SYS. & PROG. ANALYST III	1.00		1.00	6636	6634-8063	24
330	INFORMATION TECHNOLOGY & MONITORING SUPV	1.00		1.00	6800	7200-8752	29
400/401	PERMIT TECHNICIAN I/II	1.00		1.00	5428/5628	3627-4872	28
410/411	INSPECTION SPECIALIST I/II	2.00	-1.00	1.00	5752/5952	4265-5729	28
412	INSPECTION SPECIALIST III	5.00		5.00	6152	5208-6331	28
435/436	AIR QUALITY ENGINEER I/II	4.00		4.00	6062/6262	4979-6689	28
437	AIR QUALITY ENGINEER III	4.00		4.00	6462	6081-7392	28
438	AIR QUALITY ENGINEERING SUPERVISOR	3.00	-1.00	2.00	6762	7065-8587	29
440/441	MONITORING SPECIALIST I/II	1.00		1.00	5882/6062	4551-6052	28
442	MONITORING SPECIALIST III	2.00		2.00	6312	5642-6858	28
453/454	AIR QUALITY SPECIALIST I/II	1.00		1.00	5882/6062	4551-6052	28
443	AIR QUALITY SPECIALIST III	4.00	-1.00	3.00	6312	5642-6858	28
446	PUBLIC INFORMATION AND EDUCATION SPECIALIST	1.00		1.00	6308	5631-6844	28
450	COMMUNITY PROGRAMS SUPERVISOR	1.00		1.00	6602	6522-7927	29
452	PLANNING & GRANTS SUPERVISOR	1.00		1.00	6700	6849-8325	29
600	DIVISION MANAGER	3.00		3.00	7050	8158-9917	43
500/501	HUMAN RESOURCES TECHNICIAN I/II	1.00		1.00	5428/5628	3627-4872	32
555	HUMAN RESOURCES OFFICER	1.00	-1.00	0.00	6800	7200-8752	43
670	AIR POLLUTION CONTROL OFFICER	1.00		1.00	n/a	12,084	41
TOTAL NUMBER OF FUNDED POSITIONS		47.00	-4.00	43.00			
TOTAL NUMBER OF UNFUNDED POSITIONS		5.25	4.00	9.25			
TOTAL NUMBER OF POSITIONS		52.25	0.00	52.25			

The Job Classification Table (above) depicts the positions needed to meet the District's mission requirements. The 43 individuals who fill these positions are organized into our four divisions making up a dedicated District team of professionals. The District Staff Directory listing the employees filling these positions can be found at www.ourair.org/apcd-staff-directory-info/.

STRATEGIC PLAN

This section presents a strategic vision of the District for the future, including the programs and services to be provided, identifies necessary goals and objectives, evaluates the resources needed to achieve these goals, and describes how success will be measured. Below are the priorities, goals, and objectives of the District.

Priority 1: Protection of Public Health through Air Quality Improvement

Goal: Continue to implement programs that directly reduce emissions.

Objectives:

- Adopt new rules and regulations that cost-effectively reduce emissions.
- Emphasize alternatives to “command-and-control” regulations such as pollution prevention, incentives, and social responsibility.
- Develop partnership initiatives to introduce innovative or other low-polluting technologies in areas not currently regulated or where technology recipients agree to go beyond regulatory requirements.
- Involve the community in pollution-reduction efforts through grant programs, public education, and recognition of outstanding pollution reduction efforts.
- Maintain a fair and rigorous compliance program, with emphasis on educating the regulated community.
- Ensure a contribution by all emission sources toward emission reductions.
- Use penalties to act as a deterrent and to place emphasis on compliance.

Goal: Maintain a strong, science-based program.

Objectives:

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

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

Objectives:

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

Goal: Ensure adequacy of resources.

Objectives:

- Continue to streamline and improve efficiency by taking advantage of technological advances and continuously improving systems and reviewing tasks for process improvements.
- Broaden the District funding base by actively pursuing additional sources of revenue.
- Continue to review our financial status by developing new tracking mechanisms to ensure financial stability.

Priority 2: Community Involvement

Goal: Involve the community in air quality protection.

Objectives:

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

Priority 3: Continuously Improve Service

Goal: Maintain and improve relationships with all constituents.

Objectives:

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

FISCAL YEAR 2016-17 DISTRICT BUDGET

Revenue Plan

	Actual FY 2014-15	Adopted FY 2015-16	Est Act FY 2015-16	Proposed FY 2016-17
<i>Licenses & Permits</i>				
Evaluation Fees	\$ 447,050	\$ 333,000	\$ 350,000	\$ 275,000
Asbestos Notification Fees	74,811	75,000	75,000	75,000
Reevaluation Fees	1,054,732	991,463	950,000	664,282
Air Toxics (AB 2588)	5,727	6,000	5,692	5,700
Application Fees	137,991	128,000	87,434	88,000
Annual Emission Fees	1,011,495	1,099,651	901,241	813,444
Notice of Violation	554,372	225,000	225,000	225,000
Inspection Fees	20,789	21,000	21,000	22,000
Source Test Fees	87,147	115,852	85,000	62,285
DAS	193,512	197,189	188,316	312,992
Monitoring	602,802	613,024	613,024	534,050
<i>Use of Money</i>				
Interest	37,551	30,000	30,000	30,000
<i>Federal, State, and Other Governments</i>				
Federal - EPA Grant	497,227	475,000	475,000	475,000
Motor Vehicle \$4	1,427,705	1,374,001	1,374,001	1,374,001
Motor Vehicle \$2	715,332	686,999	686,999	686,999
State-PERP	45,637	84,000	55,187	52,000
State-ARB	103,667	342,872	225,000	217,872
Other Governments	122,755	165,335	109,076	164,985
<i>Charges for Services</i>				
Environmental Review	6,550	5,000	7,612	5,000
AQAP Fees	403,179	426,978	390,832	397,256
Carl Moyer Program	507,034	519,225	606,349	539,303
Reimbursable Charges	762,943	860,615	683,000	720,471
<i>Miscellaneous Revenue</i>	6,700	2,000	2,000	2,000
Revenue Total	8,826,708	8,777,204	8,146,763	7,742,640
<i>Other Financing Sources</i>				
Decrease in Fund Balance	417,488	1,564,312	1,564,312	1,744,519
Revenue Plan Total	<u>\$ 9,244,196</u>	<u>\$ 10,341,516</u>	<u>\$ 9,711,075</u>	<u>\$ 9,487,159</u>

Expenditure Plan

	Actual FY 2014-15	Adopted FY 2015-16	Est Act FY 2015-16	Proposed FY 2016-17
<i>Operating Expenditures</i>				
Administration	\$ 3,493,702	\$ 3,802,754	\$ 4,028,134	\$ 3,485,150
Engineering	1,520,618	1,704,261	1,655,131	1,495,426
Compliance	952,008	1,009,285	994,944	998,649
Technology & Environmental Assessment	2,295,259	3,690,746	2,824,669	3,507,934
Operating Total	8,261,587	10,207,046	9,502,878	9,487,159
<i>Other Financing Uses</i>				
Increase in Fund Balance	982,609	134,470	208,197	-
Expenditure Plan Total	<u>\$ 9,244,196</u>	<u>\$ 10,341,516</u>	<u>\$ 9,711,075</u>	<u>\$ 9,487,159</u>

Character of Expenditures

	Actual FY 2014-15	Adopted FY 2015-16	Est Act FY 2015-16	Proposed FY 2016-17
<i>Operating Expenditures</i>				
Regular Salaries	\$ 3,459,312	\$ 3,890,574	\$ 3,890,574	\$ 3,587,516
Overtime	18,543	-	-	-
Extra Help	91,104	78,934	78,934	33,220
Benefits	1,951,153	2,115,650	2,115,650	2,008,619
Salaries & Benefits Total	5,520,112	6,085,158	6,085,158	5,629,355
Services & Supplies	2,416,202	3,811,441	2,974,087	3,530,125
Other Charges	160,799	175,447	322,633	174,679
Fixed Assets	164,474	135,000	121,000	153,000
Operating Total	8,261,587	10,207,046	9,502,878	9,487,159
<i>Other Financing Uses</i>				
Increase in Fund Balance	982,609	134,470	208,197	-
Expenditure Plan Total	<u>\$ 9,244,196</u>	<u>\$ 10,341,516</u>	<u>\$ 9,711,075</u>	<u>\$ 9,487,159</u>

Projects Funded with Motor Vehicle Registration Fees

Fiscal Year 2016-17 Programs Funded with \$2 DMV	Funding
School bus replacement and retrofit program	\$300,000
Old Car Buy Back program	\$500,000
Total \$2 DMV FY 2016-17 Program Funds	\$800,000

Projects Funded with Other Grant Funds

Fiscal Year 2016-17 Innovative Technologies Program Expenditures	Funding
Moyer Year 17 and 18 projects	\$940,000
ITG Mitigation Fund (Marine Shipping VSR)	\$50,000
Guadalupe Dunes Oil Field Mitigation Funds	\$135,000
Tri-County Hydrogen Readiness Plan	\$117,872
ITG Programs Funded in FY 2016-17	\$1,242,872

DISTRICT DIVISION SUMMARIES

The Air Pollution Control District operates with 43 positions from two locations (one in the South County and one in the North County) and is organized into four divisions: the Administration Division (ADM), the Engineering Division (ED), the Compliance Division (CD), and the Technology & Environmental Assessment Division (TEA).

Administration Division

Administration includes administrative overhead, fiscal and executive services, human resources, information technology services, and air monitoring.

Administrative Overhead

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

Fiscal and Executive Services

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

Human Resources

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

Information Technology Services

Information Technology Services is responsible for managing, developing, operating, training, and maintaining information systems at the District. Our systems include a computing network providing engineering and office automation, an integrated database system, and a data acquisition system to manage real-time air monitoring data from monitoring stations operated by the District and industry-operated monitoring stations, as well as data collection and verification of continuous emission monitoring of large facilities. Additionally, we program IT solutions that streamline our processes, creating cost reductions, time saving efficiencies, and increased productivity.

Air Monitoring

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

Engineering Division

The Engineering Division provides initial and ongoing permitting, engineering, air toxics, and source testing services to applicants and operators of stationary sources of air pollution. We also coordinate all Public Records Act requests. Permits are required for a broad range of activities, from small businesses such as dry cleaners to large petroleum production and mining operations. The division manages permits for approximately 1,200 permitted or registered stationary facilities of small, medium, and large size, with a broad range of air pollution emitting activities. We also oversee the emission offsets program, including the Emission Reduction Credit Source Register.

The District ensures that operators of such activities abide by federal, state, and local air pollution laws and regulations. Larger facilities also require federal (Part 70) operating and PSD permits in accordance with the federal Clean Air Act. The technical staff from the Engineering Division also review detailed Plans and Reports from our larger sources, including the review of semi-annual Compliance Verification Reports from the Part 70 Sources.

Public Records Act Requests

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

Permitting

The review of new sources of pollution entails detailed engineering analyses of permit applications, evaluating applications for compliance with local, state, and federal rules and regulations, issuing the mandated authority to construct permits and, if compliance with applicable air regulations and permit conditions is met, issuing the permits to operate.

Reevaluations of existing permits, as required by law, are performed every three years to review the project descriptions, equipment lists, and conditions and to bring the permits current with any new or revised rules and regulations. Larger sources require federal operating permits in addition to the District's permitting requirements. We also regulate and permit 15 federal Outer Continental Shelf (OCS) oil and gas platforms under a delegation agreement with the USEPA. Engineering staff coordinates with other agencies to ensure that the permit holder complies with all of their permit conditions, applicable rules and regulations, performance standards, the California Health & Safety Code, and the federal Clean Air Act.

Once the permit compliance to operate is issued, technical staff from the Engineering Division provide ongoing support for the more detailed and complex data submittals, source test plans/reports, and continuous emissions monitoring plans/reports. This may also include site-assessments in the field. The source testing function is the physical measurement of pollutants from emission points; it is used to determine compliance with applicable rules and permit conditions. We utilize GIS tools in our permitting and air toxics programs to ensure sensitive receptors (e.g., schools) are properly notified.

Air Toxics

The air toxics function includes the Air Toxics "Hot Spots" (AB 2588) Program, the review of applications to ensure no sources of significant toxic risk are permitted, and the tracking and implementing of requirements of state and federal air toxic control measures. Computer air quality modeling analyzes potential air quality impacts of proposed projects using highly specialized software, which simulate the movement and dispersion of air pollutants, including the preparation of health risk analyses in certain cases. This modeling is also used in our larger permit applications to ensure compliance with State and National Ambient Air Quality Standards and Increments. The "Hot Spots" Program requires businesses to develop and update an emission inventory of toxic air pollutants, and some businesses are required to perform a health risk assessment. The state of California develops Air Toxic Control Measures for categories of sources that emit toxic air contaminants, and the District implements these measures locally. The USEPA also develops air toxic control requirements, known as Maximum Achievable Control Technology standards and these are implemented locally by the District as well via a delegation agreement.

Compliance Division

The Compliance Division provides initial and ongoing inspection and enforcement services to applicants and operators of stationary sources of air pollution. Inspections are performed at a broad range of activities, from small businesses such as dry cleaners to large petroleum production and mining operations. We also perform random surveillance activities; reply to

public nuisance complaints regarding odors, smoke and dust; implement the federal Asbestos program; inspect equipment under the Statewide Portable Equipment Registration Program (PERP); inspect our local agricultural engine registrations; and in coordination with Santa Barbara County Fire, implement our burn programs (e.g., agricultural burns, prescribed burns). Compliance staff annually inspect approximately 1,000 permitted or registered stationary facilities of small, medium, and large size, with a broad range of air pollution emitting activities.

Inspector Duties

The field inspection function verifies compliance by conducting and documenting site inspections, reviewing records, accessing on-site monitoring data, and monitoring pollution levels. A large part of the inspector's role is to educate the sources on what is required and expected of them. In addition, Inspectors provide in-the-field compliance assistance and instruction. Compliance staff also respond to citizen complaints, prepare reports for variances and abatement orders heard before the District Hearing Board, manage the District's mutual settlement program, manage the asbestos demolition and renovation compliance program, and manage the open fires and agricultural/prescribed burning programs (including direct coordination with the County/City Fire Departments). The Compliance staff coordinate with the Engineering Division on the more technically complex sources and the Technology & Environmental Assessment Division when new or revised rules are being written.

Enforcement and Mutual Settlement

Our enforcement function includes documenting non-compliance with the air quality requirements by writing Notices of Violation. The primary goal is to always get a source back into compliance with the applicable permit and rule requirements. The District typically attempts to settle violations directly with the source following guidelines outlined in our Mutual Settlement Policy & Procedure. The District will occasionally refer cases directly to the District Attorney's office.

Technology & Environmental Assessment Division

The Technology & Environmental Assessment (TEA) Division is responsible for planning and rule development, as well as coordinating with planning departments around the county. TEA also conducts outreach throughout the county which includes grant programs to promote clean air technologies, presentations for schools and community groups, and partnerships with local agencies and organizations. The Division reviews discretionary actions by the County and cities, providing comments on air quality issues, and is also responsible for ensuring compliance with the California Environmental Quality Act. Grants administered by the Division include incentives for replacing higher-emitting cars and off-road equipment, and replacing marine diesel engines with newer, cleaner engines. In addition, the TEA Division initiates and supports collaborative efforts to reduce emissions from unregulated sources, such as programs to reduce

emissions from marine shipping (Protecting Blue Whales and Blue Skies) or visitors' vehicles (Santa Barbara Car Free).

Planning

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

Rule Development

The Rule Development Section implements air pollution control measures prescribed by the Clean Air Plan or applicable regulations adopted by the California Air Resources Board (CARB) to protect human health and the environment of Santa Barbara County. New and amended rules are analyzed for cost effectiveness. Opportunities for public participation in the rule development process are extensive, beginning with public workshops, then Community Advisory Council reviews, and finally public hearings at the District's Board.

Public Outreach

The District's Public Outreach Program includes production and distribution of newsletters, brochures, videos, and other educational materials; presentations at schools and at business, education, and other community events; development and support of partnerships around common interests with a range of organizations and agencies; implementation of special outreach and initiatives; and development and maintenance of the District website. Our staff maintain media relations, oversee the District's social media accounts, and serve as the District Public Information Officer. Through the actions mentioned above, staff assist business and the public to educate and take action for cleaner air. Staff also monitor proposed legislation to prepare for the potential effects and communicate the potential effects to the public.

Land Use

District staff ensure that all permits, plans, rules, and programs of the District are in compliance with the California Environmental Quality Act (CEQA). As a CEQA responsible agency, we review the larger land development and planning policy documents and provide comments and suggestions for mitigation measures on the air quality analyses in other local agencies' environmental documents. At the state level, staff participate in statewide efforts to develop refinements to tools for calculating project air quality, health, and climate change impacts and mitigation measure benefits. In addition, staff coordinate with the

Santa Barbara County Association of Governments on the development and implementation of transportation control measures and participates with SBCAG in regional transportation planning efforts and committees to evaluate transportation plans, projects, and funding proposals.

Grant Programs/Innovative Technologies

District Grant Programs promote the development, demonstration, and implementation of clean fuels and clean energy technologies to reduce air pollution through incentives to local businesses and industry. Staff initiates projects through government-industry partnerships and through leveraged funding. The District’s portion of the funding comes primarily from the state Carl Moyer Program, a California Energy Commission Grant, and funds from the clean air surcharge on motor vehicle registration fees. Permit fees are not used to fund these programs.

Impact Measures

<u>Measure</u>	<u>Actual CY 2015</u>	<u>Goal CY 2016</u>	<u>Est. Actual CY 2016</u>	<u>Goal CY 2017</u>
Number of days on which the state one-hour ozone standard is not met somewhere in Santa Barbara County	0	≤ 2	0	0
Number of days on which the federal eight-hour ozone standard is not met somewhere in Santa Barbara County	0	≤ 3	1	≤ 1
Number of days on which the state eight-hour ozone standard is not met somewhere in Santa Barbara County	2	≤ 10	1	≤ 2
Number of days on which the state PM ₁₀ standards are not met somewhere in Santa Barbara County	15	≤ 15	15	≤ 15
Number of days on which the federal PM _{2.5} standard is not met somewhere in Santa Barbara County	0	0	0	0

CY = Calendar Year

Fiscal Year 2015-16 Significant Accomplishments

Summary

- Zero exceedances of the federal 8-hour ozone standard in CY 2015.
- Zero exceedances of the federal 24-hour PM_{2.5} standard in CY 2015.
- Two exceedances of the state 8-hour ozone standard in CY 2015.
- Performed 639 inspections and 590 permitting actions in CY 2015.
- Responded to 227 air pollution complaints in CY 2015.
- Maintained the number of people exposed to a cancer risk of 10 in-a-million or greater from permitted sources at zero.
- Issued \$1,532,314 in clean air grants.
- Launched new website for the Santa Barbara Car Free project.

Air Quality

Santa Barbara County air quality continues to meet all but two ambient air quality standards. With the exception of the State eight-hour ozone standard and the State particulate matter (PM₁₀) standards, the county meets all federal and state standards. Santa Barbara County saw a decrease in the number of ozone exceedance days in 2015. The ozone standard was exceeded on two days: one day in April 2015 and one day in October 2015. The State 24-hour PM₁₀ standard was exceeded 15 days in 2015, a decrease from the 23 days in 2014. Eight of those days were in March and April 2015 and seven occurred in August-October 2015.

Marine Shipping

Ships transiting off our coast are a major source of ozone-forming nitrogen oxides (NO_x) in our County, and a major source of air toxics, particle pollution, and greenhouse gases. In order to maintain our hard-won accomplishment of attaining the federal ozone standard and to make progress toward attaining the state eight-hour ozone standard, we are continuing to look for ways to reduce emissions from this large mobile source. Ocean-going vessels passing along our County's 140 miles of coastline are predominantly internationally flagged vessels, and have been largely unregulated in the past. The following regulatory actions will have a positive impact on marine shipping emissions:

- 1) USEPA regulations that require, starting in 2016, Tier 3 level emission standards on all new large "Category 3" engines used in marine vessels.
- 2) The International Maritime Organization (IMO) North American Emission Control Area (ECA) requirements mandating the use of low-sulfur fuel (0.1%) out to 200 nautical miles off the coast of North America became effective January 1, 2015. This rule harmonizes with the California Air Resources Board (CARB) "Fuel Sulfur and Other

Operation Requirements for Ocean-Going Vessels within California” already in effect out to 24 miles. This cleaner fuel is producing air quality benefits in reductions of emissions of air toxics and particle pollution.

- 3) The California Air Resources Board (CARB) “Fuel Sulfur and Other Operation Requirements for Ocean-Going Vessels within California” rule, which sets the same fuel sulfur limit but specifies distillate fuel, remains in effect out to 24 miles outside the Channel Islands. These cleaner fuels are producing air quality benefits in reductions of emissions of air toxics, sulfur, and particle pollution.

However, only item #1 above addresses ozone-forming pollutants, and cleaner engines will be phased in over a long period of time as new engines are installed. Ship speed reduction is one of the few strategies that can achieve near-term reductions in NOx emissions, and also provides whale-protection benefits. In 2015, we participated in a Marine Shipping Working Group formally established by the Channel Islands National Marine Sanctuary Advisory Council to address environmental and navigational concerns of shipping in the Channel. Among measures recommended by the Working Group was an additional vessel speed reduction program.

Innovative Emission Reductions

The Innovative Technologies Group (ITG), through its efforts to establish cooperative government-industry partnerships, has continued promoting the application of clean air technologies. ITG activities for FY 2015-2016 will reduce over 74 tons of smog-forming and particulate pollutants. Emission Reduction activities included:

- Replaced one diesel-powered school bus with a new CNG-powered school bus.
- Replaced 17 CNG hoses at a school district CNG fueling facility.
- Replaced seven old agricultural tractors with new tractors.
- Replaced one old construction backhoe with a new construction backhoe.
- Repowered three marine vessels with new marine diesel engines.
- Issued grants to assist in the purchase/installation of four Level 2 electric vehicle charging stations.
- Purchased 442 vehicles under the Old Car Buyback Program.

FISCAL YEAR 2016-17

OPERATING BUDGETS BY DIVISION

Administration Division

The Administrative Division expenses are allocated to the District's direct operating activities as an overhead allocation based upon direct billable salaries and benefits. The Administration Division includes a Fiscal and Executive section, Human Resources, and an Information Technology Section which includes information technology services, data acquisition, and air monitoring operations. Each section has costs associated with specific goals and objectives; and an Administrative Overhead section, which accumulates expenses that are not attributable to any specific district activity, such as rent, landscaping, janitorial, insurance, and utilities.

EXPENDITURE PLAN				
	Actual FY 2014-15	Adopted FY 2015-16	Est Act FY 2015-16	Proposed FY 2016-17
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 1,242,869	\$ 1,214,194	\$ 1,261,194	\$ 1,105,553
Fiscal and Executive	846,818	841,118	841,118	881,233
Human Resources	208,169	343,647	522,027	124,583
Air Monitoring	490,534	609,550	609,550	648,428
Information Technology	705,312	794,245	794,245	725,353
Operating Total	3,493,702	3,802,754	4,028,134	3,485,150
<i>Other Financing Uses</i>				
Increase in Fund Balance	567,070	48,815	122,542	-
Expenditure Plan Total	\$ 4,060,772	\$ 3,851,569	\$ 4,150,676	\$ 3,485,150

CHARACTER OF EXPENDITURES				
	Actual FY 2014-15	Adopted FY 2015-16	Est Act FY 2015-16	Proposed FY 2016-17
<i>Operating Expenditures</i>				
Regular Salaries	\$ 1,120,796	\$ 1,253,921	\$ 1,253,921	\$ 1,145,781
Overtime	10,546	-	-	-
Extra Help	66,743	68,614	68,614	22,900
Benefits	814,818	909,193	909,193	866,138
Salaries & Benefits Total	2,012,903	2,231,728	2,231,728	2,034,819
Services & Supplies	1,226,947	1,305,019	1,394,399	1,187,324
Other Charges	138,058	143,007	293,007	146,007
Fixed Assets	115,794	123,000	109,000	117,000
Operating Total	\$ 3,493,702	\$ 3,802,754	\$ 4,028,134	\$ 3,485,150

Significant Changes (FY 2015-16 Adopted to FY 2016-17 Proposed)

The proposed FY 2016-17 Operating Total for the Administration Division will decrease by \$317,604 from the adopted 2015-16 budget to \$3,485,150.

Salaries and benefits decreased \$196,909 primarily due to defunding the HR Officer position, which is currently vacant. Due to shortfalls in certain revenue categories, the District decided to leave one position vacant in each of the four divisions to help counterbalance the shortfalls. The District also anticipates using less hours of its Extra-Help employees. These decreases will be offset by a 2% COLA that was negotiated through the bargaining process. Salaries will be adjusted for this half way through the fiscal year. Lastly, another small offset will be attributed to employees receiving merit increases.

Services and supplies decreased by \$117,695 due to reductions in overall departmental expenses, to help offset the revenue shortfall the District is experiencing. The line items directly affected were Travel & Training, Office Expense, Professional Services, Memberships and Small Equipment. The cuts that were made were reviewed by the management team, and thought to be achievable without reducing productivity of staff or reducing the services the District offers to the regulated community.

Other charges increased by \$3,000 primarily due to an anticipated slight increase in our liability insurance premiums.

Fixed assets decreased by \$6,000 from the previous fiscal year due the air monitoring section needing to replace less equipment. However that section plans to continue to replace data loggers and air quality instruments, as the District has done in previous years. Which will continue the District's effort to maintain, if not use, the best technology available to monitor air quality.

Fiscal and Executive Services

Fiscal Year 2015-16 Significant Accomplishments

- Implemented a new time-off request form, built into our timesheet program, that is more user-friendly.
- Successfully made the transition from our previous APCO to our new APCO, Aeron Arlin Genet.
- Increased our accounts receivable collections rate to 99%.
- Renewed the North County Office lease in February 2016.
- Continue to implement the new online purchase order program for the District and streamline it to become totally paperless.
- Successfully met our Maintenance of Effort (MOE) requirement with the EPA which allowed the District to continue to receive federal grant funding.
- Successfully completed the financial audit for fiscal year 2014-15 with no audit findings.
- Successfully implemented the new GASB 68 pronouncement and recorded the District's portion of the unfunded liability with SBCERS on the face of the financial statements.
- Successfully filled the Accounting Supervisor position and also an Accounting Technician position.

Fiscal Year 2016-17 Goals and Objectives

1. Continue to look into updating our processes and streamline them to become more efficient.
2. Continue to study financial information system options for improved reporting.
3. Continue to submit and track State and Federal Grants, ensuring the District meets Federal MOE requirements for expenditures.
4. Continue improvement of fiscal staff knowledge of ever-evolving financial reporting requirements, as well as quality control procedures, ensuring accuracy of information.
5. Maintain the District's employee safety program.
6. Continue coordination of Casa Nueva building maintenance requests with co-tenants and sustaining a desirable work environment.

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

Recurring Performance Measures

Measure	Actual FY 2014-15	Goal FY 2015-16	Est. Actual FY 2015-16	Goal FY 2016-17
Percent of actual revenue received to revenue budgeted	107.3%	100%	92.8%	100%
Percent of actual expenditures to expenditures budgeted	87.4%	100%	93.1%	100%
Total federal maintenance of effort (MOE) above/(below) previous year MOE + \$1	\$462,550	≤ \$1	≤ \$1	≤ \$1

Human Resources

Fiscal Year 2015-16 Significant Accomplishments

- Conducted seven recruitments.
- Successfully completed the reporting requirements for the health care reform mandates.
- Administered District safety training program in compliance with OSHA regulations.
- Managed District workers' compensation program.
- Managed and provided comprehensive Human Resource programs and services for the District and its employees.
- Conducted ongoing monthly safety training for all staff.

Fiscal Year 2016-17 Goals and Objectives

1. Organize, direct, control, and review the day-to-day operations of the District's personnel program.
2. Analyze and make recommendations to District management regarding personnel policies and practices.
3. Participate in collaborative discussions and negotiations with employee organizations.
4. Meet with employees and employee organizations to discuss and resolve grievances and other workplace issues.
5. Review management and employee requests for classification and pay changes, initiate studies, and make recommendations as necessary.
6. Coordinate training and development programs for staff.
7. Administer employee benefit plans.
8. Review proposed legislation and new regulations and make appropriate recommendations for compliance.
9. Continue to evaluate Human Resources programs, identify needs, and implement programs and services in support of the agency's mission.

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

Information Technology Services

Three programs make up Information Systems: the Data Acquisition System (DAS), Air Monitoring, and the Local Area Network (LAN.)

Fiscal Year 2015-16 Significant Accomplishments

Automated Data Acquisition (DAS) Program

- The Information Systems staff provided reliable operation of the Data Acquisition System in support of program goals.
- The DAS system uptime exceeded 97%, Backups were 100%, Data Acquisition exceeded 90%.
- Ongoing improvements of function and efficiencies of the DAS system and the support of the monitoring sites.
- Upgraded DAS server to maintain operating efficiencies.
- Provided discounted fee to participants.

Local Area Network (LAN)

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

Purpose Statement: The Information Technology Services (ITS) is responsible for the management, development, operation, training, and maintenance of information systems at the APCD. These systems include a network of computers providing engineering and office automation, an integrated database system, and a data acquisition system to manage real-time air monitoring data from monitoring stations operated by the District and industry-run monitoring stations, as well as emission data from large facilities. The ITS develops innovative IT solutions to create operational efficiencies that reduce costs and increases productivity.

Fiscal Year 2016-17 Goals and Objectives

Automated Data Acquisition (DAS) Program

- 1. Up Time >97% / Data Acquisition >80%.
- 2. Backups 100% reliable.
- 3. Hold the line on costs for the Data Acquisition System.
- 4. Ongoing enhancements to the overall system.

Local Area Network (LAN)

- 1. Backups 100% reliable.
- 2. Reliably operate the LAN/WAN with minimal down time (Up Time >97%) including hardware and software maintenance, backups and telecommunications.
- 3. Ongoing public web site maintenance.
- 4. Software applications developed or enhanced for efficiency and accuracy.
- 5. Maintain and enhance network security.
- 6. Integrate phone and computer network functions to improve phone communications in the Santa Maria office.

Recurring Performance Measures

<u>Measure</u>	<u>Actual</u> FY 2014-15	<u>Goal</u> FY 2015-16	<u>Est Actual</u> FY 2015-16	<u>Goal</u> FY 2016-17
Network uptime	>97%	97%	>97%	97%
APCD website uptime	>99%	100%	>99%	100%
Data Acquisition System (DAS) valid data acquisition rate	>97%	97%	>97%	97%

Air Monitoring

Fiscal Year 2015-16 Significant Accomplishments

- Operated or provided oversight for the collection of high-quality ambient air monitoring data from 18 stations throughout the county.
- Published the 2014 Annual Air Quality Report on the District's web page.
- Continued equipment and parts replacement according to schedule.
- Passed all performance audits and met minimum data collection rates.
- Submitted and received USEPA approval of our 2015 Annual Air Monitoring Network Plan.
- Submitted to USEPA our 2015 Five Year Air Monitoring Network Assessment.
- Submitted and certified all 2015 air quality data to USEPA's database by May 1, 2016.

Fiscal Year 2016-17 Goals and Objectives

1. Ongoing operation of the District's State and Local Air Monitoring Stations (SLAMS) network and selected Prevention of Significant Deterioration (PSD) monitoring stations, and oversight of the remaining PSD monitoring network in accordance with federal and state requirements. Continue to review cost-effective advances in monitoring technology and daily monitoring procedures for incorporation into the monitoring program to increase program efficiencies.
2. Publish the Annual Air Quality Report on the District's web page.
3. Continue to update and produce new charts and graphs to provide new and historical air quality data on the internet.
4. Respond to ambient air quality data requests from the general public, outside agencies, and District staff. Continue daily Air Quality Index reporting to the District website.
5. Provide technical support to District project managers for major source continuous emissions monitoring programs.
6. Provide data to USEPA's AirNow program to provide real-time ozone and particulate matter mapping on the internet.

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

7. Submit for USEPA approval of our 2016 Annual Air Monitoring Network Plan.

Recurring Performance Measures

<u>Measure</u>	<u>Actual</u> FY 2014-15	<u>Goal</u> FY 2015-16	<u>Est Actual</u> FY 2015-16	<u>Goal</u> FY 2016-17
Collect 80%/90% valid data for air quality/meteorological measurements.	100%/100%	100%/100%	100%/100%	100%/100%

Engineering Division

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

EXPENDITURE PLAN				
	Actual FY 2014-15	Adopted FY 2015-16	Est. Act FY 2015-16	Proposed FY 2016-17
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 455,581	\$ 364,230	\$ 324,230	\$ 270,587
Permitting & Air Toxics	1,065,037	1,340,031	1,330,901	1,224,839
Operating Total	1,520,618	1,704,261	1,655,131	1,495,426
<i>Other Financing Uses</i>				
Increase in Fund Balance	100,000	85,655	85,655	-
Expenditure Plan Total	\$ 1,620,618	\$ 1,789,916	\$ 1,740,786	\$ 1,495,426

CHARACTER OF EXPENDITURES				
	Actual FY 2014-15	Adopted FY 2015-16	Est. Act FY 2015-16	Proposed FY 2016-17
<i>Operating Expenditures</i>				
Regular Salaries	\$ 988,585	\$ 1,133,698	\$ 1,133,698	\$ 1,011,301
Overtime	156	-	-	-
Extra Help	9,944	-	-	-
Benefits	478,660	498,353	498,353	452,859
Salaries & Benefits Total	1,477,345	1,632,051	1,632,051	1,464,160
Services & Supplies	16,501	71,210	21,880	30,016
Other Charges	641	1,000	1,200	1,250
Fixed Assets	26,131	-	-	-
Operating Total	\$ 1,520,618	\$ 1,704,261	\$ 1,655,131	\$ 1,495,426

Significant Changes (FY 2015-16 Adopted to FY 2016-17 Proposed)

The proposed FY 2016-17 Operating Total for the Engineering Division decreased by \$208,835 from the adopted 2015-16 budget to \$1,495,426.

Salaries and benefits decreased \$167,891 primarily due to the defunding of one Engineering Supervisor position, which is currently vacant. Due to shortfalls in certain revenue categories,

the District decided to leave one position vacant in each of the four divisions to help counterbalance the shortfalls. These decreases will be offset by a 2% COLA that was negotiated through the bargaining process. Salaries will be adjusted for this half way through the fiscal year. Lastly, another small offset will be attributed to employees receiving merit increases.

Services and supplies decreased \$41,194, due to reductions in overall departmental expenses, to help offset the revenue shortfall the District is experiencing. The line items directly affected were Business Travel & Training, Office Expense, Professional Services, Memberships and Small Equipment. The cuts that were made were reviewed by the management team, and thought to be achievable without reducing productivity of staff or reducing the services the District offers to the regulated community.

Other Charges increased \$250 due to a slight increase in motor pool charges.

Fixed assets had no change from the previous year; there are no anticipated fixed asset purchases planned for FY 2016-17.

Permitting, Source Testing, PRA and Air Toxics

Fiscal Year 2015-16 Significant Accomplishments

- The District conducted 590 permitting actions during calendar year 2015.
- Issued 18 Part 70 federal operating permit renewals during calendar year 2015.
- Reviewed and observed 131 emissions source tests during calendar year 2015.
- Replied to 227 requests for information under the Public Records Act during calendar year 2015.
- Continued our program design on a new web-based permit application process.
- Made significant progress in addressing the offsets issue by developing proposed changes to our New Source Review rules, including draft rule language, public workshops and a Community Advisory Council meeting.
- District staff are currently in the process of updating the Health Risk Assessment processes for UCSB, VAFB, ExxonMobil, Imery's Minerals California, and Venoco Ellwood to ensure these sources remain below the District's adopted risk management levels for significance.
- Continued the updates to our air toxics program and have completed the transition to the AERMOD dispersion model and ARB's HARP 2.0 health risk model. Hired and trained a new engineer for the Toxics Group.
- Complete the conversion over to EPA's new web-based ICIS database permit compliance tracking program.

Fiscal Year 2016-17 Goals and Objectives

1. Improve the quality and efficiency of the permitting process by implementing the following initiatives: continue our efforts at establishing a web-based permit application process; improving the permit application review process; updating the permit application forms; standardizing the emission calculations; and, streamlining the Permit to Operate and Part 70 Operating Permit processes.

Purpose Statement: We issue technically rigorous and effective permits to new and existing stationary sources and ensure each project complies with all applicable local, state and federal air quality requirements. We strive to protect the public from the exposure to significant levels of air toxics and inform and educate the public about emissions to which they may be exposed. We operate a technical-sound Source Test review and observation program. And we provide transparent and timely responses to Public Records Act requests for information.

2. Update our air toxics program to revamp the quadrennial Hot-Spots process; revamp our air toxics program management and reporting tools; ensure our new staff are trained to apply the new toxics program requirements; address, in coordination with the ARB, the risk impacts from emergency diesel generators and gasoline dispensing facilities; and, to implement new health risk screening tools to help streamline the process.
3. Finalize our efforts at addressing the permitting offsets issue by implementing the proposed revisions to our New Source Review rules.
4. Process and issue permits meeting all applicable timelines. Permit processing includes: application completeness review, meeting with applicants, written correspondence, permit drafting, engineering evaluation, site visits, public review (when applicable), and issuance.
5. Provide support to other District programs. Also provide support to numerous outside entities including: Santa Barbara County departments, local cities in Santa Barbara County, other air Districts in the state, California agencies, and federal agencies.
6. Actively participate in the CAPCOA Engineering Managers and TARMAC Committees.
7. Respond to all Public Records Acts requests in a timely and transparent manner.
8. Continue the automation of the permit process by updating and maintaining our permit data entry, permit system automation, and permit reports database programs.
9. Implement new State and Federal climate control regulations.

Recurring Performance Measures

Measure	Actual FY 2014-15	Goal FY 2015-16	Est. Actual FY 2015-16	Goal FY 2016-17
Permit Processing				
Percent of Authority to construct permit applications reviewed for completeness within 30 days of receipt	98%	100%	85%	100%
Percent of authority to construct permits issued within 180 days of application completeness	85%	100%	85%	100%
Percent of permit to operate annual scheduled reevaluation renewals completed within the year	95%	90%	94%	90%
Compliance				
Percent of complete review of all Part 70 major source compliance verification reports within 120 days	61%	50%	53%	50%
Source Testing				
Percent of source test reports reviewed within 60 days	65%	50%	100%	50%
Public Records Act Information Request Response				
Percent of requests initially responded to within 10 days of receipt	98%	98%	97%	98%

Compliance Division

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

EXPENDITURE PLAN				
	Actual FY 2014-15	Adopted FY 2015-16	Est. Act FY 2015-16	Proposed FY 2016-17
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 304,361	\$ 157,327	\$ 147,425	\$ 147,708
Compliance & Enforcement	647,647	851,959	847,519	850,941
Operating Total	952,008	1,009,286	994,944	998,649
<i>Other Financing Uses</i>				
Increase in Fund Balance	-	-	-	-
Expenditure Plan Total	<u>\$ 952,008</u>	<u>\$ 1,009,286</u>	<u>\$ 994,944</u>	<u>\$ 998,649</u>

CHARACTER OF EXPENDITURES				
	Actual FY 2014-15	Adopted FY 2015-16	Est. Act FY 2015-16	Proposed FY 2016-17
<i>Operating Expenditures</i>				
Regular Salaries	\$ 594,904	\$ 627,062	\$ 627,061	\$ 603,794
Overtime	5,311	-	-	-
Extra Help	-	-	-	-
Benefits	287,677	305,534	305,533	299,576
Salaries & Benefits Total	887,892	932,596	932,594	903,370
Services & Supplies	24,402	42,250	30,350	36,839
Other Charges	17,165	22,440	20,000	22,440
Fixed Assets	22,549	12,000	12,000	36,000
Operating Total	<u>\$ 952,008</u>	<u>\$ 1,009,286</u>	<u>\$ 994,944</u>	<u>\$ 998,649</u>

Significant Changes (FY 2015-16 Adopted to FY 2016-17 Proposed)

The proposed FY 2016-17 Operating Total for the Compliance Division decreased by \$10,637 from the adopted 2015-16 budget to \$998,649.

Salaries and benefits decreased \$29,226 primarily due to the defunding of one Inspector position, which is currently vacant. Due to shortfalls in certain revenue categories, the District decided to leave one position vacant in each of the four divisions to help counterbalance the shortfalls. These decreases will be offset by a 2% COLA that was negotiated through the

bargaining process. Salaries will be adjusted for this half way through the fiscal year. Lastly, another small offset will be attributed to employees receiving merit increases.

Services and supplies in the Compliance Division decreased \$5,411 due to reductions in overall departmental expenses, to help offset the revenue shortfall the District is experiencing. The line items directly affected were Business Travel & Training, Office Expense, Professional Services, Memberships and Small Equipment. The cuts that were made were reviewed by the management team, and thought to be achievable without reducing productivity of staff or reducing the services the District offers to the regulated community.

Other Charges remained consistent from the prior year. There is no change anticipated.

Fixed assets increased \$24,000 from the previous year due to the division requesting to purchase or replace equipment. One inspector vehicle and two aerosol monitors are budgeted for purchase in FY 2016-17.

Compliance and Enforcement

Fiscal Year 2015-16 Significant Accomplishments

- During calendar year 2015, inspectors performed 639 inspections.
- During calendar year 2015, inspectors responded to and documented 227 air pollution complaints.
- Continued improvements to the Compliance database program which digitizes all facets of the inspection process, ultimately saving time for staff, improving coordination with other District divisions, and greatly reducing paper waste.
- Redesigned and updated the Compliance webpages to improve delivery of information to the public and the regulated community.

Fiscal Year 2016-17 Goals and Objectives

1. Maintain a rigorous inspection and enforcement program, including mutual settlement of violations and assessment of economic benefits of non-compliance, when warranted.
2. Represent the agency in actions before the Hearing Board, and assist regulated facilities with the Hearing Board process.
3. Actively participate in the CAPCOA Enforcement Managers Committee.
4. Collect and report inspection statistics to ARB and USEPA.
5. Emphasize and improve the educational aspect of the Compliance program with our interactions with the public and regulated community, distributed materials, and webpages.
6. Continue to update and improve compliance forms and policies and procedures.
7. Continue the automation of the Inspection process by updating and maintaining our Compliance database programs.
8. Continue to update the Compliance webpages.
9. Continue to enhance the newly created paperless field inspection reporting process by adding new source-specific modules.
10. Improve the Division's reporting tools for tracking and reporting of compliance data to address the multiple data requests from internal and external customers.
11. Implement new State and Federal climate control regulations.

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

Recurring Performance Measures

Measure	Actual FY 2014-15	Goal FY 2015-16	Est. Actual FY 2015-16	Goal FY 2016-17
Inspections				
Percent of citizen complaints about air pollution responded to				
- within 3 hours	80%	90%	82%	90%
- within 24 hours	91%	95%	93%	95%
Percent of scheduled Part 70 major source inspections completed	94%	80%	82%	80%
Percent of assigned inspection caseload completed.	80%	80%	97%	80%

Technology & Environmental Assessment Division

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

EXPENDITURE PLAN				
	Actual FY 2014-15	Adopted FY 2015-16	Est Act FY 2015-16	Proposed FY 2016-17
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 350,177	\$ 216,696	\$ 217,877	\$ 220,127
Air Quality Planning	181,584	276,143	267,067	197,185
Rule Development	79,883	149,110	151,343	146,626
Community Programs	234,140	448,087	423,447	411,140
Land Use	289,724	290,099	276,721	302,897
Innovative Technologies	1,159,751	2,310,612	1,488,214	2,229,959
Operating Total	2,295,259	3,690,747	2,824,669	3,507,934
<i>Other Financing Uses</i>				
Increase in Fund Balance	315,539	-	-	-
Expenditure Plan Total	<u>\$ 2,610,798</u>	<u>\$ 3,690,747</u>	<u>\$ 2,824,669</u>	<u>\$ 3,507,934</u>

CHARACTER OF EXPENDITURES				
	Actual FY 2014-15	Adopted FY 2015-16	Est Act FY 2015-16	Proposed FY 2016-17
<i>Operating Expenditures</i>				
Regular Salaries	\$ 755,027	\$ 875,894	\$ 875,894	\$ 826,640
Overtime	2,530	-	-	-
Extra Help	14,417	10,320	10,320	10,320
Benefits	369,998	402,571	402,571	390,046
Salaries & Benefits Total	1,141,972	1,288,785	1,288,785	1,227,006
Services & Supplies	1,148,352	2,392,962	1,527,458	2,275,946
Other Charges	4,935	9,000	8,426	4,982
Fixed Assets	-	-	-	-
Operating Total	<u>\$ 2,295,259</u>	<u>\$ 3,690,747</u>	<u>\$ 2,824,669</u>	<u>\$ 3,507,934</u>

Significant Changes (FY 2015-16 Adopted to FY 2016-17 Proposed)

The proposed FY 2016-17 Operating Total for the Technology & Environmental Assessment Division will decrease by \$182,813 from the adopted 2015-16 budget to \$3,507,934.

Salaries and benefits decreased \$61,779 primarily due to the defunding of one Air Quality Specialist III position, which is currently vacant. Due to shortfalls in certain revenue categories, the District decided to leave one position vacant in each of the four divisions to help counterbalance the shortfalls. These decreases will be offset by a 2% COLA that was negotiated through the bargaining process. Salaries will be adjusted for this half way through the fiscal year. Lastly, another small offset will be attributed to employees receiving merit increases.

Services and supplies decreased by \$117,016 due to reductions in overall departmental expenses, to help offset the revenue shortfall the District is experiencing. The line items directly affected were Business Travel & Training, Office Expense, Professional Services, Memberships and Small Equipment. The cuts that were made were reviewed by the management team, and thought to be achievable without reducing productivity of staff or reducing the services the District offers to the regulated community. However, the following new incentive programs, studies and education projects were added to the budget; continue spending on our marine shipping initiative, a new lawnmower scrap incentive program, a new exhibit at The Wolf Museum of Exploration and Innovation in Santa Barbara, and a portable air sensor project with local schools. These projects are slated as one-time expenditures and will be paid for with fund balance monies. The two other large one-time projects are: the CEC grant for the Tri-County Hydrogen Readiness Plan, and the use of fund balance to allow for additional \$2 DMV grants to be awarded (Old Car Buy Back and School Bus Replacement).

Other Charges decreased \$4,018 due to the anticipated contributions to other agencies being lower.

Fixed assets had no change from the previous year; there are no anticipated fixed asset purchases planned for FY 2016-17.

Air Quality Planning

Fiscal Year 2015-16 Significant Accomplishments

- Published the 2013 Clean Air Plan triennial update to satisfy California Clean Air Act requirements for the state 8-hour ozone standard.
- Updated Point and Area source emissions for 2014 and submitted to the Air Resources Board.
- Issued all applicable emission-based fees for FY 2015-2016 including OCS sources.
- Continued upgrading greenhouse gas emission inventory database.
- Fulfilled all public data requests for planning or emission inventory information.

Fiscal Year 2016-17 Goals and Objectives

1. Prepare the 2016 triennial update of our plan to attain the state ozone standards.
2. Conduct a follow-up marine vessel speed reduction program.
3. Track USEPA implementation of the new federal 8-hour ozone standard and any new planning requirements.
4. Track implementation of AB 32 and SB 375.
5. Submit information to USEPA as required by their Section 105 Grant.
6. Prepare, distribute, collect, and analyze emission questionnaires and statements.
7. Compile, mail out, and respond to inquiries on annual emission, AQAP, and air toxic program fee invoices.
8. Fulfill all public data requests for planning or emission inventory information.

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

Recurring Performance Measures

<u>Measure</u>	<u>Actual</u> FY 2014-15	<u>Goal</u> FY 2015-16	<u>Est Actual</u> FY 2015-16	<u>Goal</u> FY 2016-17
Submit emissions inventory data to the California Air Resources Board each year by November 1	9/26/2014	9/1/2015	8/11/2015	10/31/2016
Process emissions inventory data submitted by sources for fee invoices each year by April 30 (deadline May 31)	5/31/2015	5/31/2016	5/31/2016	5/31/2017

Rule Development

Fiscal Year 2015-16 Significant Accomplishments

- Drafted revised Rules 102, 105, 202, 204, 801, 802, 803, 804, 805, 806, 809, and 1301 to update the Districts New Source Review program. Prepared rulemaking support documents, held workshops, and a Community Advisory Council meeting to bring the package for board adoption in early FY 16-17.
- Drafted new Rule 807 to implement a greenhouse gas emission reduction credit program. Prepared rulemaking support documents to bring the package for board adoption in FY16-17.

Fiscal Year 2016-17 Goals and Objectives

1. Develop and maintain a rule development schedule that is consistent with District’s Ozone Plan. Modify priorities as necessary to comply with federal and state requirements, or to address local concerns.
2. Adopt revised Rules 102, 105, 202, 204, 801, 802, 803, 804, 805, 806, 809, and 1301 to update the District’s New Source Review program.
3. Hold workshops, and develop and adopt new Rule 807 to implement a greenhouse gas emission reduction credit program.
4. Hold workshops, and develop and adopt revised Rule 360 to control emissions from large water heaters and small boilers.
5. Develop and adopt rules as required by potential new state and federal mandates, such as state airborne toxic control measures, federal New Source Performance Standards, and National Emission Standards for Hazardous Air Pollutants.
6. Before adoption, present all proposed rules to the District Community Advisory Council for its recommendation to the Board.

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

Recurring Performance Measures

Measure	Actual FY 2014-15	Goal FY 2015-16	Est Actual FY 2015-16	Goal FY 2016-17
Number of draft rules released for public review	0	11	13	2

Community Programs

Fiscal Year 2015-16 Significant Accomplishments

- Published two printed *On-The Air* and *Business Focus* newsletters.
- Participated in multiple community and school events, including Santa Barbara Earth Day, Vandenberg Air Force Base Earth Day, Marian Medical Center Environmental Fair (August 2015) and Earth Day Fair (April 2016), Santa Barbara Open Streets, several Green Business Program events, a range of ribbon-cuttings and community meetings, and more. Also, we made numerous classroom presentations to UCSB students, Santa Barbara City College students, and students at other schools throughout the County.
- Co-sponsored a UCSB Bren School Master's Project on assessing costs and benefits of vessel speed reduction.
- Participated in the Marine Shipping Working Group under the Channel Islands National Marine Sanctuary Advisory Council, to explore with other stakeholders possible measures to reduce missions, protect whales, and improve navigational safety in the Santa Barbara Channel Region. Attended four in-person meetings, and eight webinars, and participated in online collaborative planning culminating in a March 2016 report to the Council.
- Planned with partners for a second Vessel Speed Reduction Trial Program for emission-reduction and whale-protection benefits.
- Supported enhanced features on the www.OurAir.org website.
- Produced and distributed an annual report-video "Snapshots from 2014," (released in July 2015) detailing District accomplishments of the prior year, and produced and distributed videos promoting car-free tourism initiatives of the Santa Barbara Car Free project.
- Partnered in the Green Business Santa Barbara County program and maintained certification as a green business.
- Worked with staff in other Divisions to develop communication materials, including infographics, brochures, and web pages.
- Issued news releases and promoted media coverage of District issues and news.
- Continued to lead the Santa Barbara Car Free project with Amtrak and more than 100 other partners, and launched a new website.

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

- Operated Business Assistance Program and Business Assistance Line to help businesses comply with District requirements. Developed outreach materials for District programs.
- Reviewed public notices, made presentations to the public and industry, continued to enhance the District website, and provided website support to staff, as well as support in development of documents, materials, and Board presentations.
- Participated in the Emergency Public Information Communicators (EPIC) Committee and the National Association of Clean Air Agencies Outreach Committee, and served as Chair (2015) of the CAPCOA Public Outreach Committee.
- Partnered with the County Education Office, Santa Barbara County Water Agency, and utility companies on the “Care for Our Earth” program to award mini-grants to 38 teachers at 25 county schools to do environmental projects with their students.

Fiscal Year 2016-17 Goals and Objectives

1. Publish *On-The Air* and *Business Focus* newsletters.
2. Participate in the Santa Barbara County Green Business Program.
3. Continue to support implementation of marine shipping initiatives, working with partners.
4. Administer the Business Assistance Program including managing the Business Assistance Line, providing information and direction to businesses, compliance and permit assistance, and incentive information.
5. Schedule and provide speakers at schools and other events and in response to community requests.
6. Maintain and improve the District’s website, expand outreach in social media avenues of communication, and continue to develop communication materials.
7. Participate in the CAPCOA Public Outreach Committee to promote statewide consistency in communicating air quality information, to share communication products, and to develop and implement joint outreach initiatives.
8. Participate in the National Association of Clean Air Agencies Public Outreach committee to maximize input on federal air quality communication programs, and to benefit from national communication initiatives.
9. Participate in the Emergency Public Information Communicators committee to share information and strategies.
10. Promote clean-air transportation choices through implementation of the Santa Barbara Car Free project and participation in community events and projects.

Recurring Performance Measures

Measure	Actual FY 2014-15	Goal FY 2015-16	Est. Actual FY 2015-16	Goal FY 2016-17
Publish "On-The Air" newsletter	2	3	2	2

Land Use

Fiscal Year 2015-16 Significant Accomplishments

- Prepared California Environmental Quality Act (CEQA) documentation for all rules and permits where the District was the lead agency, and assisted other agencies in the preparation of air quality analyses for CEQA documents for a variety of land use project types.
- As a responsible agency, reviewed environmental documentation for major oil and gas projects, and as a concerned agency, reviewed documents from NEPA and CEQA lead agencies such as Caltrans, California State Land Commission, U.S. Department of Interior/Bureau of Indian Affairs, UCSB, local cities, Santa Barbara County and other special districts.
- Collaborated with other air districts to test and upgrade land use emission calculation tools to enhance analysis capabilities for mitigation measures, greenhouse gases, and construction impacts.
- Participated in the Subdivision/Development Review Committees of Santa Barbara County and Goleta, and SBCAG's Technical Transportation Advisory Committee and Technical Planning Advisory Committee.
- Prepared the environmental review for the District's update of its New Source Review program.
- Worked with planners from the County and cities to assist them in evaluation of air quality impacts of projects.

Fiscal Year 2016-17 Goals and Objectives

1. Implement CEQA on District rules, permits, and plans.
2. Carry out CEQA responsible agency review for stationary sources requiring District permits, and concerned/trustee agency review for major development projects in the county.

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

3. Work with other districts to improve the tools to assess criteria pollutant and greenhouse gases from direct and indirect sources and to quantify the effectiveness of mitigation measures.
4. Continue to provide information and training to planners and consultants on methodology and resources available for evaluating air quality and climate change/greenhouse gas impacts from development projects.
5. Continue to participate on CAPCOA Planning Managers Group (serving as Chair in 2016) and related focus groups to coordinate statewide solutions for emissions estimation tools, mitigation strategies, and establishing CEQA thresholds.
6. Revise the District Environmental Review Guidelines as necessary to address new requirements.

Recurring Performance Measures

Measure	Actual	Goal	Est Actual	Goal
	FY 2014-15	FY 2015-16	FY 2015-16	FY 2016-17
Percent of CEQA reviews completed within 30 days for all initial studies and minor projects	100% of 134	100% of 160	100% of 142	100% of 140

Innovative Technologies Group

Fiscal Year 2015-16 Significant Accomplishments

- Replaced 17 CNG hoses at a school district CNG fueling facility.
- Replaced one diesel-fueled school bus with a new CNG fueled school bus.
- Replaced seven old agricultural tractors with new tractors.
- Replaced one old construction backhoe with a new construction backhoe.
- Repowered three marine vessels with new marine diesel engines.
- Issued grants to assist in the purchase/installation of four Level 2 electric vehicle charging stations.
- Purchased 442 vehicles under the Old Car Buy Back Program.
- Continued implementation of the Carl Moyer Program.
- Applied for and received Carl Moyer Program Year 18 funding.
- In partnership with Santa Barbara County, EV Communities Alliance, Community Environmental Council, Central Coast Clean Cities Coalition, and Ventura County and San Luis Obispo County APCDs, worked to develop the Tri-Counties Alternative Fuels Readiness Plan, and helped implement the Electric Vehicle Readiness Plan for Ventura, Santa Barbara, and San Luis Obispo Counties.

Fiscal Year 2016-17 Goals and Objectives

1. Lead the development of a tri-county hydrogen refueling infrastructure plan to support the introduction of hydrogen-fueled vehicles in the region.
2. Evaluate grant applications and issue grants according to the Carl Moyer Program, AB 923, APCD Electric Vehicle Charging Station Program, and the 2013 Guadalupe Dunes Mitigation Program criteria.
3. Continue management of existing programs, e.g., the marine re-power program, state Carl Moyer Program, off-road vehicle replacement program, and the school bus replacement/retrofit program.

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

4. Administer and implement projects funded by AB 923 funds, Carl Moyer Program funds, and motor vehicle registration fees to reduce emissions from diesel engines (e.g., Agriculture Assistance Program, School Bus Replacement and Retrofit programs, etc.) and from the Old Car Buy Back Program.
5. Continue efforts to “clean the fleet” by working with local fleet vehicle operators, and transit and school districts to re-power, retrofit, or replace diesel engines.
6. Work closely with school districts on grant agreements to help replace school buses as required by state law.
7. Track developments in EV fast charging technology and partner with the Community Environmental Council, UCSB, the Central Coast Clean Cities Coalition, and SCE and PG&E to plan for and fund publicly accessible charging stations.
8. Support Santa Barbara County in developing an Alternative Fuels Readiness Plan.

Recurring Performance Measures

Measure	Actual	Goal	Est Actual	Goal
	FY 2014-15	FY 2015-16	FY 2015-16	FY 2016-17
NO _x , ROC, and PM emissions reduced from signed Moyer grant agreement projects (tons).	26	20	67	40
Average cost effectiveness for all Carl Moyer Program funded projects (\$/ton)	\$12,134	\$15,000	\$12,075	\$14,000