

Santa Barbara County
Air Pollution Control District

ADOPTED BUDGET FISCAL YEAR 2018-19

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 Das Williams

First District

Santa Barbara County Board of Supervisors

Supervisor Janet Wolf

Second District

Santa Barbara County Board of Supervisors

Supervisor Joan Hartmann

Third District

Santa Barbara County Board of Supervisors

Supervisor Peter Adam

Fourth District

Santa Barbara County Board of Supervisors

Supervisor Steve Lavagnino, Chair

Fifth District

Santa Barbara County Board of Supervisors

Mayor Holly Sierra

Alternate – Vice Mayor Ed Andrisek

City of Buellton

Councilmember Al Clark

Alternate – Vice Mayor Wade Nomura

City of Carpinteria

Councilmember Michael T. Bennett

Alternate – Councilmember Roger Aceves

City of Goleta

Mayor John Lizalde, Vice-chair

Alternate – Councilmember Ariston Julian

City of Guadalupe

Councilmember James Mosby

Alternate – Councilmember Jenelle Osborne

City of Lompoc

Mayor Cathy Murillo

Alternate – Councilmember Jason

Dominguez

City of Santa Barbara

Mayor Alice Patino

Alternate – Councilmember Etta Waterfield

City of Santa Maria

Mayor Jim Richardson

Alternate – Councilmember Joan Jamieson

City of Solvang

AIR POLLUTION CONTROL OFFICER'S BUDGET MEMORANDUM

June 21, 2018

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

Dear Chair Lavagnino and Board Members:

The Fiscal Year (FY) 2018-19 Adopted 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 2018-19, which runs from July 1, 2018 through June 30, 2019. 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 match revenues, thus making a balanced budget. Therefore, planned revenues cover all operational expenses. Periodic expenses (e.g., capital improvements) are paid through fund balance accounts (i.e., savings) specifically designated for those items.

The majority of the FY 2018-19 revenues will be generated by two sources: 1) funds earned by "operational" employees (predominately engineers, specialists, and technicians) who complete work products such as permits, inspections, evaluations, planning, and reviews for regulated sources, and 2) federal and state grants with uses 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, grants, and public outreach. Expense line items are thoroughly reviewed each year in an effort to keep costs down.

FY 2018-19 Budget at a Glance

The District's balanced adopted budget for FY 2018-19 totals \$11,115,037, a 7.2% increase from the current year's adopted budget. Of the total adopted budget, 29.3% (i.e., \$3,257,438 – 31.3% increase from current FY) is pass-through funds, which are funds that are received by a recipient

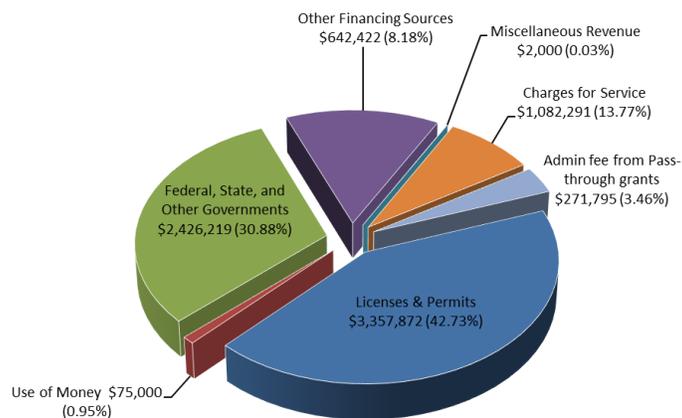
The District's mission is to protect the people and environment of Santa Barbara County from the effects of air pollution.

The FY 2018-19 budget was built to ensure continued mission success and continued progress toward its vision: Clean Air.

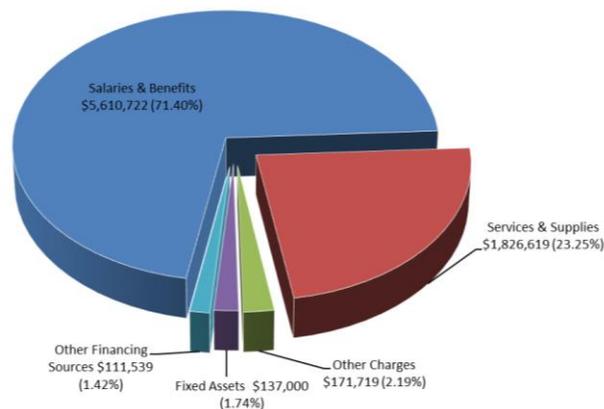
government (District) and distributed to a third party such as emission reduction grant projects through our Carl Moyer Program. Pass-through funds are grant funds with specified uses, and are not eligible to cover District operations. To best illustrate the budget that falls within the District’s purview to allocate, the summary figures below depict the District Revenues and Expenditures with the exclusion of pass-through funds — a total operating revenue of \$7,857,599. Expenditures continue to be dominated by salaries and benefits, which total \$5,610,722. 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 provide an adequate reserve. Our fund balance total is forecasted to be \$5,308,255, and of that total, \$1,500,000 (approximately 13.5% of total budget) has been set aside by our Board as strategic reserve to be used during a fiscal emergency.

Total Operating Revenue \$7,857,599



Total Operating Expenditures \$7,857,599



Revenue & Expenditure Changes

Overall revenue is estimated to increase in FY 2018-19 compared to FY 2017-18. The main factor for this increase is the one-time pass-through monies received from the California Air Resources Board (CARB) for multiple state grant projects. The operating revenue decreased slightly when

compared to the current year by \$32,238. The following outlines significant factors influencing the FY 2018-19 budget:

- **One-Time Pass-Through Grant Fund Revenues:**

In the 2017 Legislative session, the state took action to increase funding for voluntary emission reduction programs for Carl Moyer Program projects. This action resulted in an increase of \$1,368,174 for local projects. The District also expects to receive an additional \$250,000 of funds for the implementation of a Wood Smoke Reduction Program to assist with the replacement of residential woodstoves and fireplaces with natural gas burning devices. These one-time revenue sources will provide an additional \$155,272 in administration funds to implement the grant program.

- **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 2018-19, is 3%. CPI fee adjustments are made July 1 to our permit application and evaluation fees, source testing fees, annual emission fees, as well as other fees prescribed in Rule 210.

- **One-time Expenditures Included in this Year's Budget:**

For FY 2018-19 the District budget includes three large one-time projects. The first one-time budget item is associated with transitioning the office further into a paperless environment, and electronically archiving Engineering Division files. This project, which we plan to out-source, is estimated to cost approximately \$65,000. The second large project is an expanded use of Purple Air Sensors, including a \$50,000 investment to expand the network of personal sensors countywide. Lastly, a one-time expenditure of \$50,000 is planned to expand District brand awareness, revamp the District's logo, and revise the navigation tools within the District's website.

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 law prescribes use. These savings accounts are generated through grant allocations received from federal and state agencies. Monies in these accounts are managed by our Grants Section and pass-through the District to qualified projects benefitting clean air. An example of a restricted fund balance is the state's Carl Moyer Program. For FY 2018-19, restricted fund balances total \$242,647.

- **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). In addition, 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 2018-19, committed fund balances total \$5,051,122, with \$3,523,656 designated as discretionary.

Reorganization FY 2018-19

In preparing the FY 2018-19 budget, the District assessed revenue and expenditure trends over a five-year window to ensure the agency is well positioned to move forward in a new era beyond traditional revenue streams. A long-range budget planning process enables the agency to proactively structure resources to optimize our ability to retain and recruit highly skilled professional employees while still living within our budgetary means and achieving our mission and mandate.

Long-Range Fiscal Outlook

Over the past two years, Santa Barbara County has experienced a significant reduction in oil and gas activity that has resulted in direct impacts to the District's revenue streams. This trend started with the Plains All American 901 Pipeline rupture in May 2015, which caused the shutdown of oil and gas facilities that were dependent on the onshore pipeline to distribute product, and in turn, reduced annual emission fees, source testing, monitoring fees, and reimbursable labor fees. Compounding this situation further, in April 2016, Venoco quitclaimed two state land leases and filed bankruptcy to liquidate existing assets.

Assuming a fiscally conservative position, the District anticipated similar reductions over the next five years related to local oil and gas activities. During this transition, workload will remain at a steady or even at a slightly elevated level when assisting with decommissioning of oil and gas activities. However, in the long-term, workload associated with these sources — such as source testing, monitoring, permit re-evaluations, inspections, and compliance tasks— will decrease. This decrease in oil and gas activity will have significant implications to revenues received, resulting in a projected shortfall of several hundreds of thousands of dollars annually for the District.

On the expenditure side, the District's contribution to the pension system has increased significantly over the past 10 years. Most recently, we have been notified that in order for Santa Barbara County Employee Retirement System (SBCERS) to fulfill the retirement obligations, District contributions will increase approximately 6% annually over the next five years, resulting in an additional expenditure of approximately \$100,000 annually.

In the midst of changing revenue streams, the District has also been subject to notable turnover of newly hired staff in technical positions (e.g., Engineers, Air Quality Specialists). Over the past

The District conducted a five-year forecast to identify changes to the revenue and expenditures to ensure the agency is well positioned to move into in a new era, beyond traditional revenue streams. The goal of this proactive approach is to safeguard the District's long-term stability and necessary resources to implement our mission and mandates.

year, seven of the 10 staff who left the District moved onto positions with more competitive pay. Staff turnover is time consuming and requires agency resources for recruitment and training in addition to less efficiency due to inexperienced staff. Ideally, the District would be able to recruit and retain highly skilled professional employees who would increase overall efficiency with more years in air quality positions. A data-driven compensation survey¹ was conducted in 2017 to assess the District's compensation package to determine if the salary ranges and total compensation are competitive with comparable jobs in agencies that represent the labor market. The study showed that 75% of the District employees are paid 4.5% to 12.4% below market median. In order to recruit and retain high-performing professional staff, a critical component of the reorganization effort is to address employee compensation to ensure the District is competitive in the employee marketplace.

Structural Changes to Move the Agency Forward

In order to maintain a strong, sustainable agency that is able to carry out its mission and mandates to protect public health, and in order to operate with limited funding streams, the District's staff size, organizational structure, and high-skilled employees are critical. Due to recent staff vacancies, the District is in a unique situation to downsize the total number of employees by permanently not filling positions. Over the next five years, with anticipated retirements, the total funded staff size will be reduced from 43 employees to 35. In FY 2018-19, the adopted budget includes 37 funded employees. With the salary savings recognized from proactively utilizing unfilled funded positions, the District is able to address the organizational structure and staff compensation.



The organizational structure of the agency includes four Divisions: Administrative, Compliance, Engineering and Technology & Environmental Assessment (TEA). This is a common structure of air districts throughout the state and serves our region well. To increase efficiency, due to overall staff size and workload responsibilities, the following structural changes are included in this year's budget package:

- To simplify, the TEA Division will be renamed to the Planning Division and carry out its continued responsibilities associated with long-range planning, rule development, community programs, and land use.
- Monitoring staff will join the Planning Division to enable further collaboration on data assessment, long-range planning, and community awareness programs.
- Newly formed Principal Monitoring Specialist position will lead the District's monitoring program.

¹ Ralph Anderson & Associates Compensation Report, July 25, 2017

- The Public Information Officer position will be moved from the Planning Division and become part of the Management Team, reporting directly to the Air Pollution Control Officer, to better serve all aspects of the agency.
- To address the current off-balanced supervisor-staff ratio, eliminate two supervisor positions (i.e., IT & Monitoring Supervisor and Community Programs Supervisor), and reallocate those positions in the agency. The reorganized structure includes only one supervisor per Division.
- Eliminate two vacant IT positions, and utilize off-the-shelf software and contractors to meet IT needs.

In regard to staff compensation, there are a number of strategies identified to ensure the District is competitive in the employee marketplace. First off, mirroring the compensation structure for the Division Managers, the adopted budget includes the same pay and benefits package for all Division Supervisors. Technical line staff (formerly titled Monitoring Specialist, Inspection Specialist, and Air Quality Specialist) will all become Air Quality Specialists with subclasses for Compliance, Monitoring, and Planning — this change provides equitable pay among the entire District’s professional (non-engineering) staff and encourages the sharing of resources among Divisions. Most notably, unifying all professional line staff as Air Quality Specialists with similar pay and compensation recognizes the role and responsibility of the Inspectors in interpreting air quality rules and regulations when responding to complaints and conducting inspections. Lastly, the adopted budget includes the pay adjustments to the median level for those staff identified below that level in the compensation report. All of the organizational and compensation changes identified above are incorporated into the budget before you today.

Conclusion

The FY 2018-19 adopted 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 budget with the confidence that our mission requirements will continue to be met throughout the year. Ongoing tracking of the District’s performance metrics and assessments made with each annual budget process is critical to assessing the effectiveness of the reorganization.

Very Respectfully,



Aeron Arlin Genet
Air Pollution Control Officer

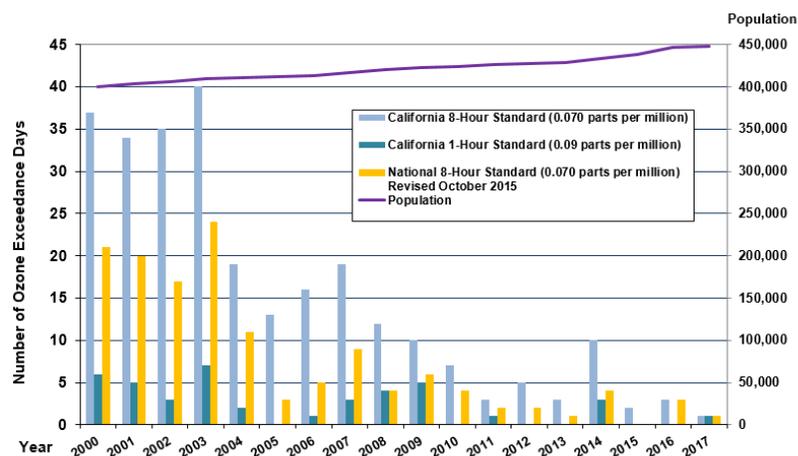
SANTA BARBARA COUNTY HISTORICAL AIR QUALITY

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 County did not meet the federal one-hour ozone standard. For 30 years, our efforts focused on attaining that standard. On August 8, 2003, Santa Barbara County was officially designated an attainment area for the federal one-hour ozone standard. Furthermore, United States Environmental Protection Agency (USEPA) has designated Santa Barbara County as “attainment” for the 2008 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. The USEPA has not yet finalized their determination for that standard; a final decision is expected in the spring of 2018. Based on data collected from 2014-2016, 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 decreased while population has increased. Because the number of ozone exceedance days has decreased and the county is getting closer to meeting the California eight-hour standard, the attainment status for this standard has changed from nonattainment to nonattainment-transitional.

*Santa Barbara County Ozone Exceedance Days
2000-2017*



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 and consumer products. 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 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.

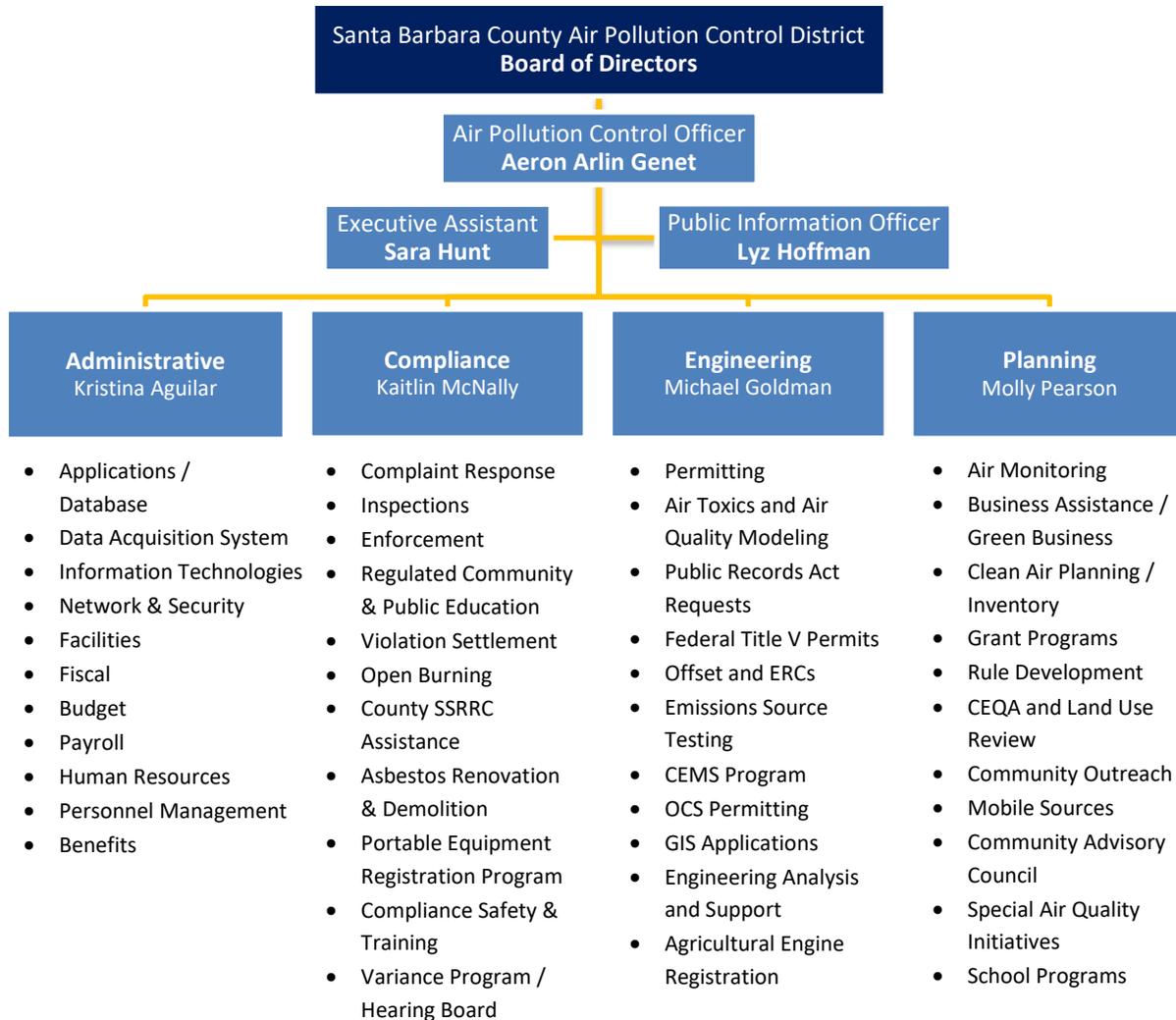
The District's Mission

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 toward our goal, the District embraces the attributes of accessibility, accountability, and transparency.

Organizational Chart



FY 2018-19 Job Class Table (Effective June 21, 2018)

Position Number	Classification Title	Adopted FY 2017-18	Additions/ Deletions	Proposed FY 2018-19	Range Number	Monthly Equivalent Salary Range (A-E)	Representation Unit
Funded Positions							
170	OFFICE TECHNICIAN	3.00		3.00	5330	3454-4198	23
179	EXECUTIVE ASSISTANT/BOARD CLERK	1.00		1.00	6342	5727-6961	32
180/181	ACCOUNTING TECHNICIAN I/II	1.00		1.00	5302/5602	3406-4809	24
182	ACCOUNTING TECHNICIAN III	1.00		1.00	5902	4597-5587	24
190	ACCOUNTING SUPERVISOR	1.00	-1.00	0.00	6490	6167-7496	32
200	ADMINISTRATIVE MANAGER	1.00	-1.00	0.00	7090	8323-10117	43
312	NETWORK TECHNICIAN III	1.00	-1.00	0.00	6494	6179-7511	24
322	EDP SYS. & PROG. ANALYST III	1.00	-1.00	0.00	6676	6767-8226	24
330	INFORMATION TECHNOLOGY & MONITORING SUPV	1.00	-1.00	0.00	6840	7346-8929	29
400/401	PERMIT TECHNICIAN I/II	1.00		1.00	5634/5834	4020-5401	28
410/411	INSPECTION SPECIALIST I/II	1.00	-1.00	0.00	5792/5992	4351-5844	28
412	INSPECTION SPECIALIST III	5.00	-5.00	0.00	6192	5314-6459	28
435/436	AIR QUALITY ENGINEER I/II	4.00	-2.00	2.00	6306/6506	5625-7556	28
437	AIR QUALITY ENGINEER III	4.00		4.00	6736	6974-8476	28
438	DIVISION SUPERVISOR	2.00	1.00	3.00	6964	7815-9499	29
439	DIVISION SUPERVISOR - CONFIDENTIAL	0.00	1.00	1.00	6964	7815-9499	32
440/441	MONITORING SPECIALIST I/II	1.00	-1.00	0.00	5922/6102	4643-6175	28
442	MONITORING SPECIALIST III	2.00	-2.00	0.00	6352	5756-6996	28
453/454	AIR QUALITY SPECIALIST I/II	1.00	1.00	2.00	5922/6102	4643-6175	28
443	AIR QUALITY SPECIALIST III	3.00	7.00	10.00	6352	5766-6996	28
445	PRINCIPAL MONITORING SPECIALIST	0.00	1.00	1.00	6840	7346-8929	28
446	PUBLIC INFORMATION OFFICER	1.00		1.00	6348	5744-6982	32
450	COMMUNITY PROGRAMS SUPERVISOR	1.00	-1.00	0.00	6642	6653-8087	29
452	PLANNING & GRANTS SUPERVISOR	1.00	-1.00	0.00	6740	6987-8493	29
600	DIVISION MANAGER	3.00	1.00	4.00	7236	8953-10882	43
500/501	HUMAN RESOURCES TECHNICIAN I/II	1.00		1.00	5654/5854	4061-5455	32
670	AIR POLLUTION CONTROL OFFICER	1.00		1.00	n/a	14,583	41
TOTAL NUMBER OF FUNDED POSITIONS		43.00	-6.00	37.00			
310/311	NETWORK TECHNICIAN I/II	0.25	-0.25	0.00	6006/6204	4842-6497	24
TOTAL NUMBER OF UNFUNDED POSITIONS		9.25	-0.25	9.00			
TOTAL NUMBER OF POSITIONS		52.25	-6.25	46.00			

The Job Classification Table (above) depicts the positions needed to meet the District's mission requirements. The 37 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, goals and objectives, the resources needed to achieve these goals, and metrics for success. 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 consistent 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 subject 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 on 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 2018-19 DISTRICT BUDGET

Revenue Plan

	Actual FY 2016-17	Adopted FY 2017-18	Est Act FY 2017-18	Proposed FY 2018-19
<i>Licenses & Permits</i>				
Evaluation Fees	\$ 315,963	\$ 275,000	\$ 325,000	\$ 320,000
Asbestos Notification Fees	54,101	68,000	50,159	62,000
Reevaluation Fees	665,462	861,877	1,251,722	870,869
Air Toxics (AB 2588)	5,351	5,700	5,692	5,700
Application Fees	108,947	90,000	114,631	115,000
Annual Emission Fees	883,274	788,440	835,393	849,623
Notice of Violation	160,818	225,000	225,000	225,000
Inspection Fees	23,061	21,000	21,000	21,000
Source Test Fees	89,512	90,000	90,000	103,962
DAS	322,960	305,616	305,616	299,045
Monitoring	599,983	527,131	527,131	485,673
<i>Use of Money</i>				
Interest	31,626	40,000	80,000	75,000
<i>Federal, State, and Other Governments</i>				
Federal - EPA Grant	456,629	475,000	475,000	489,000
Motor Vehicle \$4	1,496,959	1,518,475	1,551,012	1,516,441
Motor Vehicle \$2	747,357	759,125	778,512	761,159
State-PERP	58,788	62,000	52,156	52,000
State-ARB	274,835	106,900	106,900	204,378
Other Governments	139,513	167,700	145,000	164,400
<i>Charges for Services</i>				
Environmental Review	5,440	5,000	2,960	5,000
AQAP Fees	405,470	412,080	414,117	420,559
Carl Moyer Program	541,659	1,154,337	1,154,337	2,169,780
Reimbursable Charges	762,839	744,301	744,301	656,732
<i>Miscellaneous Revenue</i>				
	7,788	2,000	2,000	2,000
Revenue Total	8,158,335	8,704,682	9,257,639	9,874,321
<i>Other Financing Sources</i>				
Decrease in Fund Balance	296,748	1,665,445	-	1,240,716
Revenue Plan Total	<u>\$ 8,455,083</u>	<u>\$ 10,370,127</u>	<u>\$ 9,257,639</u>	<u>\$ 11,115,037</u>

Expenditure Plan

	Actual FY 2016-17	Adopted FY 2017-18	Est Act FY 2017-18	Proposed FY 2018-19
<i>Operating Expenditures</i>				
Administration	\$ 2,683,044	\$ 3,288,352	\$ 3,194,815	\$ 3,443,295
Engineering	1,468,780	1,379,525	1,282,179	1,350,591
Compliance	1,013,722	1,081,952	990,222	1,069,245
Planning	2,905,470	4,620,298	4,154,929	5,140,367
Operating Total	8,071,016	10,370,127	9,622,145	11,003,498
<i>Other Financing Uses</i>				
Increase in Fund Balance	384,067	-	-	111,539
Expenditure Plan Total	<u>\$ 8,455,083</u>	<u>\$ 10,370,127</u>	<u>\$ 9,622,145</u>	<u>\$ 11,115,037</u>

Character of Expenditures

	Actual FY 2016-17	Adopted FY 2017-18	Est Act FY 2017-18	Proposed FY 2018-19
<i>Operating Expenditures</i>				
Regular Salaries	\$ 3,495,587	\$ 3,722,476	\$ 3,424,678	\$ 3,593,660
Overtime	-	-	-	-
Extra Help	-	33,220	33,220	20,640
Benefits	1,903,161	2,029,904	1,867,512	1,996,422
Salaries & Benefits Total	5,398,748	5,785,600	5,325,410	5,610,722
Services & Supplies	2,389,601	4,126,828	3,852,477	5,084,057
Other Charges	154,880	165,199	157,765	171,719
Fixed Assets	127,787	292,500	286,493	137,000
Operating Total	8,071,016	10,370,127	9,622,145	11,003,498
<i>Other Financing Uses</i>				
Increase in Fund Balance	384,067	-	-	111,539
Expenditure Plan Total	<u>\$ 8,455,083</u>	<u>\$ 10,370,127</u>	<u>\$ 9,622,145</u>	<u>\$ 11,115,037</u>

Revenue Breakout by Category

TOTAL REVENUE

	Adopted FY 2017-18	Proposed FY 2018-19	Budget to Budget Var.
Revenue Total	\$ 8,704,682	\$ 9,874,321	\$ 1,169,639
Use of Fund Balance	1,665,445	1,240,716	(424,729)
Revenue Plan Total	<u>\$ 10,370,127</u>	<u>\$ 11,115,037</u>	<u>\$ 744,910</u>

GRANTS/PASS THROUGH REVENUE

	Adopted FY 2017-18	Proposed FY 2018-19	Budget to Budget Var.
<i>Grant Revenues</i>			
CARB Grants (Moyer and Other)	\$ 1,154,337	\$ 2,169,780	\$ 1,015,443
Motor Vehicle \$2	759,125	761,159	2,034
	1,913,462	2,930,939	1,017,477
<i>Administrative portion of Grant</i>			
Admin Fee- General Fund	(191,737)	(271,795)	(80,058)
<i>Use of Grant Fund Balances</i>	758,565	598,294	(160,271)
Revenue Plan Total	<u>\$ 2,480,290</u>	<u>\$ 3,257,438</u>	<u>\$ 777,148</u>

OPERATING REVENUE

	Adopted FY 2017-18	Proposed FY 2018-19	Budget to Budget Var.
Operating Revenue	\$ 6,791,220	\$ 6,943,382	\$ 152,162
Pass-through Admin Fee	191,737	271,795	80,058
Use of operating fund balances	906,880	642,422	(264,458)
Total Operating Budget	<u>\$ 7,889,837</u>	<u>\$ 7,857,599</u>	<u>\$ (32,238)</u>

Expenditure Breakout by Category

TOTAL EXPENDITURES

	Adopted FY 2017-18	Proposed FY 2018-19	Budget to Budget Var.
Salaries and Benefits	\$ 5,785,600	\$ 5,610,722	\$ (174,878)
Services and Supplies	4,126,828	5,084,057	957,229
Other Charges	165,199	171,719	6,520
Capital Assets	292,500	137,000	(155,500)
Increase to Fund Balance	-	111,539	111,539
Expenditure Total	<u>\$ 10,370,127</u>	<u>\$ 11,115,037</u>	<u>\$ 744,910</u>

GRANTS/PASS THROUGH EXPENDITURES

	Adopted FY 2017-18	Proposed FY 2018-19	Budget to Budget Var.
<i>Grant Expenditures</i>			
Salaries and Benefits	\$ -	\$ -	\$ -
Services and Supplies	2,480,290	3,257,438	777,148
Other Charges	-	-	-
Capital Assets	-	-	-
Increase to Fund Balance	-	-	-
Grant Expenditure Total	<u>\$ 2,480,290</u>	<u>\$ 3,257,438</u>	<u>\$ 777,148</u>

OPERATING EXPENDITURES

	Adopted FY 2017-18	Proposed FY 2018-19	Budget to Budget Var.
<i>Operating Expenditures</i>			
Salaries and Benefits	\$ 5,785,600	\$ 5,610,722	\$ (174,878)
Services and Supplies	1,646,538	1,826,619	180,081
Other Charges	165,199	171,719	6,520
Capital Assets	292,500	137,000	(155,500)
Increase to Fund Balance	-	111,539	111,539
Total Operating Expenditures Budget	<u>7,889,837</u>	<u>7,857,599</u>	<u>\$ (32,238)</u>

Summary of Grant and Incentive Project Funding²

FY 2018-19 Programs Funded with \$2 DMV	Funding
School bus replacement and retrofit program	\$165,000
Old Car Buy Back program	\$685,000
Total \$2 DMV FY 2018-19 Program Funds	\$850,000
FY 2018-19 Innovative Technologies Program Funding	Funding
Carl Moyer Year 19 and 20 projects	\$926,059
FARMER Program	\$666,900
AB 617 Community Air Protection	\$652,000
Moyer Year 20 State Reserve Allocation	\$49,274
Electric Vehicle Infrastructure (Mitigation Funds)	\$135,000
CAPCOA Wood Smoke Reduction	\$250,000
ITG Programs Funded in FY 2018-19	\$2,679,233
Total Grant and Incentive Project Funding	\$3,529,233

² Includes funding for projects and administration.

DISTRICT DIVISION SUMMARIES

The Air Pollution Control District operates with 37 positions from two locations (one in the Santa Barbara and one in Santa Maria) and is organized into four Divisions: the Administrative Division, the Engineering Division, the Compliance Division, and the Planning Division.

Administrative Division

Administrative includes administrative overhead, fiscal and executive services, human resources, and information technology services.

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, Executive Assistant, and Public Information Officer.

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.

Public Information

The District's Public Information Program includes production and distribution of newsletters, brochures, videos, and other educational materials; and development and maintenance of the District website. During wildfires and other events that affect air quality, staff coordinates with local agencies to inform the public of air quality impacts. Our Public Information Officer maintains media relations, oversees the District's social media accounts, and promotes awareness of District programs.

Information Technology Services

Information Technology (IT) 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, timesaving efficiencies, and increased productivity.

Engineering Division

The Engineering Division provides initial and ongoing permitting, air toxics, and permit compliance services to applicants and operators of stationary sources of air pollution. We also coordinate all Public Records Act requests and support lead agency requests for technical review of new projects. 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 Prevention of Significant Deterioration (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, often 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 offshore 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.

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 via a delegation agreement. We utilize GIS tools in our permitting and air toxics programs to ensure sensitive receptors (e.g., schools) are properly notified.

Permit Compliance

Once we issue the permit to operate, 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 at a facility and we use this data to determine compliance with applicable rules and permit conditions. We also prepare compliance reports for input into USEPA’s Integrated Compliance Information System, participate in the County’s System Safety and Reliability Review Committee, review Breakdown Reports, oversee the District’s Leak Detection and Repair (LDAR) program, develop tools to implement new and existing permit compliance programs and review Part 70 Semi-Annual Compliance Verification Reports.

Compliance Division

The Compliance Division provides initial and ongoing inspection and enforcement services to applicants and operators of stationary sources of air pollution. Inspectors perform inspections at a broad range of operations, from small businesses such as dry cleaners to large petroleum production and mining operations. We also perform random surveillance inspections; 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 the Santa Barbara County Fire Department, implement our open burning programs (e.g., agricultural burns, prescribed burns). Compliance staff annually inspect approximately 600 permitted or registered

stationary facilities of small, medium, and large size, with a broad range of air pollution emitting activities.

Inspector Duties

The field inspectors verify compliance by conducting and documenting site inspections, reviewing records, accessing on-site monitoring data, and evaluating pollution levels. In addition, a large part of the inspector's role is to educate the sources on what is required and expected of them; 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 renovation and demolition compliance program, and manage the open burning 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, with the Monitoring section on telemetered monitoring data from in-plant monitors as well as ambient monitoring stations, and with the Planning Division on clean air funding programs and when new or revised rules are being written. We also coordinate with other agencies on topics that cover multiple jurisdictions, such as air quality complaints.

Enforcement and Mutual Settlement

Our enforcement function includes documenting non-compliance with the air quality requirements by writing Notices of Violation (NOV). The primary goal is to get a source back into compliance with the applicable permit and rule requirements. The District typically attempts to settle violations directly with the source. The District will occasionally refer cases directly to the District Attorney's office.

Variance Program

The District's Hearing Board issues abatement orders and variances to stationary sources that currently are, or likely may become, out of compliance with their local air district rules, regulations, or the Health and Safety Code. District inspectors perform some of the administrative functions of processing a variance, including providing the petition application; appearing as a party to the variance proceeding; preparing staff reports, when applicable; and following up to ensure that the increments of progress, emission limits and final compliance dates contained within the Variance order are met.

Planning Division

The Planning Division is responsible for planning and rule development, as well as coordinating with planning departments around the county. Planning 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, provides comments on air quality

issues, and is responsible for ensuring compliance with the California Environmental Quality Act (CEQA). Grants administered by the Division include incentives for replacing higher-emitting cars, school buses, off-road equipment, and marine diesel engines with newer, cleaner engines. In addition, the Planning 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 tourists' vehicles (Santa Barbara Car Free). Lastly, the Planning Division oversees the District's air monitoring network.

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. 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 develops air pollution control rules to protect human health and the environment of Santa Barbara County. Rules may be prescribed by the Ozone Plan or by CARB. 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.

Community Programs

The Planning Division initiates and supports collaborative efforts to reduce emissions from unregulated sources, such as voluntary programs to reduce emissions from marine shipping (Protecting Blue Whales and Blue Skies) or tourists' vehicles (Santa Barbara Car Free). The Community Programs Section provides presentations at schools, business and community events; development and support partnerships around common interests with a range of organizations and agencies; and implementation of special outreach and initiatives. Through these actions, staff assists business and the public in taking action for cleaner air.

Land Use

District staff ensure that all permits, plans, rules, and programs of the District are in compliance with the 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. District staff support planning agencies around the county with technical assistance evaluating air quality impacts of proposed development. Staff also participate in

statewide efforts to refine project-level tools for calculating air quality, health, and climate change impacts and mitigation measures. In addition, staff coordinate with the Santa Barbara County Association of Governments (SBCAG) on the development and implementation of transportation control measures and regional transportation plans. Staff participate on SBCAG committees to evaluate transportation plans, projects, and funding proposals.

Grant and Incentive Programs

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's Carl Moyer Program and funds from the clean air surcharge on motor vehicle registration fees. Permit fees are not used to fund these programs.

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 CARB 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 CARB and the USEPA. If any monitoring station shows pollution levels above certain thresholds, staff will notify schools, hospitals, convalescent homes, and radio and television stations, and will alert people to curb their outdoor activities.

Impact Measures

Measure	Actual CY 2017	Goal CY 2018	Est. Actual CY 2018	Goal CY 2019
Number of days on which the state one-hour ozone standard is not met somewhere in Santa Barbara County	1	≤ 2	0	0
Number of days on which the federal eight-hour ozone standard is not met somewhere in Santa Barbara County	1	≤ 3	0	≤ 1
Number of days on which the state eight-hour ozone standard is not met somewhere in Santa Barbara County	1	≤ 5	0	≤ 2
Number of days on which the state PM ₁₀ standards are not met somewhere in Santa Barbara County	54	≤ 15	15	≤ 15
Number of days on which the federal PM _{2.5} standard is not met somewhere in Santa Barbara County	12	0	0	0

CY = Calendar Year

FY 2017-18 Significant Accomplishments

Summary

- One exceedance of the federal 8-hour 0.070 ppm ozone standard in CY 2017.
- One exceedance of the state 8-hour ozone standard in CY 2017.
- Coordinated efforts with other agencies to inform the public about air quality impacts from three wildfires and one debris flow.
- Performed 610 permitting actions in CY 2017.
- Performed 606 inspections in CY 2017.
- Responded to 369 air pollution complaints in CY 2017.
- Maintained the number of people exposed to a cancer risk of 10 in a million or greater from permitted sources at zero.
- Issued \$1,764,997 in clean air grants.

Air Quality

Santa Barbara County air quality continues to meet all but two ambient air quality standards. With the exception of the state eight-hour ozone standard and the state particulate matter (PM₁₀) standards, the county meets all federal and state standards. The state and federal 8-hour ozone standards were exceeded on one day each in September 2017, a decrease from three days in 2016. The state 1-hour ozone standard was exceeded on one day in September 2017. The state 24-hour PM₁₀ standard was exceeded on 54 days in 2017, an increase from the 44 days in 2016. The federal 24-hour PM₁₀ standard was exceeded on 8 days in 2017 up from zero days in 2016. The federal 24-hour PM_{2.5} standard was exceeded on 12 days in 2017, up from zero days in 2016. The federal 24-hour PM₁₀ and PM_{2.5} exceedance days were recorded during the time that the Thomas Fire was burning in Santa Barbara County.

FISCAL YEAR 2018-19

OPERATING BUDGETS BY DIVISION

Administrative 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 Administrative Division includes a Fiscal and Executive section, Human Resources, and an Information Technology Section, which includes information technology services and data acquisition. 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 2016-17	Adopted FY 2017-18	Est Act FY 2017-18	Proposed FY 2018-19
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 1,282,942	\$ 1,415,419	\$ 1,438,833	\$ 1,562,913
Fiscal and Executive	688,713	967,523	901,794	1,045,809
Human Resources	79,029	172,184	153,141	148,351
Information Technology	632,360	733,226	701,048	686,222
Operating Total	<u>2,683,044</u>	<u>3,288,352</u>	<u>3,194,815</u>	<u>3,443,295</u>
<i>Other Financing Uses</i>				
Increase in Fund Balance	7,995	-	-	-
Expenditure Plan Total	<u>\$ 2,691,039</u>	<u>\$ 3,288,352</u>	<u>\$ 3,194,815</u>	<u>\$ 3,443,295</u>

CHARACTER OF EXPENDITURES				
	Actual FY 2016-17	Adopted FY 2017-18	Est Act FY 2017-18	Proposed FY 2018-19
<i>Operating Expenditures</i>				
Regular Salaries	\$ 905,962	\$ 1,044,650	\$ 961,078	\$ 1,102,137
Overtime	-	-	-	-
Extra Help	-	22,900	22,900	-
Benefits	664,162	763,498	702,418	772,706
Salaries & Benefits Total	<u>1,570,124</u>	<u>1,831,048</u>	<u>1,686,396</u>	<u>1,874,843</u>
Services & Supplies	981,199	1,173,855	1,227,355	1,413,233
Other Charges	131,721	133,449	131,064	140,219
Fixed Assets	-	150,000	150,000	15,000
Operating Total	<u>\$ 2,683,044</u>	<u>\$ 3,288,352</u>	<u>\$ 3,194,815</u>	<u>\$ 3,443,295</u>

Significant Changes (FY 2017-18 Adopted to FY 2018-19 Adopted)

The FY 2018-19 operating total for the Administrative Division will increase by \$154,943 from the adopted 2017-18 budget to \$3,443,295.

Salaries and benefits increased \$43,795 primarily due to 75% of the District's staff receiving salary equity adjustments based on a third-party salary study, as part of the District's reorganization. Also part of that plan is to move the Air Monitoring staff from the Administrative Division to the Planning Division and move the Public Information Officer from the Planning Division to the Executive department. Another factor affecting this line item is the renegotiated APCO contract that included an annual salary increase of \$25,000. Lastly, there are merit increases that take place during the fiscal year that will also have a contributing factor to the increase.

Services and supplies increased by \$239,378. The main reason for the increase is due to obtaining a contract for IT services for FY 2018-19. This contract is for \$150,000 to keep the District's network and computer system up and running throughout the fiscal year. Other increases include \$50,000 of legal fees, \$20,000 for a one-time District wide team building exercise and a one-time \$50,000 expenditure to revamp the District's logo and revise the navigation tools within the District's website. Also affecting this category is the cost allocation amount we pay the County for the services they provide (Treasury, General Services, Risk Management, etc.). These charges increased more than 88% from the prior year.

Other charges increased by \$6,770, primarily due to a 6% increase to the District's property and liability insurance premiums.

Fixed assets decreased by \$135,000 from the previous fiscal year due to the purchase of new fiscal/accounting software that took place in FY 2017-18. The IT section plans to continue replacing aging computer equipment, as the District has done in previous years, which will continue the District's effort to maintain and use the best technology available.

FY 2018-19 Goals and Objectives

1. Assess, develop, and implement paperless systems for the Administrative Division.

Fiscal and Executive Section

2. Implement new accounting software.
3. Implement online payment solutions.
4. Implement reorganization plan changes smoothly.

Human Resources Section

5. Revamp the Employee Performance Review process.

Public Information

6. Revamp the District logo to increase agency brand awareness.
7. Implement website changes including updated navigation tools, forecast maps, and tools for event response.

Information Technology Section

8. Transition from IT staff to use of only contractors for IT services.
9. Implement multifactor authentication District-wide.
10. Complete paperless archiving project and continue the project by moving forward with active/current documents.
11. Assist other Divisions with software: Fiscal with Tyler Technologies and Compliance with the Compliance Database.

Fiscal and Executive Services

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

FY 2017-18 Significant Accomplishments

- Assessed and purchased new accounting software.
- Renewed the Santa Maria office lease in March 2018.
- Successfully met our Maintenance of Effort (MOE) requirement with the USEPA, which allowed the District to continue to receive federal grant funding.
- Successfully completed the financial audit for FY 2016-17 with no audit findings.
- Successful implementation of the budget – exceeding revenue and lower than budgeted expenditures.
- Successfully hired and trained a new Accounting Supervisor and an Account Technician II.

Recurring Performance Measures

<u>Measure</u>	<u>Actual FY 2016-17</u>	<u>Goal FY 2017-18</u>	<u>Est. Actual FY 2017-18</u>	<u>Goal FY 2018-19</u>
Percent of actual revenue received to revenue budgeted	105.6%	100%	106.3%	100%
Percent of actual expenditures to expenditures budgeted	85.0%	100%	92.8%	100%
Total federal maintenance of effort (MOE) above/(below) previous year MOE + \$1	\$17,352	≤ \$1	≤ \$1	≤ \$1

Human Resources

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

FY 2017-18 Significant Accomplishments

- Conducted six 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.
- Successfully implemented a new time-keeping program through ADP for the District.
- Successfully entered into side letter agreements with all three bargaining groups during the negotiation process.
- Conducted a compensation report by a third party consultant to assess the District's compensation plan.

Public Information

Purpose Statement: In order for meaningful public participation to occur, outreach to the media and community members is key. We are committed to maintaining multiple communication channels for the exchange of easy-to-understand air quality information on issues occurring throughout Santa Barbara County.

FY 2017-18 Significant Accomplishments

- Issued 37 press releases and promoted media coverage of District issues and news.
- Participated in more than 30 media interviews on local air quality issues.
- Implemented multiple efforts to inform the community of air quality impacts from the Whittier, Alamo, and Thomas Fires, and about how people can protect themselves. Coordinating with County Public Health and other agencies, issued advisories, created materials and webpages, and participated in responder calls and meetings. Worked on the debris flow aftermath to inform the community about dust issues and cleanup.

- 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.

Information Technology Services

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 staff develop innovative IT solutions to create operational efficiencies that reduce costs and increases productivity.

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

FY 2017-18 Significant Accomplishments

Automated Data Acquisition (DAS) Program

- Provided reliable operation of the Data Acquisition System in support of program goals.
- The DAS system uptime exceeded 97%, Backups were 100%, and Data Acquisition exceeded 90%.
- Ongoing improvements of function and efficiencies of the DAS system and the support of the monitoring sites.

Local Area Network (LAN)

- 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 websites were supported and greatly enhanced.
- Provided ongoing support and enhancements for the payroll, human resources software, accounting, Integrated Database System, and the telecommuting program.
- Provided IT service to meet the needs of SBCAG staff.

- Entered into an IT contract with independent contractors for IT services.

Recurring Performance Measures

<u>Measure</u>	<u>Actual FY 2016-17</u>	<u>Goal FY 2017-18</u>	<u>Est Actual FY 2017-18</u>	<u>Goal FY 2018-19</u>
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%

Engineering Division

The Engineering Division is composed of the Permitting Section, Air Toxics Section, and Permit Compliance Section. The programs that these Sections operate have costs associated with specific goals and objectives. The Division also includes an administrative overhead function that accumulates expenses not attributable to any specific Division activity, such as management and supervision of staff, facilitating staff development and training opportunities, budget management and tracking, and goal and policy implementation.

EXPENDITURE PLAN				
	Actual FY 2016-17	Adopted FY 2017-18	Est. Act FY 2017-18	Proposed FY 2018-19
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 474,780	\$ 135,406	\$ 139,630	\$ 210,354
Permitting & Air Toxics	994,000	1,244,119	1,142,549	1,140,237
Operating Total	1,468,780	1,379,525	1,282,179	1,350,591
<i>Other Financing Uses</i>				
Increase in Fund Balance	-	-	-	111,539
Expenditure Plan Total	<u>\$ 1,468,780</u>	<u>\$ 1,379,525</u>	<u>\$ 1,282,179</u>	<u>\$ 1,462,130</u>

CHARACTER OF EXPENDITURES				
	Actual FY 2016-17	Adopted FY 2017-18	Est. Act FY 2017-18	Proposed FY 2018-19
<i>Operating Expenditures</i>				
Regular Salaries	\$ 1,015,997	\$ 940,202	\$ 864,986	\$ 848,746
Overtime	-	-	-	-
Extra Help	-	-	-	-
Benefits	435,427	415,373	382,143	413,195
Salaries & Benefits Total	1,451,424	1,355,575	1,247,129	1,261,941
Services & Supplies	16,495	22,700	34,300	87,400
Other Charges	861	1,250	750	1,250
Fixed Assets	-	-	-	-
Operating Total	<u>\$ 1,468,780</u>	<u>\$ 1,379,525</u>	<u>\$ 1,282,179</u>	<u>\$ 1,350,591</u>

Significant Changes (FY 2017-18 Adopted to FY 2018-19 Adopted)

The FY 2018-19 Operating Total for the Engineering Division decreased by \$28,934 from the adopted FY 2017-18 budget to \$1,350,591.

Salaries and benefits decreased \$93,634 primarily due to unfunding two Engineer I/II/III positions. This is being offset by staff receiving salary equity adjustments based on a third-

party salary study that is being included in the District's reorganization. In addition, offsetting this decrease are merit increases for employees.

Services and Supplies increased \$64,700 due to a one-time project within the Engineering Division to scan all active permits into a paperless system. This effort will be completed by a third-party company and will ultimately complete the Engineering Division's paperless efforts.

Other charges had no change from the previous year.

Fixed assets had no change from the previous year; there are no anticipated fixed asset purchases planned for FY 2017-18.

FY 2018-19 Goals and Objectives

1. Assess, develop, and implement paperless systems for Engineering Division.

Permitting Section

2. Standardize emission calculations and develop associated database systems for executing and retaining project data at the device level.
3. Automate the permit application forms to streamline the transfer of data in the District's permitting database.
4. Assess, evaluate, and implement timesaving revisions to the Part 70 permit program.

Permit Compliance Section

5. Automate the process for uploading permit compliance data for our USEPA-mandated reporting requirements.
6. Automate the CARB GHG Oil & Gas Regulation reporting process.

Air Toxics Section

7. Create new health risk assessment screening tools to streamline the process for specific source types.
8. Initiate the AB 2588 Toxics "Hot Spots" process for combustion sources, oil and gas sources, and Emission Inventory Criteria and Guidelines "Appendix E" sources.

Permitting, Air Toxics, and Permit Compliance

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 technically sound and thorough Permit Compliance programs. In addition, we provide transparent and timely responses to Public Records Act requests for information.

FY 2017-18 Significant Accomplishments

- Completed 610 permitting actions during CY 2017.
- Issued eight Part 70 federal operating permit renewals during CY 2017.
- Reviewed and observed 68 emissions source tests during CY 2017.
- Replied to 154 requests for information under the Public Records Act during CY 2017.
- Successfully implemented the new State-mandated oil and gas regulation (Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities) ahead of schedule.
- Completed Phase I of the transition to a paperless system for the permitting files. All new files are digitally saved as PDFs.
- Completed Phase I of the updates to our emission calculations. These updates have been posted to the web for many device types.
- Revamped the Permit Compliance Section's source test and CEMS programs for greater efficiencies and productivity.
- Developed and implemented a new generic screening tool for health risk assessments.
- Created a major update to the District's Air Quality Impact Analysis Modeling Guidelines.
- Created 14 new meteorological data sets for use in AQIA and HRA modeling.
- Designed and implemented a new database to assist our permit compliance programs.

Recurring Performance Measures

Measure	Actual FY 2016-17	Goal FY 2017-18	Est. Actual FY 2017-18	Goal FY 2018-19
Permit Processing				
Percent of Authority to construct permit applications reviewed for completeness within 30 days of receipt	99%	100%	98%	100%
Percent of authority to construct permits issued within 180 days of application completeness	98%	100%	96%	100%
Percent of permit to operate annual scheduled reevaluation renewals completed within the year	92%	90%	90%	90%
Compliance				
Percent of complete review of all Part 70 major source compliance verification reports within 120 days	50%	50%	59%	50%
Source Testing				
Percent of source test reports reviewed within 60 days	99%	50%	90%	50%
Public Records Act Information Request Response				
Percent of requests initially responded to within 10 days of receipt	97%	98%	98%	98%

Compliance Division

The Compliance Division includes Inspection and Enforcement programs, and has costs associated with specific goals and objectives for these programs. 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 2016-17	Adopted FY 2017-18	Est. Act FY 2017-18	Proposed FY 2018-19
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 244,615	\$ 116,080	\$ 108,641	\$ 116,885
Compliance & Enforcement	769,107	965,872	881,581	952,360
Operating Total	1,013,722	1,081,952	990,222	1,069,245
<i>Other Financing Uses</i>				
Increase in Fund Balance	-	-	-	-
Expenditure Plan Total	<u>\$ 1,013,722</u>	<u>\$ 1,081,952</u>	<u>\$ 990,222</u>	<u>\$ 1,069,245</u>

CHARACTER OF EXPENDITURES				
	Actual FY 2016-17	Adopted FY 2017-18	Est. Act FY 2017-18	Proposed FY 2018-19
<i>Operating Expenditures</i>				
Regular Salaries	\$ 612,564	\$ 661,131	\$ 608,241	\$ 645,014
Overtime	-	-	-	-
Extra Help	-	-	-	10,320
Benefits	337,148	335,171	308,357	334,761
Salaries & Benefits Total	949,712	996,302	916,598	990,095
Services & Supplies	22,267	31,150	22,092	30,150
Other Charges	14,078	19,000	17,035	19,000
Fixed Assets	27,665	35,500	34,497	30,000
Operating Total	<u>\$ 1,013,722</u>	<u>\$ 1,081,952</u>	<u>\$ 990,222</u>	<u>\$ 1,069,245</u>

Significant Changes (FY 2017-18 Adopted to FY 2018-19 Adopted)

The FY 2018-19 Operating Total for the Compliance Division decreased by \$12,707 from the adopted FY 2017-18 budget to \$1,069,245.

Salaries and benefits decreased \$6,207 primarily due to unfunding two Inspection Specialist I/II/III positions. This is being offset by the Inspection Specialist staff receiving a job classification change to Air Quality Specialists as part of the District's reorganization. With this job classification change, a salary increase to the Air Quality Specialist range is also included. In addition, offsetting this decrease are merit increases and internal promotions for employees.

Services and Supplies decreased \$1,000 primarily due to aligning the budget with actual expenditures throughout the year. A few of the line items that were slightly affected include Books and Subscriptions, Communication, and Small Equipment. The Compliance Division's services and supplies expenditures continue to be consistent from year to year.

Other charges had no change from the previous year.

Fixed assets decreased \$5,500 from the previous year. One MicroPHAZIR Asbestos Analyzer is budgeted for purchase in FY 2018-19.

FY 2018-19 Goals and Objectives

1. Assess, develop, and implement paperless systems for the Compliance Division.
2. Initiate and develop Compliance database program update.
3. Assess, develop, and implement automated inspection checklists to streamline the transfer of information into the Compliance database program.
4. Update 10% of the Compliance Policy and Procedures.
5. Coordinate with the Santa Barbara County Fire Department to roll out improvements to the Open Burning Program.
6. Update the Hearing Board Policies and Procedures.
7. Update the Variance Petition form.
8. Eliminate NOV Mutual Settlement Backlog: Complete the mutual settlement process for NOVs issued before January 1, 2018.

Compliance and Enforcement

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.

FY 2017-18 Significant Accomplishments

- During CY 2017, inspectors performed 606 inspections.
- During CY 2017, inspectors responded to and documented 369 air pollution complaints.
- During CY 2017, inspectors received and reviewed 89 asbestos renovation/demolition notifications.
- During CY 2017, inspectors performed the administrative functions for 41 variance petitions.

- Completed transition to a paperless system for the Mutual Settlement Program.
- Made improvements to the Variance Program based on input from CARB and reported program improvements to the Hearing Board.
- Coordinated with the Santa Barbara County Fire Department regarding ongoing improvements to the Open Burning Program.
- Implemented measures to improve the percent of Initial Settlement letters sent within 90 days of violation issuance.
- Reviewed and updated 21% of the Compliance Policies & Procedures.
- Worked with the Engineering Division to implement the new state-mandated oil and gas regulation (Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities).

Recurring Performance Measures

Measure	Actual FY 2016-17	Goal FY 2017-18	Est Actual FY 2017-18	Goal FY 2018-19
Inspections				
Percent of citizen complaints about air pollution responded to				
- within 3 hours	83%	90%	90%	90%
- within 24 hours	93%	95%	95%	95%
Percent of scheduled Part 70 major source inspections completed	87%	80%	83%	80%
Percent of assigned inspection caseload completed.	82%	80%	80%	80%
Percent of Initial Settlement Letters sent within 90 days of violation issuance	16%	50%	37%	50%
Percent of NOVs with final Settlement Agreement within 1 year of violation issuance	34%	N/A	43%	50%

Planning Division

The Planning Division includes the following program groups, which have costs associated with specific goals and objectives: Air Quality Planning, Community Programs, Land Use, Grants and Incentives Program, Rule Development, and Air Monitoring. 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 2016-17	Adopted FY 2017-18	Est. Act FY 2017-18	Proposed FY 2018-19
<i>Operating Expenditures</i>				
Administrative Overhead	\$ 374,216	\$ 189,096	\$ 169,491	\$ 128,391
Air Monitoring	544,145	641,357	609,928	671,894
Air Quality Planning	236,463	224,125	206,099	163,593
Rule Development	49,948	142,251	130,871	120,365
Community Programs	245,090	385,198	321,671	499,432
Land Use	158,922	284,691	262,013	210,551
Grants and Incentives Program	1,296,686	2,753,580	2,454,857	3,346,141
Operating Total	2,905,470	4,620,298	4,154,929	5,140,367
<i>Other Financing Uses</i>				
Increase in Fund Balance	376,072	-	-	-
Expenditure Plan Total	\$ 3,281,542	\$ 4,620,298	\$ 4,154,929	\$ 5,140,367

CHARACTER OF EXPENDITURES				
	Actual FY 2016-17	Adopted FY 2017-18	Est. Act FY 2017-18	Proposed FY 2018-19
<i>Operating Expenditures</i>				
Regular Salaries	\$ 961,064	\$ 1,076,493	\$ 990,374	\$ 997,763
Overtime	-	-	-	-
Extra Help	-	10,320	10,320	10,320
Benefits	466,424	515,862	474,593	475,760
Salaries & Benefits Total	1,427,488	1,602,675	1,475,287	1,483,843
Services & Supplies	1,369,640	2,899,123	2,568,730	3,553,274
Other Charges	8,220	11,500	8,916	11,250
Fixed Assets	100,122	107,000	101,996	92,000
Operating Total	\$ 2,905,470	\$ 4,620,298	\$ 4,154,929	\$ 5,140,367

Significant Changes (FY 2017-18 Adopted to FY 2018-19 Adopted)

The FY 2018-19 Operating Total for the Planning Division will increase by \$520,069 from the adopted FY 2017-18 budget to \$5,140,367.

Salaries and benefits decreased \$118,832 primarily due to unfunding one Community Programs Supervisor and one Air Quality Specialist. This is being offset by the Air Monitoring section moving from the Administrative Division to the Planning Division as part of the District's reorganization. In addition, a part of the reorganization is salary equity adjustments being given to staff based on a third-party salary study. Lastly, offsetting this decrease are merit increases for employees.

Services and supplies increased by \$654,151 due to an increase in grant funding. These one-time grant funds are to be used as pass-through funds for grants similar to the Moyer program. Also included is one-time monies for the implementation of Assembly Bill 617. Lastly, the District is going to receive \$250,000 from the state to continue a residential Wood Smoke Reduction program within Santa Barbara County. A one-time expenditure that is not considered pass-through but is an important project to the District is to bolster the use of portable Purple Air Sensors within our county. The District has set aside \$50,000 for this project in FY 2018-19.

Other charges decreased \$250 due to decreased motor pool charges.

Fixed Assets for monitoring equipment decreased by \$15,000; however, the budget still includes expenditures to continue to replace analyzers and monitoring equipment, and to stay up to date and use the best technology available.

FY 2018-19 Goals and Objectives

1. Implement requirements of AB 617 including Community Air Protection Program, grant incentives, emission reporting requirements, and Best Available Retrofit Control Technology changes.

Air Quality Planning

2. Working with District IT contractors, examine ways to automate input of facility information into the District's database for emission inventory reporting.
3. Begin to work on the 2019 Ozone Plan.

Rule Development

4. Develop and adopt rules as required by the 2016 Ozone Plan and other state and federal mandates.

Community Programs

5. Implement Clean Air Ambassador Program and partner with UCSB interns to expand District school outreach program.
6. Implement CAPCOA's residential wood smoke reduction program to reduce smoke emissions through voluntary incentives and conduct outreach to support program participation.
7. Deploy portable air sensors in Santa Barbara County.

Grants and Incentives Program

8. Implement new one-time grant funds awarded by legislature in 2017 session (i.e., FARMER, AB617, and State Reserve).
9. Continue participation in the Tri-County Zero Emission Vehicle Implementation project (California Energy Commission GFO 16-601).

Air Monitoring Section

10. Revise the District's monitoring network to meet the needs of Santa Barbara County.
11. Hire and train one new monitoring employee.

Air Quality Planning

Purpose Statement: We develop, implement, and track clean air plans that comply with state and federal air quality planning mandates in order to protect the people and the environment of Santa Barbara County. We integrate the actions of the U.S. Environmental Protection Agency, the California Air Resources Board, and the Santa Barbara County Association of Governments with those of the 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.

FY 2017-18 Significant Accomplishments

- Due to a change in designation to nonattainment-transitional for the state ozone standard, revised the control measure implementation schedule for the 2016 Ozone Plan.
- Updated Point and Area source emissions for 2016 and submitted to CARB.
- Worked with CARB to verify emissions data for their Pollution Mapping Tool, developed pursuant to AB 197.
- Worked with District Engineering Division staff to update/revise emission factors for toxic air pollutants.

Recurring Performance Measures

<u>Measure</u>	<u>Actual FY 2016-17</u>	<u>Goal FY 2017-18</u>	<u>Est Actual FY 2017-18</u>	<u>Goal FY 2018-19</u>
Submit emissions inventory data to the California Air Resources Board each year	8/1/2017	8/1/2018	8/1/2018	8/1/2019
Process emissions inventory data submitted by sources for fee invoices each year	5/31/2017	5/31/2018	5/31/2018	5/31/2019

Rule Development

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

FY 2017-18 Significant Accomplishments

- Held a public workshop, a Community Advisory Council meeting, and a public hearing on the proposed amendments to District Rule 360, Boilers, Water Heaters, and Process Heaters (0.075 – 2 MMBtu/hr.). The rule was adopted in March 2018.
- Created a draft rule and staff report for amendments to Rule 1304, to update the public noticing provisions for Part 70 Operating Permits.
- Participated in a working group of California air districts to begin implementing the Best Available Retrofit Control Technology (BARCT) requirements, per AB 617.

Recurring Performance Measures

<u>Measure</u>	<u>Actual FY 2016-17</u>	<u>Goal FY 2017-18</u>	<u>Est Actual FY 2017-18</u>	<u>Goal FY 2018-19</u>
Number of draft rules released for public review	13	2	2	2

Community Programs

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.

FY 2017-18 Significant Accomplishments

- Worked with partners to conduct a Vessel Speed Reduction (VSR) incentive program for emission-reduction and whale-protection benefits, extended for the first time to include the San Francisco Bay Area. The program slowed down 143 transits and reduced approximately 83.5 tons of NOx emissions. Worked with partners to host an event near the Port of Los Angeles recognizing the 11 shipping companies that participated in the 2017 VSR program.
- Worked with U.S. Congressman Lowenthal's office, and other congressional co-sponsors, on introduction of the Blue Whales and Blue Skies Act (HR 3682) in September 2017.
- Lead the Santa Barbara Car Free project with Amtrak and LOSSAN (managing the Amtrak Pacific Surfliner) and more than 100 other partners.
- Reached out to sensor technology experts at South Coast Air Quality Management District, deployed portable air quality sensors at selected locations to gain understanding of the technology, and worked with teachers to explore their educational use.
- Partnered with the Santa Barbara County Education Office, Santa Barbara County Water Agency, and utility companies on an environmental grants program, including the "Care for Our Earth" program to award mini-grants for 27 projects at 26 county schools, a Curriculum Project grant on energy, and a team-coaching project on air sensors.

Recurring Performance Measures

Measure	Actual FY 2016-17	Goal FY 2017-18	Est Actual FY 2017-18	Goal FY 2018-19
Publish "On-The Air" newsletter	2	2	2	2

Land Use

Purpose Statement: We review major environmental and planning documents to ensure that air quality impacts of land development projects are correctly assessed and all feasible measures to reduce air pollution from these projects are considered. We review all 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.

FY 2017-18 Significant Accomplishments

- Prepared 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.
- 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 (CalEEMod).
- Conducted two community workshops and a Board presentation on options for local mitigation of greenhouse gas emissions.
- 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, and Joint Technical Advisory Committee.

Recurring Performance Measures

<u>Measure</u>	<u>Actual FY 2016-17</u>	<u>Goal FY 2017-18</u>	<u>Est Actual FY 2017-18</u>	<u>Goal FY 2018-19</u>
Percent of CEQA reviews completed within 30 days for all environmental documents and land use projects	100% of 130	100% of 140	80% of 135	100% of 140

Grants and Incentives 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.

FY 2017-18 Significant Accomplishments

- Applied for and received Carl Moyer Program Year 19 funding.
- Replaced seven old agricultural tractors with seven new agricultural tractors.
- Repowered a marine vessel's 1996 diesel engine with a 2017 diesel engine.
- Issued grants to assist in the purchase/installation of five electric vehicle charging stations with Level 2 charging capability (two stations in North County and three stations in South County).
- Replaced two 1985 diesel-fueled school buses (model years 1985 and 1990) with two model year 2018 diesel-fueled school buses.
- Replaced five diesel-fueled school buses (model years 1986 to 1990) with five 2018 model year diesel-fueled school buses.
- Purchased and scrapped 241 vehicles under the Old Car Buy Back Program.
- Issued 24 vouchers for the Wood Smoke Reduction Program.
- Worked on the Central Coast Go Zero project, a California Energy Commission grant to implement a Zero Emission Vehicle readiness implementation plan for San Luis Obispo, Santa Barbara, and Ventura counties.

Recurring Performance Measures³

Measure	Actual FY 2016-17	Goal FY 2017-18	Est. Actual FY 2017-18	Goal FY 2018-19
NO _x , ROC, and PM emissions reduced from signed Moyer grant agreement projects (tons).	45	40	39	50
Average cost effectiveness for all Carl Moyer Program funded projects (\$/ton)	\$12,620	\$14,000	\$22,545	\$15,000

³ The 2017-18 increased cost effectiveness is due to funding of six school bus replacements, with higher cost effectiveness limits. Cost effectiveness with school buses excluded is \$13,673.

Air Monitoring

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

FY 2017-18 Significant Accomplishments

- Operated or provided oversight for the collection of high-quality ambient air monitoring data from 18 stations throughout the county.
- Deployed temporary monitoring stations to better assess wildfire and debris flow impacts countywide.
- Published the 2016 Annual Air Quality Report on the District’s webpage and presented the information to the District Board.
- 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 2017 Annual Air Monitoring Network Plan.
- Submitted and received CARB’s approval for the Corrective Action Forms regarding audit findings that were outstanding from the District’s Technical Systems Audit conducted in 2016.

Recurring Performance Measures

<u>Measure</u>	<u>Actual</u> FY 2016-17	<u>Goal</u> FY 2017-18	<u>Est Actual</u> FY 2017-18	<u>Goal</u> FY 2018-19
Collect 80%/90% valid data for air quality/meteorological measurements.	100%/100%	100%/100%	100%/100%	100%/100%