



**ANTELOPE VALLEY AIR QUALITY MANAGEMENT
DISTRICT**

**GOVERNING BOARD
REGULAR MEETING**

AGENDA

TUESDAY, MAY 16, 2017
10:00 A.M.

LOCATION

AVAQMD District Office
43301 Division Street, Suite 206
Lancaster, CA 93535
661-723-8070

BOARD MEMBERS

Marvin Crist, Chair, City of Lancaster
Ron Hawkins, Vice Chair, Los Angeles County
Vern Lawson, Los Angeles County
Ken Mann, City of Lancaster
Steven Hofbauer, City of Palmdale
Austin Bishop, City of Palmdale
Newton Chelette, Public Member

Call to Order – 10:00 a.m.

Pledge of Allegiance.

Roll Call.

Public Comments on any Agenda Item will be heard at the time of discussion of the Agenda Item. Public Comments not pertaining to Agenda Items will be heard during the PUBLIC COMMENT period, below.

1. PUBLIC COMMENT

CONSENT CALENDAR

The following consent items are expected to be routine and non-controversial and will be acted upon by the Board at one time without discussion unless a Board member, staff member or member of the public requests an item be held for discussion under DEFERRED ITEMS.

2. Approve Minutes from Regular Governing Board Meeting of April 18, 2017.
Presenter: Crystal Goree.
3. Monthly Activity Report. Receive and File. Presenter: Bret Banks.
4. Monthly Grant Fund Summary. Receive and File. Presenter: Bret Banks.
5. The Financial Report for FY 17, March 2017 is provided to the Governing Board for information concerning the current fiscal status of the District. Presenter: Jean Bracy.
6. Approve payment to MDAQMD in the total amount of \$105,813.67, subject to availability of funds, for services provided during the month of March 2017.
Presenter: Jean Bracy.

ITEMS FOR DISCUSSION

DEFERRED ITEMS

PUBLIC HEARINGS

7. Conduct Public Hearing to consider the proposed AVAQMD Budget for FY 2017-18:
a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Continue to the meeting of June 20, 2017 for adoption.
Presenter: Bret Banks.

NEW BUSINESS

8. 1) Award an amount not to exceed \$37,748 in Carl Moyer Program and Mobile Source Emission Reductions Program (AB 2766) funds to American Plumbing Services for the replacement of an older light-heavy duty diesel vehicle with new, Compressed Natural Gas (CNG) engine technology; and 2) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel. Presenter: Julie McKeehan.

9. 1) Award an amount not to exceed \$39,500 in Carl Moyer Program and Mobile Source Emission Reductions Program (AB 2766) funds to Antelope Valley Fair Association to retire one (1) diesel forklift with newer, cleaner technology; and 2) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel. Presenter: Julie McKeehan.

ADMINISTRATIVE ITEMS

10. Reports:

Governing Board Counsel.

Executive Officer/APCO, Staff – Sheep Grazing Update.

11. Board Member Reports and Suggestions for Future Agenda Items.

Adjourn to Regular Governing Board Meeting of Tuesday, June 20, 2017.

If you challenge any decision regarding any of the listed proposals in court, you may be limited to raising only those issues you or someone else raised during the public testimony period regarding that proposal, or in written correspondence delivered to the Governing Board at, or prior to, the public hearing.

Due to time constraints and the number of persons wishing to give oral testimony, time restrictions may be placed on oral testimony regarding the above proposals. You may wish to make your comments in writing to assure that you are able to express yourself adequately.

In compliance with the Americans with Disabilities act, if special assistance is needed to participate in the Board Meeting, please contact the Administrative Secretary during regular business hours at 661-723-8070, ext. 1. Notification received 48 hours prior to the meeting will enable the District to make reasonable accommodations.

I hereby certify, under penalty of perjury, that this agenda has been posted 72 hours prior to the stated meeting in a place accessible to the public. Copies of this agenda and any or all additional materials relating thereto are available at the District Office at 43301 Division Street, Suite 206, Lancaster, CA 93535 or by contacting the Administrative Secretary at 661-723-8070, ext. 1 or by email at cgoree@avaqmd.ca.gov
Mailed & Posted on: Monday, 5/8/17.

Crystal Goree, Administrative Secretary

**ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
GOVERNING BOARD**

******NOTICE OF REGULAR MEETING******

NOTICE IS HEREBY GIVEN that the Governing Board of the Antelope Valley Air Quality Management District (District) will conduct a Regular Meeting on Tuesday, May 16, 2017 at 10:00 a.m.

SAID MEETING will be conducted in the Antelope Valley Air Quality Management District Offices Conference Room, 43301 Division Street, Suite 206, Lancaster, California, 93535. Interested persons may attend and submit oral and/or written comments/statements at the meeting. It is requested that written comments/statements be submitted prior to the meeting.

A copy of the Agenda will be duly posted and may also be reviewed at the office of the Antelope Valley Air Quality Management District, 43301 Division Street, Suite 206, Lancaster, California 93535.

**ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
GOVERNING BOARD**

**CRYSTAL GOREE
ADMINISTRATIVE SECRETARY
PHONE: (661) 723-8070, Ext. 1.**

Mailed and Posted: **Monday, 5/8/17**
DATE

**ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
GOVERNING BOARD MEETING
TUESDAY, APRIL 18, 2017
ANTELOPE VALLEY DISTRICT OFFICE
LANCASTER, CA**

MINUTES

Board Members Present:

Marvin Crist, Chair, City of Lancaster
Ron Hawkins, Vice Chair, Los Angeles County
Newton Chelette, Public Member
Steve Hofbauer, City of Palmdale
Austin Bishop, City of Palmdale
Raj Malhi, City of Lancaster

Board Members Absent:

Vern Lawson, Los Angeles County (excused)
Ken Mann, City of Lancaster

CALL TO ORDER

Chair Crist called the meeting to order at 10:00 a.m. Board Member Malhi led the Pledge of Allegiance. Roll call was taken.

PUBLIC COMMENT

Agenda Item #1

None.

CONSENT CALENDAR

Agenda Item #2 - Approve Minutes from Regular Governing Board Meeting of March 18, 2017. Presenter: Crystal Goree.

Upon Motion by Hofbauer, Seconded by Hawkins, Abstention by Malhi, the Board **Approved** Minutes from Regular Governing Board Meeting of March 18, 2017.

Agenda Item #3 – Monthly Activity Report. Receive and file. Presenter: Bret Banks.

Upon Motion by Chelette, Seconded by Malhi, and carried unanimously, the Board Received and Filed Activity Report.

Agenda Item #4 – Monthly Grant Fund Summary. Receive and file.

Presenter: Bret Banks.

Upon Motion by Chelette, Seconded by Malhi, and carried unanimously, the Board Received and Filed Monthly Grant Fund Summary.

Agenda Item #5 - The Financial Report for FY 17, January 2017 is provided to the Governing Board for information concerning the current fiscal status of the District.

Presenter: Jean Bracy.

Upon Motion by Chelette, Seconded by Malhi, and carried unanimously, the Board Received and Filed the Financial Report.

Agenda Item #6 - Approve payment to MDAQMD in the total amount of \$106,110.46, subject to availability of funds, for services provided during the month of January 2017. Presenter: Jean Bracy.

Upon Motion by Chelette, Seconded by Malhi, and carried unanimously, the Board Approved payment to MDAQMD in the total amount of \$106,110.46, subject to availability of funds, for services provided during the month of January 2017.

ITEMS FOR DISCUSSION

DEFERRED

None.

PUBLIC HEARINGS

None.

NEW BUSINESS

Agenda Item #7 – Budget Overview Discussion. Presenter: Bret Banks.

Bret Banks shared PowerPoint presentation on the 2017/2018 budget, stating that the Public Hearing on the Proposed Budget will take place on May 16, 2017, with adoption on June 20, 2017. The Public Hearing for amendments to Regulation III, Fees will take place on July 18, 2017. Mr. Banks provided information on budget foundation, motor vehicle registration fee program, budget development strategies and future budget recommendations. Chair Crist provided clarification to new Board members as to the Board's direction and stance on the upcoming budget. Mr. Banks answered Board member questions.

PRESENTATIONS

Agenda Item #8 – Gasoline Dispensing Overview. Presenter: Jason Mentry.

Jason Mentry shared PowerPoint presentation on Gasoline Dispensing. Mr. Mentry provided information on Phase I and II vapor recovery systems and provided in-station diagnostics overview. Information was also provided on gasoline dispensing facility inspections. Mr. Mentry answered questions from the Board. Discussion ensued. Chair Crist raised questions regarding re-inspection fees and directed Bret Banks to research the cost to re-inspect a facility. Mr. Banks to report back to the Board.

Agenda Item #9 – Status of A.V. School Bus Fleet. Presenter: Bret Banks.

Bret Banks shared PowerPoint presentation on the Status of the Antelope Valley's School Bus Fleet. Mr. Banks provided an overview on regulations, emissions and the next steps to be taken towards compliance and promoting cleaner technology. Information was also provided on the Rural School Bus Pilot Project. Mr. Banks noted that AVSTA and Eastside, Palmdale and Wilsona School Districts have applied for zero emission school bus funding. Mr. Banks answered Board member questions. Board Member Hofbauer requested that Bret Banks send an email to Governing Board Members announcing all district sponsored programs as they become available.

ADMINISTRATIVE ITEMS

Agenda Item #10 - Reports

Governing Board Counsel – Allison Burns briefed the Board and staff on the California Public Records Act (CPRA), stating that the California Supreme Court recently held that emails and text messages on personal accounts of local agency officials and employees are public records subject to disclosure. Ms. Burns further advised Board members and staff to use public email accounts for public business so that the need for going through private accounts will not arise. Ms. Burns is working with Bret Banks on updates to the AVAQMD's record retention and CPRA policies to better help the District to comply with the new regulations.

Executive Director/APCO – Bret Banks provided an update on the Lawn Mower Exchange Program Event, recently held in Palmdale, noting that the Air Resources Board was in attendance and 28 mowers were swapped out. The next event will take place on Saturday, May 6, 2017, 8:30 am – 11:30 am at the City of Lancaster Recycling Center.

Agenda Item #11 – Board Member Reports and Suggestions For Future Agenda Items.

None.

The meeting was adjourned at 11:05 a.m. to the next regularly scheduled Governing Board Meeting, Tuesday, May 16, 2017, 10:00 a.m.

Item # 3 - Monthly Activity Report – April 2017

	<u>April 2017</u>	<u>April 2016</u>	<u>YTD (7/1/17)</u>
Complaints	2	3	29
Complaint Investigations	2	3	29
Asbestos Notifications	10	8	41
Asbestos Inspections	0	0	0
Facility Inspections	32	35	315
Facility Inspections Completed (%)	99	97	97
Permit Inspections	55	123	587
Permit Inspections in Compliance (%)	100	99	99
Notice of Violation (NOV)	0	1	9

Outstanding NOVs

- AV00000187, Issued 02/2016

Project Comment Letters – April 2017

None

		AVAQMD CEQA PROJECTS				
		BOARD MEETING				
		05/16/2017				
Date Rec'd	Location	Project Name	Description	Comment	Date Due	Date Sent
03/15/2017	COL	Antelope Valley Christian Center	TTM 74904 Approx 80 acres on the west side of 30th Street East, north of Avenue L. (Prev approved for 32,521 sf church facility CUP 12-06)	Rule 403	04/15/17	04/04/17
03/27/2017	COP	Littlerock Reservoir Sediment Removal Project	Certified EIR	No Comment	n/a	n/a

ITEM #4 - MONTHLY GRANT FUND SUMMARY

AB 2766 (\$4 DMV Fee) Annual Allocation for Mobile Projects **\$407,605.00**

AB 923 (\$2 DMV Fee) Annual Allocation for Mobile Projects **\$545,000.00**

AB 2766 & AB 923 CURRENT BALANCES

AB 2766 PROJECT & ADMIN. FUNDS

Action Date	Project Name	Approved Action
Mar-14	AFV Program Add'l Funds AV0314#12	-100000.00 paid
Mar-14	Sommer Haven Ranch International AV0314#15	-25000.00 paid
Mar-14	Hemme Hay & Feed (2) Retrofit Project AV0314#10	-16337.00 paid
Mar-14	AVC Equipment Replacement AV0314#14	-26160.00 paid
Mar-14	AFV Program Add'l Funds AV0414#11	-61200.92 paid
Apr-14	Antelope Valley Fair Assoc. CNG Bus Engine Repair AV0414#10	-11193.96 paid
Apr-14	AFV Program Add'l Funds AV0414#11	-101524.52 paid
Jun-14	AFV Program Add'l Funds AV0414#11	-24742.69 paid
May-14	Antelope Valley Mall Electric Infrastructure AV0514#13	-45817.00 paid
Jul-14	Antelope Valley HSD AV0714#9	-13500.00 paid
Jul-14	City of Palmdale Electric Infrastructure AV0714#10	-49729.00 paid
Aug-14	AFV Program Add'l Fnds AV0414#11	-14425.00 paid
Aug-14	AVEK Water Agency AV0814#9	-12000.00 paid
Aug-14	Yates Trucking Inc. AV0814#10	-15761.00 paid
Dec-14	City of Lancaster Traction Seal Project AV1214#9	-200000.00 paid
Jan-15	R & R Pipeline, Inc. Grant Funds Returned	20700.00 rec'd
Jan-15	AFV Program Add'l Funds AV0414#11	-17000.00 paid
Mar-15	Projected AFV applications for 2015	-60000.00 paid
Apr-15	Return of Truck Retrofit Funds	6718.00 rec'd
Jun-15	AVTA - Public Transit Programs AV0615#11 /0715#S-1	-178000.00 paid
Oct-15	AFV Program Add'l Funds AV0414#11	-14000.00 paid
Feb-16	LA County Sheriff's Alt. Patrol Project AV0216#9	-50000.00 paid
Mar-16	AVC Equipment Replacement AV0314#14	-1886.00 paid
Mar-16	AVLAW, LLC EV Charging Repair AV0316#11	-2117.00 paid
Apr-16	AV Produce TRU Replacement Project AV0416#12	-16203.00 paid
Apr-16	LA County Sheriff's Bio Diesel Truck Project AV0416#11	-50000.00 paid
Jul-16	City of Palmdale Electric Infrastructure ADA Req AV0716#10	-59700.00 paid
Aug-16	AFV Program Add'l Funds AV0816#9	-34500.00 paid
Aug-16	AVC Free Fare Pilot Program for Students AV0816#7	-30000.00 paid
Sep-16	LA Cty Sheriff's Bike Patrol Proj. Palmdale/Lancaster AV0916#11	-35143.00 pending
Sep-16	AVTA - Public Transit Programs AV0916#8	120000.00 pending
Dec-16	A-Z Engine Systems Repair AV0117#	-5794.00 pending
Feb-17	AFV Program Add'l Funds AV0117#	-40000.00 pending
Mar-17	VAVR Program - Projects to EES AV0317#9	-60000.00 pending

AB 2766 PROJECTS CURRENT BALANCE

\$328,757.63

Action Date	Project Name	Pending Action
May-17	American Plumbing Services AV0517#?	-37748.00
May-17	AV Fair Assoc. AV0517#?	-24370.00

\$266,639.63

AB 2766 PROJECTS BALANCE PENDING APPROVAL

\$266,639.63

AB 923 PROJECT & ADMIN. FUNDS

<i>Action Date</i>	<i>Project Name</i>	<i>Approved Action</i>
Jan-15	AVSTA CNG School Bus Purchase AV0115#7	-100000.00 paid
Apr-15	Calandri SonRise Farms ERP Project #3 AV0415#8	-78372.75 paid
Apr-15	2016 Lawn Mower Exchange Program	-11200.00 paid
May-15	Gene Wheeler Farms ERP Project #2 AV0515#10	-142010.00 paid
Aug-15	VAVR Program - Projects & Admin. to EES AV0815#6	-60000.00 paid
Nov-15	Calandri SonRise Farms Repower Project #4 AV1115#9	-116471.00 paid
Jan-16	Antelope Valley Farming ERP Project #1 AV0116#8	-181530.00 paid
Mar-16	Ebee Streetlight EV Charging Project AV0316#10	-25000.00 pending
Apr-16	VAVR Program - Admin to EES AV0416#10	-60000.00 paid
Apr-16	2016 Lawn Mower Exchange Program	-11200.00 paid
Aug-16	Calandri SonRise Farms Harvesting Project AV0816#8	-406,065.00 pending
Oct-16	Antelope Valley Farming ERP Project #2 AV1016#10	-12,940.38 paid
Dec-16	AVSTA CNG Tank Replacement AV1216#11	-63,377.00 pending
Dec-16	SCE Charge Ready Pilot Project AV1216#10	-48,819.20 pending
Feb-17	City of Pamdale Vanpool/Infrastructure Project AV0117#12	-164,928.00 pending
Feb-17	City of Lancaster Vanpool/Infrastructure Project AV0117#11	-61,925.00 pending
Mar-17	2017 Lawn Mower Exchange Program	-10,730 pending

AB 923 PROJECTS CURRENT BALANCE

<i>Action Date</i>	<i>Project Name</i>
	No Pending Projects

\$28,365.69

Pending Action

AB 923 PROJECTS BALANCE PENDING APPROVAL

\$28,365.69

CARL MOYER PROGRAM PROJECT FUNDS

Mar-15 Carl Moyer Prog. Funds Year 17 Awarded to AVAQMD	637511.00 recv'd
Mar-15 Carl Moyer Interest (FY 13-14) added to Year 16	834.45 recv'd
Apr-15 Calandri SonRise Farms ERP Project #3 AV0415#8	-284211.25 paid
Apr-15 High Desert Dairy ERP Project #3 AV0415#7	-134239.00 paid
Nov-15 Bill's Landscaping ERP Project #1 AV1115#7	-78873.00 paid
Nov-15 Gall Brothers Engineering ERP Project #1 AV1115#8	-138715.00 paid
Feb-16 MDAQMD Year 16 Transfer AV0216#7	324480.00 recv'd
Mar-16 High Desert Dairy ERP Project #4 AV0316#8	-139,224.00 paid
Mar-16 Calandri SonRise Farms ERP Project #5 AV0316#9	-83,983.00 paid
Mar-15 Carl Moyer Prog. Funds Year 18 Awarded to AVAQMD	659588.00 recv'd
Apr-16 Lane Ranch & Co. ERP Project AV0416#8	-99,989.56 paid
Apr-16 Bill's Landscaping ERP Project #2 AV0416#9	-79,916.00 paid
Jun-16 Calandri SonRise Farms Forklift Project #6 AV0616#8	-60,985.00 paid
Jun-16 Antelope Valley Fair Assoc. Forklift Project AV0616#9	-51,460.00 paid
Jul-16 Bolthouse ERP Project AV0716#11	-18,927.00 paid
Jul-16 South Pac Industries ERP Project AV0716#9	-181,114.00 paid
Sep-16 High Desert Dairy ERP Project #4 AV0916#9	-158,663.00 paid
Sep-16 Gall Brothers Engineering ERP Project #2 AV0916#10	-77,896.00 paid
Oct-16 Antelop Valley Farming ERP Project #2 AV1016#10	-34,943.62 paid
Apr-17 Carl Moyer Prog. Funds Year 19 Tentative Allocation	669,301.00

CARL MOYER PROJECTS CURRENT BALANCE

May-17 AV Fair Assoc. AV0517#?	-15,130.00
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\$670,796.00

CARL MOYER PROJECTS BALANCE PENDING APPROVAL

\$655,666.00

**MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM 5

DATE: May 16, 2017

RECOMMENDATION: Receive and file.

SUMMARY: The Financial Report for FY 17, March 2017 is provided to the Governing Board for information concerning the current fiscal status of the District.

BACKGROUND: The Financial Reports provide financial and budget performance information and reflects the business activities of the District for the period referenced. Staff is available to answer questions as needed.

BALANCE SHEET – The Balance Sheet is a “snapshot” of the District’s resources, shown per fund. The Change in Net Position indicates the dynamic status of revenue and expenses for the period; it does not reflect the District’s cash position.

STATEMENT OF REVENUES & EXPENDITURES – This report describes the financial activities only for the month for each of the District’s funds and does not reflect the District’s cash position.

STATEMENTS OF ACTIVITY (for all District funds) – The target variance for March 2017 is 75% of Fiscal Year 2017.

- ***District Wide*** reports the expenses paid directly from the District’s operating account and grant funds. Negative amounts usually indicate expenses made from accumulated grant funds. “Adjustments to Revenue” usually reflects the cancellation of permits. “Permitting” revenue represents invoices issued for annual permit renewals and always assumes the expectation of revenue for those facilities with valid operating permits. Cancelling permits impacts the expected revenue.
- ***Contracted Services*** reports the expenses made by the contractor (MDAQMD) and passed through to the District.
- ***Report Recap*** is the consolidated report which reflects the revenues received and expenses made during the period and year to date against the adopted budget for FY 17. The line item Program Costs includes those payments made from the District’s grant funds (AB 2766, AB 923, and Carl Moyer Fund).

cc: Jean Bracy
Laquita Cole
Michelle Powell

**MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM 5

BANK REGISTER WELLS FARGO OPERATING – This report lists the deposits to and payments made from the District’s primary operating account which is deposited at Wells Fargo Bank. Periodically the account is reimbursed from the funds on deposit with the Los Angeles County Auditor/Controller.

BANK REGISTERS LA COUNTY: GENERAL FUND, AB 2766 U5R, LA COUNTY AB 923, and LA COUNTY CARL MOYER U5S – These reports list deposits to and payments made from the District’s Grant Fund Accounts, held in trust at the Los Angeles County Auditor/Controller. The items from the Grand Fund accounts are the activity are shown on the Statement of Activity as “Program Costs.”

DISTRICT CARDS – This report shows the purchases made using the District’s Mastercard for the referenced period(s).

REASON FOR RECOMMENDATION: Receive and file.

REVIEW BY OTHERS: This item was reviewed by Allison Burns, Special Counsel as to legal form and by Bret Banks, Executive Director/APCO (AVAQMD) on or about May 2, 2017.

FINANCIAL DATA: No change in appropriation is required at this time.

PRESENTER: Jean Bracy, Deputy Director – Administration

Antelope Valley AQMD
Balance Sheet - Governmental Funds
As of March 31, 2017

Financial Report

	<u>General Fund</u>	<u>AB2766 Mobile Emissions</u>	<u>AB923 Mobile Emissions</u>	<u>Carl Moyer</u>	<u>Total</u>
Assets					
Current Assets					
Cash	1,135,515.51	472,634.27	937,606.01	154,319.38	2,700,075.17
Cash Held For Other Fund	37,014.17	7,412.38	(16,249.91)	(28,176.64)	0.00
Receivables	61,286.99	0.00	0.00	0.00	61,286.99
Pre-Paid	3,510.48	0.00	0.00	0.00	3,510.48
Total Current Assets	1,237,327.15	480,046.65	921,356.10	126,142.74	2,764,872.64
Total Assets	1,237,327.15	480,046.65	921,356.10	126,142.74	2,764,872.64
Liabilities and Net Position					
Current Liabilities					
Payables	426,512.54	0.00	7,090.18	20,182.34	453,785.06
Due to Others	1,085.00	0.00	0.00	0.00	1,085.00
Unearned Revenue	0.00	0.00	0.00	547,711.31	547,711.31
Total Current Liabilities	427,597.54	0.00	7,090.18	567,893.65	1,002,581.37
Restricted Fund Balance	0.00	566,746.99	853,660.32	(257,788.23)	1,162,619.08
Cash Reserves	370,000.00	0.00	0.00	0.00	370,000.00
Unassigned Fund Balance	264,583.59	0.00	0.00	0.00	264,583.59
Pre-Paid	3,510.48	0.00	0.00	0.00	3,510.48
Change in Net Position	171,635.54	(86,700.34)	60,605.60	(183,962.68)	(38,421.88)
Total Liabilities & Net Position	1,237,327.15	480,046.65	921,356.10	126,142.74	2,764,872.64

Antelope Valley AQMD
Statement of Revenues & Expenditures
For the Period Ending March 31, 2017

Financial Report

	<u>General Fund</u>	<u>AB2766 Mobile Emissions Program</u>	<u>AB923 Mobile Emissions Program</u>	<u>Carl Moyer Program</u>	<u>Total Governmental Funds</u>
Revenues					
Application and Permit Fees	59,325.38	0.00	0.00	0.00	59,325.38
AB 2766 and Other Program Revenues	63,150.43	33,959.85	48,495.37	12,238.68	157,844.33
Fines	1,075.00	0.00	0.00	0.00	1,075.00
Investment Earnings	530.43	242.72	540.25	289.14	1,602.54
Federal and State	0.00	0.00	0.00	0.00	0.00
Miscellaneous Income	0.00	0.00	0.00	0.00	0.00
Total Revenues	124,081.24	34,202.57	49,035.62	12,527.82	219,847.25
Expenditures					
Program Staff	84,901.40	0.00	1,649.47	5,836.48	92,387.35
Services and Supplies	23,783.05	6,000.00	6,000.00	2,164.00	37,947.05
Contributions to Other Participants	0.00	0.00	0.00	0.00	0.00
Capital Outlay Improvements and Equipment	0.00	0.00	0.00	0.00	0.00
Total Expenditures	108,684.45	6,000.00	7,649.47	8,000.48	130,334.40
Excess Revenue Over (Under) Expenditures	15,396.79	28,202.57	41,386.15	4,527.34	89,512.85

Antelope Valley AQMD
Statement of Activity - MTD, MTM and YTD
For 3/31/2017

00 District Wide

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
Revenues				
Permitting	58,751.29	589,599.69	637,480.00	(0.92)
Programs	157,844.33	1,778,591.79	2,396,065.00	(0.74)
Revenue - Other	0.00	1,416.82	0.00	0.00
Application Fees	5,567.00	37,797.00	47,500.00	(0.80)
State Revenue	0.00	130,008.15	126,000.00	(1.03)
Fines & Penalties	500.00	20,750.00	12,000.00	(1.73)
Interest Earned	1,602.54	15,555.99	13,300.00	(1.17)
Adjustments to Revenue	(4,417.91)	(8,637.70)	0.00	0.00
Total Revenues	219,847.25	2,565,081.74	3,232,345.00	(0.79)
Expenses				
Office Expenses	6,293.18	62,800.93	90,180.00	0.70
Communications	1,599.96	14,561.18	23,500.00	0.62
Vehicles	319.99	6,613.81	9,500.00	0.70
Program Costs	14,164.00	1,510,536.54	1,637,438.00	0.92
Travel	0.00	4,650.96	6,500.00	0.72
Professional Services				
Financial Audit & Actuarial Svcs	0.00	12,500.00	12,000.00	1.04
Research Studies	0.00	0.00	6,000.00	0.00
Consulting Fees	0.00	2,114.60	3,000.00	0.70
Stipends	500.00	3,900.00	8,400.00	0.46
Maintenance & Repairs	225.00	3,760.00	7,000.00	0.54
Non-Depreciable Inventory	43.41	6,365.74	6,300.00	1.01
Dues & Subscriptions	0.00	6,815.90	10,500.00	0.65
Legal	1,325.00	14,012.21	17,000.00	0.82
Miscellaneous Expense	50.19	610.49	800.00	0.76
Capital Expenditures	0.00	0.00	10,000.00	0.00
Total Expenses	24,520.73	1,649,242.36	1,848,118.00	0.89
Program Staff				
Program Staff	0.00	0.00	94,227.00	0.00
Total Program Staff	0.00	0.00	94,227.00	0.00
Excess Revenue Over (Under) Expenditures	195,326.52	915,839.38	1,290,000.00	(0.71)

Antelope Valley AQMD
Statement of Activity - MTD, MTM and YTD
For 3/31/2017

10 Contracted Services

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
<u>Revenues</u>				
<u>Expenses</u>				
Office Expenses	456.48	1,993.87	6,200.00	0.32
Vehicles	0.00	0.00	500.00	0.00
Travel	0.00	355.28	3,000.00	0.12
Professional Services				
Payroll Contract	97.99	178.51	300.00	0.60
Financial Audit & Actuarial Svcs	12,871.85	117,651.07	155,635.00	0.76
Maintenance & Repairs	0.00	333.33	0.00	0.00
Non-Depreciable Inventory	0.00	48.38	0.00	0.00
Capital Expenditures	0.00	390.88	13,000.00	0.03
Total Expenses	13,426.32	120,951.32	178,635.00	0.68
<u>Program Staff</u>				
Program Staff	92,387.35	833,309.94	1,111,365.00	0.75
Total Program Staff	92,387.35	833,309.94	1,111,365.00	0.75
Excess Revenue Over (Under) Expenditures	(105,813.67)	(954,261.26)	(1,290,000.00)	(0.74)

Antelope Valley AQMD
Statement of Activity - MTD, MTM and YTD
For 3/31/2017

Report Recap

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
Revenues				
Permitting	58,751.29	589,599.69	637,480.00	(0.92)
Programs	157,844.33	1,778,591.79	2,396,065.00	(0.74)
Revenue - Other	0.00	1,416.82	0.00	0.00
Application Fees	5,567.00	37,797.00	47,500.00	(0.80)
State Revenue	0.00	130,008.15	126,000.00	(1.03)
Fines & Penalties	500.00	20,750.00	12,000.00	(1.73)
Interest Earned	1,602.54	15,555.99	13,300.00	(1.17)
Adjustments to Revenue	(4,417.91)	(8,637.70)	0.00	0.00
Total Revenues	219,847.25	2,565,081.74	3,232,345.00	(0.79)
Expenses				
Office Expenses	6,749.66	64,794.80	96,380.00	0.67
Communications	1,599.96	14,561.18	23,500.00	0.62
Vehicles	319.99	6,613.81	10,000.00	0.66
Program Costs	14,164.00	1,510,536.54	1,637,438.00	0.92
Travel	0.00	5,006.24	9,500.00	0.53
Professional Services				
Payroll Contract	97.99	178.51	300.00	0.60
Financial Audit & Actuarial Svcs	12,871.85	130,151.07	167,635.00	0.78
Research Studies	0.00	0.00	6,000.00	0.00
Consulting Fees	0.00	2,114.60	3,000.00	0.70
Stipends	500.00	3,900.00	8,400.00	0.46
Maintenance & Repairs	225.00	4,093.33	7,000.00	0.58
Non-Depreciable Inventory	43.41	6,414.12	6,300.00	1.02
Dues & Subscriptions	0.00	6,815.90	10,500.00	0.65
Legal	1,325.00	14,012.21	17,000.00	0.82
Miscellaneous Expense	50.19	610.49	800.00	0.76
Capital Expenditures	0.00	390.88	23,000.00	0.02
Total Expenses	37,947.05	1,770,193.68	2,026,753.00	0.87
Program Staff				
Program Staff	92,387.35	833,309.94	1,205,592.00	0.69
Total Program Staff	92,387.35	833,309.94	1,205,592.00	0.69
Excess Revenue Over (Under) Expenditures	89,512.85	(38,421.88)	0.00	0.00

Antelope Valley AQMD
Bank Register from 3/01/2017 to 3/31/2017
Wells Fargo Operating

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0000251	3/02/2017	Credit Card Transaction - Lockheed	0.00	985.86	244,979.56
0000251	3/06/2017	Credit Card Transaction - Kaiser	0.00	372.11	245,351.67
0002031	3/07/2017	[10053] MIKE DISPENZA - MIKE DISPENZA-Void check 0002031	0.00	100.00	245,451.67
0002816	3/07/2017	[10053] MIKE DISPENZA-Void check 0002816	0.00	100.00	245,551.67
0003142	3/09/2017	[10076] ANTELOPE VALLEY AQMD-Invoices 402, 408	11,577.17	0.00	233,974.50
0003143	3/09/2017	[01148] ANTELOPE VALLEY PRESS-Invoices 32319853, 4203695	422.46	0.00	233,552.04
0003144	3/09/2017	[10007] BOHN'S PRINTING-Pre printed Letterhead and Envelopes	206.78	0.00	233,345.26
0003145	3/09/2017	[10016] COUNTY OF LOS ANGELES-Bank Fees Oct 2016 - Dec 2016	34.34	0.00	233,310.92
0003146	3/09/2017	[10023] LOS ANGELES COUNTY CLERK-Adoption of the AVAQMD Federal 75 ppb Ozone Attainment Plan (Western Mojave Desert Nonattainment Area).	75.00	0.00	233,235.92
0003147	3/09/2017	[10071] MAIL FINANCE-Postage meter rental April 1 2017 through May 1 2017	94.60	0.00	233,141.32
0003148	3/09/2017	[10026] MOJAVE DESERT AQMD-NOV FY17	105,650.54	0.00	127,490.78
0003149	3/09/2017	[10260] QCS BUILDING SERVICES-Invoices 15912, 15958	281.26	0.00	127,209.52
0003150	3/09/2017	[10036] SECURA COM-Qtly Monitoring service March 2017 - May 2017	116.85	0.00	127,092.67
0003151	3/09/2017	[10043] THE GAS CO-Gas Service Feb 2017	98.13	0.00	126,994.54
0003152	3/09/2017	[10045] VERIZON BUSINESS-VOIP & Internet Service March 2017	1,372.25	0.00	125,622.29
0003153	3/09/2017	[10046] VERIZON CALIFORNIA-Long distance Charges Feb 2017	27.71	0.00	125,594.58
0003154	3/09/2017	[10063] VOYAGER FLEET SYSTEMS-Fuel Card Charges Feb 2017	289.71	0.00	125,304.87
0000255	3/09/2017	Wells Fargo ACH - NASA	0.00	12,461.70	137,766.57
0000263	3/10/2017	Wells Fargo ACH - LA-RICS	0.00	383.32	138,149.89
0000253	3/13/2017	Credit Card Transaction - Hertz Equipment Rental	0.00	40.25	138,190.14
	3/13/2017	Service Charge	35.15	0.00	138,154.99
R17-07	3/17/2017	Op Fund Rep #7	0.00	121,282.84	259,437.83
0000255	3/20/2017	Credit Card Transaction - 7-Eleven	0.00	483.00	259,920.83
0000255	3/22/2017	Credit Card Transaction - NASA	0.00	1,014.11	260,934.94
0003155	3/23/2017	[10006] BANK OF THE WEST-CC Charges Feb 2017	514.93	0.00	260,420.01
0003156	3/23/2017	[10405] CANON FINANCIAL SERVICES-Copier Lease April 2017	297.49	0.00	260,122.52
0003157	3/23/2017	[10502] DIGITAL DEPLOYMENT INC-Web hosting 3/19/17 - 4/18/17	200.00	0.00	259,922.52
0003158	3/23/2017	[10059] ENTERPRISE FLEET MANAGEMENT-Fleet maintenance Feb 2017	32.00	0.00	259,890.52
0003159	3/23/2017	[00069] SOUTHERN CALIFORNIA EDISON-Electric service March 2017	431.03	0.00	259,459.49
0003160	3/23/2017	[10039] SPARKLETTS-Water Delivery Service Feb 2017	44.42	0.00	259,415.07
0003161	3/23/2017	[10455] STRADLING YOCCA CARLSON & RAUTH-Legal services through Jan 31 2017	1,250.00	0.00	258,165.07
0000255	3/27/2017	Credit Card Transaction - Premier Construction	0.00	212.00	258,377.07
0000087	3/31/2017	Well Fargo ACH - LA-RICS	0.00	791.12	259,168.19
Total for Report:			123,051.82	138,226.31	

Antelope Valley AQMD
Bank Register from 3/01/2017 to 3/31/2017
LA County General Fund P6A

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
	3/02/2017	Service Charge	15.04	0.00	882,008.19
0000251	3/06/2017	Daily Deposit	0.00	8,228.40	890,236.59
0000252	3/06/2017	Daily Deposit	0.00	1,838.83	892,075.42
	3/06/2017	[02125] ALAMEDA BODY WORKS-NSF Check 0001000	332.24	0.00	891,743.18
0000253	3/14/2017	Daily Deposit	0.00	7,102.39	898,845.57
R17-07	3/17/2017	Op Fund Rep #7	121,282.84	0.00	777,562.73
0082808	3/17/2017	Transfer AB2766 - January 2017	33,959.85	0.00	743,602.88
0082809	3/17/2017	Transfer AB2766 - January 2017	48,495.37	0.00	695,107.51
0000255	3/21/2017	Daily Deposit	0.00	6,388.01	701,495.52
0000256	3/22/2017	Daily Deposit	0.00	165,060.43	866,555.95
0000257	3/29/2017	Daily Deposit	0.00	1,408.11	867,964.06
0000258	3/31/2017	Daily Deposit	0.00	5,774.89	873,738.95
	3/31/2017	Interest Earned	0.00	530.43	874,269.38
Total for Report:			204,085.34	196,331.49	

Antelope Valley AQMD
Bank Register from 3/01/2017 to 3/31/2017
LA County AB2766 U5R

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
M17-53	3/07/2017	[10238] QUIROS, LILIANA-AB2766 Grant	1,000.00	0.00	443,431.70
0082808	3/17/2017	Transfer AB2766 - January 2017	0.00	33,959.85	477,391.55
M7-54	3/22/2017	[10531] SIMPSON, DARLENE-AB2766 Grant	1,000.00	0.00	476,391.55
M17-55	3/22/2017	[10532] LOPEZ, DANNA LILY-AB2766 Grant	1,000.00	0.00	475,391.55
M17-57	3/27/2017	[10302] TIEN, DANIEL-AB2766 Grant	1,000.00	0.00	474,391.55
M17-58	3/27/2017	[10534] TORRES, GABRIEL-AB2766 Grant	1,000.00	0.00	473,391.55
M17-59	3/27/2017	[10535] STINE, CHARLES-AB2766 Grant	1,000.00	0.00	472,391.55
	3/31/2017	Interest Earned	0.00	242.72	472,634.27
Total for Report:			6,000.00	34,202.57	

Antelope Valley AQMD
Bank Register from 3/01/2017 to 3/31/2017
LA County AB923

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0082809	3/17/2017	Transfer AB2766 - January 2017	0.00	48,495.37	943,065.76
M17-56	3/27/2017	[10084] ENVIRONMENTAL ENGINEERING STUDIES VAVR-AB923 Grant	6,000.00	0.00	937,065.76
	3/31/2017	Interest Earned	0.00	540.25	937,606.01
Total for Report:			6,000.00	49,035.62	

Antelope Valley AQMD
Bank Register from 3/01/2017 to 3/31/2017
LA County Carl Moyer U5S

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
C17-19	3/27/2017	[10084] ENVIRONMENTAL ENGINEERING STUDIES VAVR-Moyer Grant	2,164.00	0.00	154,030.24
	3/31/2017	Interest Earned	0.00	289.14	154,319.38
Total for Report:			2,164.00	289.14	

Antelope Valley AQMD
Bank Register from 3/01/2017 to 3/31/2017
District Cards

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0000134	3/15/2017	[10069] BRET BANKS-Purchase of HP 1200 LaserJet printer cartridge.	104.39	0.00	-91.88
0000135	3/15/2017	[10069] BRET BANKS-Monthly lease payment for storage unit for long term storage of District documents and records.	139.00	0.00	-230.88
0000136	3/15/2017	[10070] BARBARA LODS-Sam's Club-water,paper,coffee	53.53	0.00	-284.41
0000137	3/15/2017	[10240] RAUSCH, VICKIE-CAREERTRACK SEMINAR - LEADERSHIP & MANAGEMENT SKILLS FOR WOMEN	199.00	0.00	-483.41
0000138	3/15/2017	[10041] STAPLES INC-Office supplies purchase	19.01	0.00	-502.42
0000024	3/15/2017	March Payment	0.00	514.93	12.51
Total for Report:			514.93	514.93	

**MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM 6

DATE: May 16, 2017

RECOMMENDATION: Approve payment to MDAQMD in the total amount of \$105,813.67, subject to availability of funds, for services provided during the month of March 2017.

SUMMARY: The District contracts for services with MDAQMD; invoices for services are presented for payment.

CONFLICT OF INTEREST: None

BACKGROUND: Key expenses are staff; six positions are assigned to the local office. In this billing format staff time conducted in the performance of administering the Carl Moyer and AB 2766 programs is listed separately for program accountability. The Carl Moyer Program is a source of revenue used to reimburse some program administrative expenses. Operating expenses are paid directly and accounted in the Financial Report. Staff will be available to answer questions as needed.

This payment request represents services rendered for March 2017 in the amount of \$105,813.67, including amounts accrued for services rendered or supplies purchased but not yet billed or paid this fiscal year.

REASON FOR RECOMMENDATION: The AVAQMD Governing Board must authorize all payments to the MDAQMD.

REVIEW BY OTHERS: This item was reviewed by Allison Burns, Special Counsel as to legal form; and by Bret Banks, Executive Director/APCO, on or before April 5, 2017.

FINANCIAL DATA: The contract and direct expenditure amounts are part of the approved District budget for FY 17. No change in appropriations is anticipated as a result of the approval of this item.

PRESENTER: Jean Bracy, Deputy Director/Administration

cc: Jean Bracy
Laquita Cole
Michelle Powell



Mojave Desert AQMD
 14306 Park Avenue
 Victorville, CA 92392
 760.245.1661

Due Date **DUE UPON RECEIPT**
 Invoice Date **3/31/2017**
 Invoice Number **41583**

INVOICE

Bill To :
ANTELOPE VALLEY AQMD 43301 DIVISION ST. SUITE 206 LANCASTER, CA 93535
Company ID 10193

FY17	Amount
Office Expenses	456.48
Overhead	12,871.85
Professional Services	97.99
Antelope Valley AB2766	6,528.34
AV AB923	1,649.47
Antelope Valley Moyer	5,836.48
Antelope Valley PERP	196.28
Antelope Valley Title V	329.92
Antelope Valley PM2.5	506.84
Program Staff	77,340.02
<p>TO INSURE PROPER CREDIT - PLEASE INCLUDE A COPY OF THE INVOICE WITH YOUR PAYMENT</p> <p>FOR CREDIT CARD PAYMENTS PLEASE VISIT www.mdaqmd.ca.gov</p>	
	Invoice Total 105,813.67 Amount Paid 0.00
MAKE CHECKS PAYABLE TO MOJAVE DESERT AQMD PLEASE INCLUDE THE INVOICE NUMBER ON THE CHECK	Balance Due 105,813.67

**ANTELOPE VALLEY AQMD
Program Staff
FY 2016-17**

Program	FY 15-16 Contracted Hours	Calendar Yr 2015 Actual Hours*	FY 16-17 Contracted Hours	Average Contract Cost/hr	Annual Contract Cost	FTE
Lancaster Office	12,480	12,480	12,480	\$65.51	\$817,595	6.00
Planning, Grants, and Rulemaking	250	255	265	95	25,206	0.13
Air Monitoring and Surveillance	525	431	440	82	36,184	0.21
Compliance	250	303	310	94	29,089	0.15
Stationary Sources	150	259	270	77	20,781	0.13
Executive Management and Legal	750	627	630	124	78,015	0.30
Community Relations & Education	100	75	80	95	7,635	0.04
Administration	1,100	1,087	1,115	87	96,860	0.54
TOTAL	15,605	15,517	15,590		\$ 1,111,365	7.50
Full Time Equivalents (FTE)	7.50	7.46	7.50			
Administrative Costs			14.00%			

Fiscal Year Comparison:	Contract Cost	FTE
Fiscal Year 2015-16	\$ 1,237,940	7.50
Fiscal Year 2016-17	\$ 1,111,365	7.50
Percent Change:	-11.4%	-5%

*Hours for calendar year 2015 are provided as a point of reference compared to last fiscal year and next fiscal year.

**MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM 7

DATE: May 16, 2017

RECOMMENDATION: Conduct Public Hearing to consider the proposed AVAQMD Budget for FY 2017-18: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Continue to the meeting of June 20, 2017 for adoption.

SUMMARY: A Public Hearing is required to receive comments regarding the proposed AVAQMD Budget for FY 2017-18. Staff will present the proposed budget and answer questions.

BACKGROUND: The budget process includes a presentation to the Governing Board of staff recommendations for programs and projects for the new fiscal year. In addition, opportunity for public comment is incorporated into the process and is required by law.

The Proposed Budget for Fiscal Year 2017-18 was published on April 14, 2017. A notice was advertised in the local publication and mailed to each permit holder informing them the budget was published and available for review and comment. The proposed budget was also posted on the District's website.

The Proposed Budget for Fiscal Year 2017-18 is attached and made part of this agenda item. It will be presented for adoption on June 20, 2017. If executed as presented, the proposed budget is balanced for Fiscal Year 18.

This Budget has no extraordinary demands and meets the District's requirements for normal operations. Approximately 76% of the District's 7.5 contracted staff positions are involved full time in the issuance of permits, the inspection and enforcement of such permits or the administration of the permit issuance, management and/or renewal process; other District employees are partially involved in these activities. The budget includes anticipated revenue to be derived from a proposed 7.5% fee increase adding \$55,000 and is projected to cover only a portion of the total projected cost increase for FY 18. Funds from other sources, including grant support revenue, are expected to fully close the gap. Therefore, pursuing a fee increase is well within the provisions of Health & Safety Code §42311(a) and falls within the exemption found in Article XIIC §1(e)(3) of the California Constitution.

cc: Jean Bracy
Laquita Cole
Michelle Powell

**MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM 7

PAGE 2

The District is a service based agency and staffing costs account for 71% of the District's operating expenses. The district's mandated functions such as compliance, permit issuance, and permit administration are labor intensive, therefore the related revenue should be structured to support the relevant regulatory and administrative activities. Revenue projections indicate that income derived from permit application and renewal fees (with the proposed fee increase) will constitute 48.68% of the operating revenue of the AVAQMD. The *proportion* of the revenue derived from the District's fee-rate sources is projected to increase 8.68% from FY 2017.

Beginning July 1, 2017 the District enters the second year of a five year service contract with the Mojave Desert AQMD.

REASON FOR RECOMMENDATION: Opportunities for public comment about the District's proposed budget is required by statute.

REVIEW BY OTHERS: This agenda item was approved as to legal form by Allison Burns, Special Counsel on or before May 1, 2017.

FINANCIAL DATA: There is no additional financial impact resulting from this presentation and public hearing.

PRESENTER: Bret Banks, Executive Director/APCO



43301 Division St.
Suite 206
Lancaster, CA 93535
(661) 723-8070
www.avaqmd.ca.gov

"It's a Breath of Fresh Air"

Proposed
BUDGET
FISCAL YEAR 2017-18

April 14, 2017

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43301 Division St., Suite 206
Lancaster, CA 93535

(661) 723-8070
www.avaqmd.ca.gov

April 14, 2017

Governing Board of the
Antelope Valley Air Quality Management District

This is the budget of the Antelope Valley Air Quality Management District (AVAQMD) for Fiscal Year 2017-18. This document provides for the required, necessary and desired services as established by this Governing Board and various Federal, State, and local regulations. A budget is designed to provide the Board and staff with a tool from which sound fiscal management decisions may be made.

The Consolidated Budget includes estimated revenues and expenses for all AVAQMD activity, including the grant programs. The General Fund Revenue Budget, in the amount of \$1,625,950 is a projected 7.3% increase from the prior fiscal year, due in part to a recommended 12% increase imposed January 1, 2017, and a proposed 7.5% increase on annual renewal fees and applications (Rule 301), and 15% on Plan Fees (Rule 302) effective January 1, 2018.

The General Fund Expense Budget, in the amount of \$1,625,950 reflects an overall increase of 7.3% from the budget for FY 2015-16. The planned expenditures include continuing projects to help streamline government and regulatory functions. The AVAQMD contracts most of its services from the Mojave Desert Air Quality Management District.

The AVAQMD is a service based agency in which program staff (salaries and benefits for 7.5 full time equivalent - FTE) will comprise 71.4% of the operations budget. The office is supported with six full time positions. Additional services are provided as needed under contract with the Mojave Desert AQMD.

This proposed budget represents a financial plan to meet obligations and challenges for Fiscal Year 2018.

Bret S. Banks
Executive Director/
Air Pollution Control Officer

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Resolution XX Approving and Adopting the Budget for FY 2017-18	TBD

"It's a breath of fresh air"

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Antelope Valley AQMD
"It's a breath of fresh air"

INTRODUCTION

The Antelope Valley Air Quality Management District continues to successfully reach the industry and sources that may be affected by air quality regulations. A practice of routine inspections ensures compliance to local, state and federal air quality regulations. Proactive contact with local businesses has generated interest in environmental issues and increased compliance rates.

The District approaches air quality regulations in a manner that is responsive and accessible. Growth and new programs demand that the District continue to strive to streamline government, become more efficient, and conserve resources without limiting or decreasing the service provided to the regulated community. Several ongoing programs and projects, with their associated costs, address these efficiency issues.

The AVAQMD contracts most of its services from the Mojave Desert Air Quality Management District (MDAQMD). MDAQMD staff is used for specific expertise to support the Antelope Valley office and provide a full service agency. Certain administrative functions and support of the AVAQMD are performed at Mojave Desert AQMD's Victorville location.

DISTRICT PROGRAMS AND PROJECTS

Community Outreach

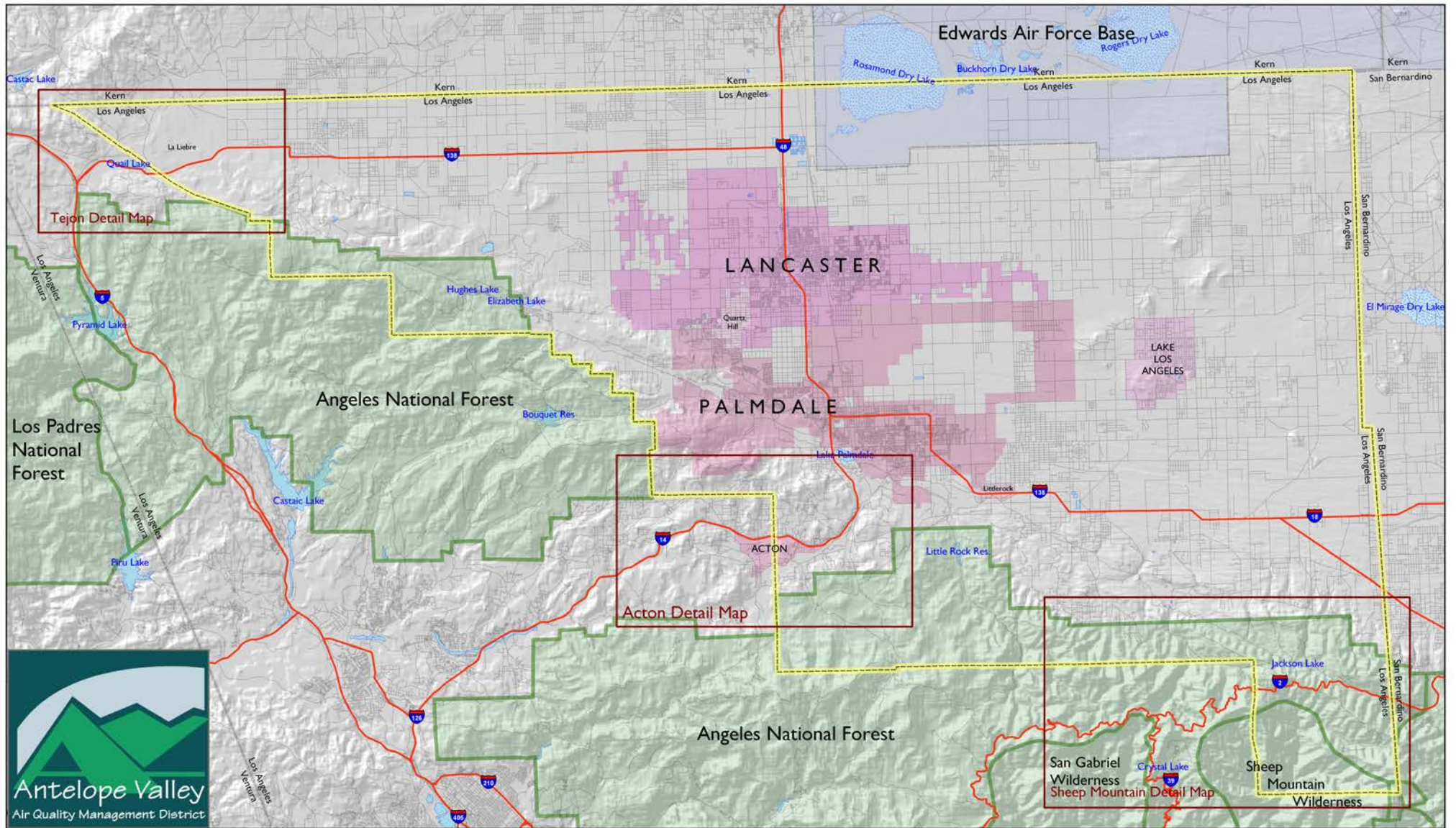
The District strives to be known throughout the community as a partner in the development of the local economy while protecting human health and the environment. This representation is achieved by providing information through participation in community events such as the Antelope Valley Board of Trade Business Outlook Conference, school education programs, and business opportunity forums.

Mobile Emissions Reduction Program

This grant program encourages projects sponsored by private or public agencies that reduce the impact of pollution generated by mobile emission sources in the Antelope Valley region. The Governing Board awards grants using funds collected from vehicle registrations (AB 2766 and AB 923) and awarded by the State of California through the Carl Moyer program (State of California).

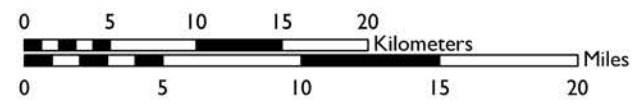
AVAQMD Website

Providing information to the general public may be the most important investment the District can make to impact the future air quality of the region. Using the internet allows the District to provide a contemporary medium to reach the public with the latest version of the District rulebook, application for permits and other forms, and air quality information, including forecasting and real-time air quality data. The site also has links to regional ozone maps found at <http://www.avaqmd.ca.gov/>



- Edwards Air Force Base
- National Forest
- Air Quality Management District Border
- County Lines
- Bodies of Water
- Dry Lakes
- Highways
- Roads

Antelope Valley Air Quality Management District Boundary





Governing Board Members
April 2017

Marvin Crist, Chair
City of Lancaster

Ronald A. Hawkins, Vice Chair
Los Angeles County
District Supervisor Appointment

Austin Bishop
City of Palmdale

Steven Hofbauer
City of Palmdale

Ken Mann
City of Lancaster

Vern Lawson
Los Angeles County
District Supervisor Appointment

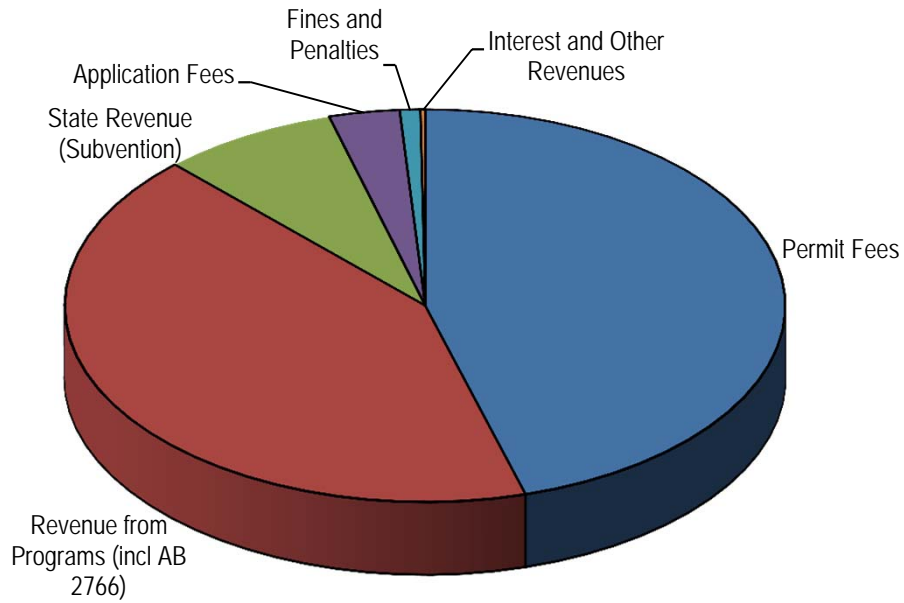
Newton Chelette
Public Member

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Antelope Valley AQMD
Consolidated Budget (All Funds)

	Adopted Budget FY 2017	End-of-Year Estimate FY 2017	Adopted Budget FY 2018
Revenues			
Permit Fees	637,480	735,093	740,000
Application Fees	47,500	52,154	51,450
Fines & Penalties	12,000	21,150	15,000
Interest Income	13,300	19,464	15,900
Revenue from Programs	2,396,065	2,728,518	2,537,404
State Revenue	126,000	130,008	129,000
Total Revenues	3,232,345	3,686,387	3,488,754
Expenses			
Personnel Expenses			
Program Staff	1,205,592	1,083,865	1,193,926
Total Personnel Expenses	1,205,592	1,083,865	1,193,926
Operating Expenses			
Communications	23,500	18,697	43,500
Dues & Subscriptions	10,500	6,776	10,500
Non-Depreciable Inventory	6,300	6,366	8,000
Legal	17,000	18,043	19,000
Professional Services	185,335	210,713	221,750
Maintenance & Repairs	7,000	6,010	6,575
Training & Travel	9,500	5,672	11,000
Vehicles	10,000	8,284	10,500
Office Expenses	96,380	83,896	94,475
Program Expenses	1,637,438	1,976,258	1,784,228
Miscellaneous Expenses	800	733	800
Total Operating Expenses	2,003,753	2,341,448	2,210,328
Capital Expenses			
Furniture & Fixtures	0	0	25,000
Equipment	0	0	12,000
Vehicles	0	0	25,000
Computers	0	0	20,000
Software	23,000	782	2,500
Total Capital Expenses	23,000	782	84,500
Total Expenses	3,232,345	3,426,095	3,488,754
Cash To (From) Reserves	0	260,292	0

Antelope Valley AQMD
General Fund
Sources of Estimated Revenue
Fiscal Year 2017-18



REVENUE TYPES	AMOUNT	% of Total
Permit Fees	740,000	45.51%
Revenue from Programs (incl AB 2766)	687,000	42.25%
State Revenue (Subvention)	129,000	7.93%
Application Fees	51,450	3.16%
Fines and Penalties	15,000	0.92%
Interest and Other Revenues	3,500	0.22%
TOTAL	1,625,950	100%

Antelope Valley AQMD
General Fund Budget
Revenue Detail

	<u>Adopted Budget FY 2017</u>	<u>End-of-Year Estimates FY 2017</u>	<u>Proposed Budget FY 2018</u>
Revenues			
Permit Fees			
Permit Fees Rev	545,000	612,853	625,000
Asbestos Demo/Reno Rev	65,000	82,271	72,000
Title V Rev	4,480	4,000	4,000
Rule Revenue	23,000	35,969	39,000
	<u>637,480</u>	<u>735,093</u>	<u>740,000</u>
Application Fees			
Permit Application Fees	46,000	50,204	49,450
AG Application Fees	1,500	1,950	2,000
	<u>47,500</u>	<u>52,154</u>	<u>51,450</u>
Fines & Penalties			
Notice of Violations Fee	12,000	21,150	15,000
	<u>12,000</u>	<u>21,150</u>	<u>15,000</u>
Interest Income			
Interest Revenue	3,300	5,791	3,500
	<u>3,300</u>	<u>5,791</u>	<u>3,500</u>
Other Revenue			
Revenue from Programs			
AB2766 Program	686,250	773,394	685,000
Hot Spots	3,000	2,298	2,000
	<u>689,250</u>	<u>775,692</u>	<u>687,000</u>
State Revenue			
PERP Regulation	27,000	30,517	30,000
State Subvention	99,000	99,491	99,000
	<u>126,000</u>	<u>130,008</u>	<u>129,000</u>
Total General Fund Revenues	<u>1,515,530</u>	<u>1,719,888</u>	<u>1,625,950</u>

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AIR QUALITY PROGRAM DESCRIPTIONS and Projects

Community Relations and Education Program

The Antelope Valley Air Quality Management District conducts public information and education programs in order to fulfill the requirement of the California Clean Air Act of 1988. The task is to inform the public about air pollution, its sources, health effects on humans, and damage to the environment. Education is provided on methods of control and to encourage individual means of reducing pollution.

The programs are targeted to many audiences: academia, the general adult population, elementary to college level students, as well as business and industry. This information uses pamphlets, brochures, public reports, newsletters, public workshops and conferences, presentations, exhibits, and other multimedia promotions. In addition, press releases, press conferences and air quality forecasts are provided to the local media on an ongoing basis as a means of keeping the public informed.

Air Quality Monitoring Program

Air Quality Surveillance participates in an ambient air monitoring and meteorological network to track air quality trends with an air monitoring station in Lancaster. The station is part of the State and Local Air Monitoring System (SLAMS) network.

A computer operated data acquisition system collects daily and real time levels of pollutants. These data are reported to the California Air Resources Board (CARB), Federal Environmental Protection Agency (EPA), regulated industry and the general public. This information is also used to provide pollution episode forecast and notification to school systems and the general population in the event of harmful levels of pollution.

Compliance Program

The District's responsibility is to protect the health and welfare of the public by assisting the regulated community in complying with Federal, State and Local regulatory requirements. This responsibility is carried out through various programs and activities:

- Comprehensive annual (for most) inspections are performed to verify compliance to air quality regulations.
- Investigation of citizen complaints pertaining to air related matters
- Legal case development when necessary to address non-complying situations
- Federal Asbestos Demolition and Renovation Program
- State-mandated Variance Program
- Continuous Emissions Monitoring Programs
- Reporting to the Environmental Protection Agency's AIRS and Significant Violator programs
- Source testing or stack sampling is the process that evaluates the emissions for industrial facilities to determine compliance with permit conditions.

Stationary Sources Program

One of the District's primary responsibilities is to process applications for permits in accordance with all applicable local, State, and Federal regulations. These permits are required for projects that propose industrial and/or commercial processes that have a potential to emit or control an air contaminant. The wide range of requirements applied depends on the type and size of the proposed project.

District staff provides technical reviews of official documents, such as test reports, risk assessments, EIS/EIR's, as well as technical assistance to permit applicants, other agencies, and manufacturers. The District implements and manages:

- Title III & V Programs. The Title III program is the federal toxic program specifically for Title V facilities. Title V (EPA Regulation) is a Federal Operating Permits Program required by the 1990 Clean Air Act. This program requires the District to develop and implement a Federal Permitting Program approved by the Environmental Protection Agency (EPA) for sources of a certain capacity.
- Emissions Inventory. This program to maintains an active inventory of the sources of criteria air pollutants within the District and measures progress towards attainment and maintaining compliance with National and State Ambient Air Quality Standards. State and Federal Law require this program.
- Toxic Emissions Inventory. (Air Toxic "Hot Spot" Information and Assessment Act of 1987) This program assesses the amounts, types and health impacts of air toxics produced from stationary sources.

Planning, Rulemaking

The District promulgates rules and plans in accordance with State and Federal attainment and maintenance planning requirements in order to achieve and maintain regional compliance with the various ambient air quality standards.

Planning staff serve as the District liaison with regional, State and Federal governments, ensuring District compliance with applicable requirements and significant developments. Planning staff also perform California Environmental Quality Act (CEQA) review and comment functions in the District's role as the expert agency for air quality. Staff in Planning and Rulemaking implement and maintain the following programs:

- California Ambient Air Quality Standards Attainment Planning, as codified in the California Clean Air Act and subsequent state legislation. This program currently focuses on the California ozone standard.
- National Ambient Air Quality Standards (NAAQS), as codified in the Federal Clean Air Act, the Clean Air Act Amendments and subsequent Federal legislation. This program currently focuses on the National one-hour and eight-hour ozone standards, the National 24-hour, annual PM10 standards, and National 24-hour, annual PM2.5 standards.
- Federal General and Transportation Conformity, entailing regional project review and comment
- California Environmental Quality Act (CEQA), requiring local and regional project review

- National Environmental Protection Act (NEPA), requiring local and regional project review

Mobile Source Emission Reduction Program

This program provides grants to projects that reduce emissions from mobile sources (and other limited categories). Funding for the grants include AB 2766 funds (four dollars assessed by the District's Governing Board and collected by the California Department of Motor Vehicles on motor vehicle registrations) as may be periodically allocated by the Governing Board and all funds under the Carl Moyer Program. Calls for projects, eligibility determinations, and Governing Board award are all part of the process that makes funds available to the region for qualified emission reducing projects.

Funds collected under AB 923 allows air districts in state non-attainment areas to adopt an additional two dollar surcharge on motor vehicle registration fees to be used strictly for incentive-based emission reduction funding programs. The use of the additional fees is limited to projects eligible for grants under the Carl Moyer Program, the purchase of school buses under the Lower-Emission School Bus Program, light-duty scrap or repair programs and unregulated agricultural sources.

Carol Moyer Grant Program Funds are distributed by the California Air Resources Board for projects obligated by the District under this state regulated program. Projects are awarded on a formula basis according to specific criteria and cost effectiveness.

Antelope Valley AQMD
General Fund
District Wide Expense Budget Detail

	Adopted Budget FY 2017	End-of-Year Estimates FY 2017	Proposed Budget FY 2018
Expenses			
Personnel Expenses			
Operating Expenses			
Communications			
Telephones	5,000	2,313	2,000
Long Distance Charges	500	257	500
Cellular Phones	0	250	0
Internet	12,000	14,111	15,000
Web Hosting	4,000	1,500	4,000
Tech Support	2,000	266	22,000
	23,500	18,697	43,500
Dues & Subscriptions			
Memberships & Sponsorships	10,000	6,391	10,000
Publications & Subscriptions	500	385	500
	10,500	6,776	10,500
Non-Depreciable Inventory			
Furniture & Fixtures Exp	2,500	453	2,500
Machinery & Equipment Exp	3,500	3,503	3,500
Safety Equipment Exp	300	2,410	2,000
	6,300	6,366	8,000
Legal			
Legal Notices	2,000	3,630	4,000
Legal Services	15,000	14,413	15,000
	17,000	18,043	19,000
Professional Services			
Financial Services	12,000	0	0
Research Studies	6,000	6,000	6,000
Consulting Fees	3,000	2,465	3,000
Stipends	8,400	5,300	8,400
	29,400	13,765	17,400
Maintenance & Repairs			
General Bldg. Maintenance	2,000	1,735	2,000
Custodial Services	3,000	2,700	3,000
Equipment Repair	2,000	1,575	1,575
	7,000	6,010	6,575
Training & Travel			
Training	3,000	1,408	3,000
Travel	3,000	3,509	7,000
Mileage	500	0	0
	6,500	4,917	10,000

Antelope Valley AQMD
General Fund
District Wide Expense Budget Detail

	Adopted Budget FY 2017	End-of-Year Estimates FY 2017	Proposed Budget FY 2018
Vehicles			
Vehicle Gas & Oil	5,000	4,099	5,000
Vehicle Maintenance	2,500	1,001	2,500
Vehicle Repairs	0	499	0
Vehicle Insurance	2,000	2,685	3,000
	<u>9,500</u>	<u>8,284</u>	<u>10,500</u>
Office Expenses			
Software	3,500	3,560	3,500
Utilities	6,600	6,764	6,600
Supplies	3,200	3,563	3,500
Facility Leases	56,000	53,387	58,000
Equipment Lease	8,000	5,191	7,000
Postage	600	209	300
Courier	175	33	175
Printing/Shredding Services	855	397	450
Security	750	467	750
Liability Insurance	8,000	5,997	7,000
Meeting Expenses	500	321	500
Community Relations	2,000	2,072	2,000
	<u>90,180</u>	<u>81,961</u>	<u>89,775</u>
Program Expenses			
Program Expenditures	10,000	8,854	10,000
Contributions to Other Agencies	4,850	500	4,850
	<u>14,850</u>	<u>9,354</u>	<u>14,850</u>
Miscellaneous Expenses			
Bank Fees	800	733	800
	<u>800</u>	<u>733</u>	<u>800</u>
Total Operating Expenses	215,530	174,906	230,900
Capital Expenses			
Furniture & Fixtures	0	0	25,000
Equipment	0	0	12,000
Vehicles	0	0	25,000
Computers	0	0	20,000
Software	10,000	0	0
Total Capital Expenses	10,000	0	82,000
Total Expenses	225,530	174,906	312,900

SUPPORT PROGRAM DESCRIPTIONS

Executive Office

The Executive Office is responsible to the Governing Board for the general administration and coordination of all District operations and programs, including those programs mandated by the Federal Environmental Protection Agency and the California Air Resources Board. This office monitors state and federal legislation affecting the District and advises the Governing Board on actions required to protect the interests of the District.

The Governing Board, with seven members, meets monthly and members receive \$100.00 stipend per meeting plus travel expenses. The Hearing Board, with five members, meets as needed and members may receive \$100.00 stipend per meeting plus travel expenses. The Rule Development Committee meets periodically with members of District staff and permitted facilities.

Legal Counsel

Special Counsel to the Governing Board serves as general legal counsel to the Governing Board, the Air Pollution Control Officer and the District, providing general public agency legal services regarding the Brown Act, the Political Reform Act, California Environmental Quality Act, as well as the Administrative Code, contracts, personnel matters, civil actions, and related litigation. District Counsel also provides legal advice and opinions on mandates specific to air districts such as the Federal Clean Air Act, California air pollution control laws and air quality rules and regulations. District Counsel exercises authority to bring civil actions in the name of the people of the State of California for violations of various air quality laws and regulations. The District Counsel also represents the District in actions brought before the Hearing Board.

Special Counsel to the Governing Board also analyzes legislative bills proposed in the California Legislature that may impact the District, proposes strategies, and provides information to the Governing Board regarding such legislation.

Operations

Operations activities include staff technical training, establishing program policies and procedures, monitoring workflow and performance levels, violation settlement negotiations, public information, inter- and intra-agency coordination, committee representation, program planning and streamlining, as well as being responsible for fostering a positive working relationship with the regulated community.

District memberships include the California Air Pollution Control Officers Association, the California Special Districts Association, and Antelope Valley Board of Trade, California Natural Gas Vehicle Coalition, Antelope Valley College President's Circle, Los Angeles County Farm Bureau.

The Clerk of the Board records official minutes of all meetings of the Governing Board; maintains the files for all actions of the Governing Board and distributes copies of orders and directives of the Board to appropriate agencies and members of the public; schedules, prepares and distributes the Board agenda. The Clerk also serves the Hearing Board, gives notice of hearings, distributes recommendations of particular boards and maintains the conflict of interest files for the District.

Administrative Services

The Administrative Services office provides financial, administrative and personnel management services to the operating divisions of the District. The office prepares the annual budget and controls expenditures by providing information regarding expenditures and the availability of budgeted funds. The office also purchases equipment and supplies. Invoices for a variety of fees are issued, collected, deposited and accounted for through the Compliance and Permit System (CAPS). This office also manages the District's computer information systems, risk management, fleet and facility management, and fixed assets.

**Antelope Valley AQMD
General Fund
Contracted Services Expense Budget Detail**

	<u>Adopted Budget FY 2017</u>	<u>End-of-Year Estimates FY 2017</u>	<u>Proposed Budget FY 2018</u>
Expenses			
Personnel Expenses			
Program Staff	1,111,365	1,083,865	1,100,000
Total Personnel Expenses	<u>1,111,365</u>	<u>1,083,865</u>	<u>1,100,000</u>
Operating Expenses			
Communications			
Dues & Subscriptions			
Non-Depreciable Inventory			
Legal			
Professional Services			
Payroll Contract	300	102	150
Financial Services	155,635	196,846	204,200
	<u>155,935</u>	<u>196,948</u>	<u>204,350</u>
Maintenance & Repairs			
Training & Travel			
Training	1,000	400	500
Travel	1,000	355	500
Mileage	1,000	0	0
	<u>3,000</u>	<u>755</u>	<u>1,000</u>

Antelope Valley AQMD
General Fund
Contracted Services Expense Budget Detail

	Adopted Budget FY 2017	End-of-Year Estimates FY 2017	Proposed Budget FY 2018
Vehicles			
Vehicle Gas & Oil	500	0	0
	<u>500</u>	<u>0</u>	<u>0</u>
Office Expenses			
Software	5,000	1,099	3,450
Supplies	100	85	150
Postage	1,000	751	1,000
Printing/Shredding Services	0	0	100
Meeting Expenses	100	0	0
	<u>6,200</u>	<u>1,935</u>	<u>4,700</u>
Program Expenses			
Program Expenditures	0	405	500
	<u>0</u>	<u>405</u>	<u>500</u>
Miscellaneous Expenses			
Total Operating Expenses	<u>165,635</u>	<u>200,043</u>	<u>210,550</u>
Capital Expenses			
Software	13,000	782	2,500
Total Capital Expenses	<u>13,000</u>	<u>782</u>	<u>2,500</u>
Total Expenses	<u><u>1,290,000</u></u>	<u><u>1,284,690</u></u>	<u><u>1,313,050</u></u>

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Antelope Valley AQMD
General Fund Consolidated Budget

	Adopted Budget FY 2017	End-of-Year Estimate FY 2017	Proposed Budget FY 2018
Revenues			
Permit Fees	637,480	735,093	740,000
Application Fees	47,500	52,154	51,450
Fines & Penalties	12,000	21,150	15,000
Interest Income	3,300	5,791	3,500
Revenue from Programs	689,250	775,692	687,000
State Revenue	126,000	130,008	129,000
Total Revenues	1,515,530	1,719,888	1,625,950
Expenses			
Personnel Expenses			
Program Staff	1,111,365	1,083,865	1,100,000
Total Personnel Expenses	1,111,365	1,083,865	1,100,000
Operating Expenses			
Communications	23,500	18,697	43,500
Dues & Subscriptions	10,500	6,776	10,500
Non-Depreciable Inventory	6,300	6,366	8,000
Legal	17,000	18,043	19,000
Professional Services	185,335	210,713	221,750
Maintenance & Repairs	7,000	6,010	6,575
Training & Travel	9,500	5,672	11,000
Vehicles	10,000	8,284	10,500
Office Expenses	96,380	83,896	94,475
Program Expenses	14,850	9,759	15,350
Miscellaneous Expenses	800	733	800
Total Operating Expenses	381,165	374,949	441,450
Capital Expenses			
Furniture & Fixtures	0	0	25,000
Equipment	0	0	12,000
Vehicles	0	0	25,000
Computers	0	0	20,000
Software	23,000	782	2,500
Total Capital Expenses	23,000	782	84,500
Total Expenses	1,515,530	1,459,596	1,625,950
Cash To (From) Reserves	0	260,292	0

Expense Category	Expense Description
<u>Operating Expenses</u>	
Communications	Services for telephone, internet, video teleconferencing, web hosting, cloud backup, disaster recovery solution, and related tech support
Dues & Subscriptions Membership	Memberships with California Air Pollution Control Officers Association (CAPCOA), California Special Districts Association (CSDA), Antelope Valley Board of Trade (AVBOT), Greater Antelope Valley Economic Alliance (GAVEA), Antelope Valley College President's Circle, Los Angeles County Farm Bureau; retail merchants
Non-Depreciable Inventory	Small office equipment, field equipment, replaces PCs as needed, safety equipment
Legal	Charges for public noticing requirements; third party contract for Special Counsel to the Governing Board
<u>Professional Services</u>	
Financial Services	<u>Contracted:</u> Overhead charges to the Mojave Desert Air Quality Management District for contract services
Research Studies	Funds designated for consultant services to support or develop strategies designated by the District for air quality specific projects in the Antelope Valley
Consultant Fees	<u>District Wide:</u> Allowances for professional services, as needed.
Stipends	Board member stipend based on maximum number of meetings (Governing Board and Hearing Board).
<u>Training & Travel</u>	
Vehicles	Staff support for training in Environmental Cross Media, VEE Recertification, Asbestos, CARB Source Specific Training, staff training, participation in California Air Pollution Control Officers Association (CAPCOA), general training, Board member development and training, and associated travel costs.
	Fuel, oil, maintenance for the District's fleet of four light duty vehicles

Expense Category	Expense Description
<u>Office Expenses</u>	
Software	Annual maintenance contracts, network server maintenance, and desktop solutions
Liability insurance	The District is a member of the Special District Risk Management Authority (SDRMA), a risk management pool for liability insurance and related coverage.
Community Relations	Products, events, and publications (public service Recognition such as the AIRE awards, promotional items for community outreach events; special event fees for Looking Good Lancaster, Antelope Valley Board of Trade Business Outlook Conference, and Salute to Youth)
<u>Program Expenses</u>	
Program Expenditures	Expenses and activities eligible for use of restricted funds
Contributions to Other Agencies	Keystone Science School, sponsor one local teacher; Mojave Environmental Education Consortium (MEEC); funds designated from the General Fund for specific local area grants (annual lawn mower exchange program
<u>Capital Expenditures</u>	
Furniture & Fixtures	Update District's phone system
Equipment	Replace –as needed - air monitoring equipment (greater than \$5,000)
Vehicles	Replace one fleet vehicle
Computers	Upgrade or replace District network computer components

Antelope Valley AQMD
Program Funds Consolidated Budget Detail

	Adopted Budget FY 2017	End-of-Year Estimates FY 2017	Proposed Budget FY 2018
<u>Revenues</u>			
Administrative Funding	94,227	93,450	93,926
AB2766 Program	391,000	416,594	505,000
Carl Moyer Program	659,588	847,877	657,478
AB923 Program	562,000	594,905	594,000
Interest Revenue	10,000	13,673	12,400
Total Consolidated Program Revenue	1,716,815	1,966,499	1,862,804
<u>Expenses</u>			
Program Staff	94,227	0	93,926
Program Expenditures	1,622,588	1,920,282	1,763,378
Program Expenditures - Administrative Grants	0	46,217	5,500
Total Consolidated Program Expense	1,716,815	1,966,499	1,862,804

Antelope Valley AQMD
Program Funds AB2766 Budget Detail

	<u>Adopted Budget FY 2017</u>	<u>End-of-Year Estimates FY 2017</u>	<u>Proposed Budget FY 2018</u>
<u>Revenues</u>			
AB2766 Program	391,000	416,594	505,000
Interest Revenue	<u>2,500</u>	<u>3,259</u>	<u>3,000</u>
Total AB2766 Program Revenue	393,500	419,853	508,000
<u>Expenses</u>			
Program Expenditures	<u>393,500</u>	<u>419,853</u>	<u>508,000</u>
Total AB2766 Program Expense	393,500	419,853	508,000

Antelope Valley AQMD
Program Funds AB923 Budget Detail

	<u>Adopted Budget FY 2017</u>	<u>End-of-Year Estimates FY 2017</u>	<u>Proposed Budget FY 2018</u>
<u>Revenues</u>			
AB923 Program	562,000	594,905	594,000
Interest Revenue	<u>5,500</u>	<u>6,143</u>	<u>5,500</u>
Total AB923 Program Revenue	567,500	601,048	599,500
 <u>Expenses</u>			
Program Expenditures	567,500	601,048	594,000
Program Expenditures - Administrative Grants	<u>0</u>	<u>0</u>	<u>5,500</u>
Total AB923 Program Expense	567,500	601,048	599,500

Antelope Valley AQMD
Program Funds Carl Moyer Budget Detail

	<u>Adopted Budget FY 2017</u>	<u>End-of-Year Estimates FY 2017</u>	<u>Proposed Budget FY 2018</u>
<u>Revenues</u>			
Administrative Funding	94,227	93,450	93,926
Carl Moyer Program	659,588	847,877	657,478
Interest Revenue	2,000	4,271	3,900
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Total Carl Moyer Program Revenue	755,815	945,598	755,304
<u>Expenses</u>			
Program Staff	94,227	0	93,926
Program Expenditures	661,588	899,381	661,378
Program Expenditures - Administrative Moyer Rnd 14	0	46,217	0
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Total Carl Moyer Program Expense	755,815	945,598	755,304

Historical Data & Summary - All Funds

	FY2013	FY2014 ACTUAL	FY2015 ACTUAL	FY2016 ACTUAL
Revenues				
Permit Revenue		560,820.57	640,970.95	483,991.98
Application Fees		37,069.80	70,157.20	60,583.60
Fines & Penalties		57,122.66	15,263.00	64,280.14
Program Revenue		1,018.00	1,562.98	1,193.00
AB 2766		1,091,102.81	1,114,744.40	1,170,027.26
AB 923		543,301.26	559,552.99	573,756.36
Carl Moyer		1,297,541.71	598,938.89	692,724.47
PERP		35,617.84	36,123.85	27,419.43
Subvention		99,287.00	99,114.93	99,003.38
Interest Earned		17,971.42	14,806.59	18,990.52
Revenue - Other		<u>15.00</u>	<u>477.12</u>	<u>4,857.85</u>
Total Revenues		3,740,868.07	3,151,712.90	3,196,827.99
Expenses				
Program Staff (Salaries & Benefits)		1,082,352.98	1,168,959.00	1,217,895.04
Operating Expenses		220,480.03	190,576.66	247,373.80
Capital Expenditures		73,608.92	32,471.04	15,950.00
Program Costs ¹		4,098,335.21	1,449,906.54	1,867,458.94
Total Expenses		<u>5,474,777.14</u>	<u>2,841,913.24</u>	<u>3,348,677.78</u>
Revenue Over/Under Expenditures		(1,733,909.07)	309,799.66	(151,849.79)
Changes in Fund Balance				
Restricted Fund Balance		(1,756,865.98)	243,569.74	(210,720.42)
Cash Reserves		20,000.00	30,000.00	0.00
Unassigned Fund Balance		1,656.86	36,770.69	54,293.08
Pre-Paid		1,300.05	(540.77)	4,577.55
Total Change in Fund Balance		(1,733,909.07)	309,799.66	(151,849.79)
<i>Applied increases to application and annual permit renewal fees (applied January 1)</i>		15%	15%	12%
Restricted Fund Balance	2,886,635.74	1,129,769.76	1,373,339.50	1,162,619.08
Cash Reserves	320,000.00	340,000.00	370,000.00	370,000.00
Unassigned Fund Balance	170,036.61	171,693.47	208,464.16	262,757.24
Pre-Paid	0.00	1,300.05	759.28	5,336.83
Total Fund Balance Designations	3,376,672.35	1,642,763.28	1,952,562.94	1,800,713.15

¹Expenses in Program Costs may utilize funds accumulated from prior years.

ANTELOPE VALLEY AQMD FUND BALANCE DESCRIPTIONS

The Antelope Valley AQMD Fund Balances are designated according to Governing Board Policy 07-01, summarized in the following:

COMMITTED

Operating Cash Reserves

The amount is equivalent to 25% of the Operating Expenses. The fund may be increased to provide protection against uncertain economic times.

RESTRICTED

Mobile Emissions Reduction Grant (AB 2766) Fund

These funds are collected on motor vehicle registrations (\$4 each) in the Antelope Valley region. Funds are "allocated on a competitive basis to local government entities and other organizations capable of effectively using funds to reduce mobile emissions." A Work Plan adopted by the Governing Board provides the grant program guidelines.

Incentive Based Emission Reduction Funding (AB 923)

These funds are collected on motor vehicle registrations (\$2 each) in the Antelope Valley region beginning October 1, 2005. Funds are granted by the Governing Board for specific projects as allowed in the Health and Safety Code §44229.

Carl Moyer Grant Program Funds

These funds may be distributed by the California Air Resources Board for projects obligated by the District under this state regulated program. Projects are awarded on a competitive basis.

Unassigned Fund Balance

The Unassigned Fund Balance is the representation of the net resources not allocated to the categories described above. This category appears only on the agency Balance Sheet.

BUDGET CATEGORY DESCRIPTIONS

REVENUE

Permit Fees

Permit Fees Rev	Initial Operating and Annual Renewal Permit Fees
Asbestos Demo/Reno Rev	Fees for Permits related to Asbestos Removal - Rule 302
Title V Permit Rev	Permit fees for Federal Permit Program

Application Fees

ERC Application Fees	Emission Reduction Credit
New Source Review	Project Evaluation for Complex Source-Rule 301
Permit Application Fees	Filing of new permits and permit changes
Variance Filing Fees	Filing fee for each petition to District Hearing Board -Rule 303
AG Application Fees	

Fine & Penalties

Excess Emissions Fees	Fee charged when a variance is granted by Hearing Board - Rule 303
Notice of Violations Fees	Fee Charged for unpermitted source, or violation of permit condition

Interest Income

Interest Revenue	Interest on funds held on deposit, all funds
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Other Revenue

Revenue from Programs

Administrative Funding	A portion of the Carl Moyer Program pass thru funds are allowed to cover administration costs to administer the program
AB2766 Mobile Emissions Program	Revenue received through DMV vehicle registration
Carl Moyer Admin Funding	A portion of the Carl Moyer Program pass thru funds are allowed to cover administration costs to administer the program
California Clean Air Act Fees	State mandated fee collected on behalf of California Air Resources Board.
Hot Spots	State mandated fee: "Air Toxic "Hot Spot" Information and Assessment Act of 1987

State Revenue

PERP State Funds	Portable Engine Registration Program. The State of California collects fees from owners of portable engines and the District provides periodic compliance inspections
State Subvention	Funds received from state budget to supplement Permitting and Air Monitoring/District activities

BUDGET CATEGORY DESCRIPTIONS

EXPENSES

Personnel Expenses (Program Staff)	Contracted costs to provide staff for District operations
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OPERATING EXPENSES

Communications	Telephones, cellular phones, video teleconferencing, internet, cable service, web hosting, and related tech support
Dues & Subscriptions	District memberships and sponsorships, publications and subscriptions
Non-Depreciable Inventory	Items purchased for furniture, equipment, machinery, and safety equipment costing less than \$5,000
Legal	Outsourced legal services for Governing Board, Hearing Board; publication costs for required notices
Professional Services	Support contract expenses: financial services including annual fiscal audit, research studies consulting fees, Board stipends
Maintenance & Repairs	General building maintenance, custodial services, on site equipment repair
Training & Travel	Employee training; professional development and related travel expenses; general travel expenses
Vehicles	Fuel and oil, maintenance and repair, insurance for District's fleet
Office Expenses	Software, utilities, Supplies, equipment leases, postage, courier, printing and shredding services, security, liability insurance, meeting expenses and community relations
Program Expenses	Expenses attributable to the use of special funds: AB 2766 eligible expenses, Carl Moyer grant program expenses, Board authorized grants from the General Fund (such as

CAPITAL EXPENSES

Furniture & Fixtures	Threshold: \$5,000
Equipment	Threshold: \$5,000
Vehicles	Vehicles purchased
Computers	Threshold: \$5,000
Software	Capitalized costs associated with major application software

ACRONYMS

AB2766	Enabling legislation of 1990 for collection of fees for mobile source reduction projects (Assembly Bill 2766 was codified in the Health & Safety Code §44220ff)
AIRS	Aerometric Information Retrieval System - Compliance data reporting to EPA
APCD	Air Pollution Control District
APCO	Air Pollution Control Officer
AQMD	Air Quality Management District
ARB	Air Resources Board
AVAQMD	Antelope Valley Air Quality Management District
BACT	Best Available Control Technology
CAA	Clean Air Act
CAPCOA	California Air Pollution Control Officers Association
CAPP	Clean Air Patrol Program
CAPS	Compliance and Permit System (permit tracking database)
CARB	California Air Resources Board
CNGVC	California Natural Gas Vehicle Coalition
CRE	Community Relations and Education
CREEC	California Regional Environmental Education Community
CSDA	California Special Districts Association
DAPCO	Deputy Air Pollution Control Officer
EPA	Environmental Protection Agency
ERC	Emission Reduction Credit
FY	Fiscal Year
ICTC	Interstate Clean Transportation Corridor - a geographic area targeted for providing alternate fuel to goods movement vehicles.
MACT	Maximum Achievable Control for Toxics
MEEC	Mojave Environmental Education Consortium
MDAQMD	Mojave Desert Air Quality Management District
MOU	Memorandum of Understanding between the District and non exempt employees represented by the San Bernardino Public Employees Association
NAAQS	National Ambient Air Quality Standards
NESHAP	National Emissions Standard for Hazardous Pollutants
NSPS	New Source Performance Standards
OPEB	Other Post Employment Benefits
PARS	Public Agency Retirement Services
PERP	Portable Equipment Registration Program
PSD	Prevention of Significant Deterioration
PTBS	Permit Tracking and Billing System
SDRMA	Special Districts Risk Management Authority
SLAMS	State and Local Air Monitoring Stations
TAC	Technical Advisory Committee
VPN	Virtual Private Network - a secure method of transmitting data via the internet

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**MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM 8

DATE: May 16, 2017

RECOMMENDATION: 1) Award an amount not to exceed \$37,748 in Carl Moyer Program and Mobile Source Emission Reductions Program (AB 2766) funds to American Plumbing Services for the replacement of an older light-heavy duty diesel vehicle with new, Compressed Natural Gas (CNG) engine technology; and 2) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel.

SUMMARY: This item awards an amount not to exceed \$37,748 in grant funding to American Plumbing Services to replace an older light-heavy duty diesel vehicle with clean technology that exceeds the current emission standards. The grant award consists of \$22,698 in Carl Moyer Program funds leveraged with Mobile Source Emission Reductions Program (AB 2766) funds in an amount not to exceed \$15,050 for a total of \$37,748.

BACKGROUND: AVAQMD received an application from American Plumbing Services requesting grant funding towards retirement and replacement of older light-heavy duty diesel vehicles with newer, cleaner technology. American Plumbing Services seeks the opportunity to receive grant funds towards the replacement of their 2000 GMC W4500 Diesel Truck with a 2017 Ford F350 Compressed Natural Gas (CNG) engine before funding opportunities expire. The replacement project is calculated to produce 0.510 emissions reduction per year for a 2.5-year project life. On-road fleets of 1-3 vehicles GVWR 26,000 lbs. or less are subject 2010 model year engine emission equivalent by January 1, 2020. Staff has evaluated the project for Carl Moyer and Mobile Source Emissions Reduction Program funding eligibility pursuant to guidelines. The District proposes to grant a maximum of 50% of the replacement costs in the amount of \$37,748. The 2.5 years early fleet turnover provides emission reductions that help the Valley towards attainment of the national ambient air quality standards.

cc: Jean Bracy
Laquita Cole
Michelle Powell
Julie McKeehan

**MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM 8

PAGE 2

REASON FOR RECOMMENDATION: Governing Board approval is needed to fund District grant projects. Additionally, Governing Board authorization is needed for the Executive Director/APCO and staff to negotiate and execute an agreement with the grant recipient.

REVIEW BY OTHERS: This item was reviewed by Allison E. Burns, Special Counsel to the Governing Board, as to legal form and by Bret Banks, Executive Director/APCO – Antelope Valley Operations on or before May 3, 2017.

FINANCIAL DATA: Funding is granted from the District's annual allocation of Carl Moyer and Mobile Source Emission Reductions Program (AB 2766) funds and will be dispersed as available.

PRESENTER: Julie McKeehan, Air Quality Specialist

**MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM 2

DATE: May 16, 2017

RECOMMENDATION: 1) Award an amount not to exceed \$39,500 in Carl Moyer Program and Mobile Source Emission Reductions Program (AB 2766) funds to Antelope Valley Fair Association to retire one (1) diesel forklift with newer, cleaner technology; and 2) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute an agreement, approved as to legal form by the Office of District Counsel.

SUMMARY: This item awards an amount not to exceed \$39,500 in grant funding to Antelope Valley Fair Association for the replacement of one (1) diesel forklift with a new lower-emission engine certified to the current emission standards. The grant award consists of \$15,130 in Carl Moyer Program funds leveraged with Mobile Source Emission Reductions Program (AB 2766) funds in an amount not to exceed \$24,370 for a total of \$39,500.

BACKGROUND: AVAQMD received an application from Antelope Valley Fair Association requesting grant funding towards retirement and replacement of older heavy-duty diesel equipment. Antelope Valley Fair Association voluntarily participates in the District's emission reduction programs like the Carl Moyer Equipment Replacement Program in effort to provide early emission reductions from older heavy-duty diesel equipment and early compliance for emission standards set for December 31, 2025. Staff has evaluated the project and found the proposed replacement project to satisfy eligibility requirements pursuant to guidelines. The District proposes to grant a maximum of 50% of the replacement costs in the amount of \$39,500. The removal and destruction of the existing older diesel forklifts will provide early emission reductions that help the Valley towards attainment of the national ambient air quality standards.

cc: Jean Bracy
Laquita Cole
Michelle Powell
Julie McKeehan

**MINUTES OF THE GOVERNING BOARD
OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
LANCASTER, CALIFORNIA**

AGENDA ITEM 2

PAGE 2

REASON FOR RECOMMENDATION: Governing Board approval is needed to fund District grant projects. Additionally, Governing Board authorization is needed for the Executive Director/APCO and staff to negotiate and execute an agreement with the grant recipient.

REVIEW BY OTHERS: This item was reviewed by Allison E. Burns, Special Counsel to the Governing Board, as to legal form and by Bret Banks, Executive Director/APCO – Antelope Valley Operations on or before May 3, 2017.

FINANCIAL DATA: Funding is granted from the District's annual allocation of Carl Moyer and Mobile Source Emission Reductions Program (AB 2766) funds and will be dispersed as available.

PRESENTER: Julie McKeehan, Air Quality Specialist