

Antelope Valley Air Quality Management District Governing Board Regular Meeting

Agenda

LOCATION

Antelope Valley Transit Authority
District Office
42210 6th Street West
Lancaster, CA 93534
661.723.8070

TUESDAY, JULY 19, 2022

10:00 A.M.

BOARD MEMBERS

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

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, PUBLIC COMMENTS ARE LIMITED TO FIVE MINUTES PER SPEAKER. YOU MAY WISH TO MAKE YOUR COMMENTS IN WRITING TO ASSURE THAT YOU ARE ABLE TO EXPRESS YOURSELF ADEQUATELY.

ALL SCHEDULED ITEMS WILL BE HEARD AT THE ANTELOPE VALLEY TRANSIT AUTHORITY (AVTA) DISTRICT OFFICE, 42210 6TH STREET WEST, LANCASTER, CA 93534 AND THE TELECONFERENCE LOCATION(S), IF APPLICABLE. PLEASE NOTE THAT THE BOARD MAY ADDRESS ITEMS IN THE AGENDA IN A DIFFERENT ORDER THAN THE ORDER IN WHICH THE ITEM HAS BEEN POSTED.

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. PUBLIC COMMENTS ON AGENDIZED ITEMS MAY BE SUBMITTED VIA EMAIL TO

PUBLICCOMMENT@AVAQMD.CA.GOV AT LEAST TWO HOURS PRIOR TO THE START OF THE MEETING.

CALL TO ORDER 10:00 A.M.

Pledge of Allegiance.

Roll Call

Items with potential Conflict of Interests — If you believe you have a conflict of interest, please recuse yourself at the appropriate time. If you have a question regarding a potential conflict of interest, please contact District Counsel.

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 requests an item be held for discussion under DEFERRED ITEMS.

1. [Approve Minutes from Regular Governing Board Meeting of June 21, 2022.](#)
2. [Monthly Grant Funding Summary. Receive and file. Presenter: Bret Banks, Executive Director/APCO.](#)
3. [Monthly Activity Report. Receive and file. Presenter: Bret Banks, Executive Director/APCO.](#)
4. [Approve payments to MDAQMD in the amount of \\$160,453.87 for May 2022 expenditures. Presenter: Bret Banks, Executive Director/APCO.](#)
5. [Receive and file the Financial Report. This Preliminary Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at May 31, 2022. Presenter: Bret Banks, Executive Director/APCO.](#)
6. [Amend Governing Board Procedural Rules to reflect recent changes regarding the District Office location and Governing Board meeting location. Presenter: Bret Banks, Executive Director/APCO.](#)

ITEMS FOR DISCUSSION

DEFERRED ITEMS

NEW BUSINESS

7. Conduct a public hearing to consider the amendment of Regulation III – Fees: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the CEQA Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption, amending the Rule and directing staff actions. Presenter: Barbara Lods, Operations Manager.
8. Approve an Agreement between the Antelope Valley Air Quality Management District (AVAQMD) and the City of Lancaster to provide administrative and operations services; Authorize the Chairman to finalize terms and conditions of the proposed Agreement; and Authorize the Chairman to execute the final Agreement. Presenter: Bret Banks, Executive Director/APCO.
9. Reports: Governing Board Counsel, Executive Director/APCO, Staff.
10. Board Member Reports and Suggestions for Future Agenda Items.
11. Adjourn to Regular Governing Board Meeting of Tuesday, August 16, 2022.

In compliance with the Americans with Disabilities Act, if special assistance is needed to participate in the Board Meeting, please contact the Executive Director during regular business hours at 661.723.8070 x22. Notification received 48 hours prior to the meeting will enable the District to make reasonable accommodations. All accommodation requests will be processed swiftly and resolving any doubt in favor of accessibility.

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 www.avaqmd.ca.gov or by contacting Deanna Hernandez at 760.245.1661 x6244 or by email at dhernandez@mdaqmd.ca.gov.

Mailed & Posted on: Friday, July 15, 2022.

Deanna Hernandez

Deanna Hernandez

The following page(s) contain the backup material for Agenda Item: [Approve Minutes from Regular Governing Board Meeting of June 21, 2022.](#)

Please scroll down to view the backup material.

**ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
GOVERNING BOARD MEETING
TUESDAY, JUNE 21, 2022
ANTELOPE VALLEY TRANSIT AUTHORITY DISTRICT OFFICE
LANCASTER, CA**

Draft Minutes

Board Members Present:

Marvin Crist, *Chair*, City of Lancaster
Newton Chelette, Public Member
Howard Harris, Los Angeles County
Ron Hawkins, Los Angeles County
Steven Hofbauer, City of Palmdale
Raj Malhi, City of Lancaster

Board Members Absent:

Austin Bishop, *Vice Chair*, City of Palmdale

CALL TO ORDER

Chair **CRIST** called the meeting to order at 10:01 a.m. Chair **CRIST** called for roll call, roll call was taken. Chair **CRIST** asked Board Member **HOFBAUER** to lead the Pledge of Allegiance.

PUBLIC COMMENT

❖ Chair **CRIST** called for **PUBLIC COMMENT**. At this time, no public comment was made in person, or electronically, moved onto **CONSENT CALENDAR**.

CONSENT CALENDAR

CONSENT CALENDAR – The following consent items were acted upon by the Board at one time without discussion. Upon motion by Board Member **HOFBAUER**, seconded by Board Member **CHELETTE**, and carried by the following roll call vote, with six **AYES** votes by Board Members, **NEWTON CHELETTE, MARVIN CRIST, HOWARD HARRIS, RON HAWKINS, STEVEN HOFBAUER and RAJ MALHI, with Board Member AUSTIN BISHOP absent**, on the Consent Calendar, as follows:

Agenda Item #1 – Approve Minutes from Regular Governing Board Meeting of May 17, 2022.

Approved Minutes from Regular Governing Board Meeting of May 17, 2022.

Agenda Item #2 – Monthly Grant Funding Summary. Receive and file.

Presenter: Bret Banks, Executive Director/APCO.

Received and Filed Monthly Grand Funding Summary.

Agenda Item #3 – Monthly Activity Report. Receive and file.

Presenter: Bret Banks, Executive Director/APCO.

Received and Filed Monthly Activity Report.

Agenda Item #4 – Approve payment to MDAQMD in the amount of \$155,415.76 for April 2022 expenditures.

Presenter: Bret Banks, Executive Director/APCO.

Approved payment to MDAQMD in the amount of \$155,415.76 for April 2022 expenditures.

Agenda Item #5 – Receive and file the Financial Report. This Preliminary Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at April 30, 2022. The Financial Reports for April 2022 provide financial and budgetary performance information for the District for the period referenced.

Presenter: Bret Banks, Executive Director/APCO.

Received and filed the Financial Report. This Preliminary Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at April 30, 2022. The Financial Reports for April 2022 provide financial and budgetary performance information for the District for the period referenced.

Agenda Item #6 – 1) Authorize the acceptance of AB 197 Emission Inventory District Grant Program Funding; 2) Accept the terms and conditions for the funds; and 3) Authorize the Executive Director/APCO and staff to execute the agreement, approved as to legal form, and carry out related activities to meet the requirements of AB 197.

Presenter: Julie McKeehan, Grants Analyst.

1) **Authorized** the acceptance of AB 197 Emission Inventory District Grant Program Funding; 2) **Accepted** the terms and conditions for the funds; and 3) **Authorized** the Executive Director/APCO and staff to execute the agreement, approved as to legal form, and carry out related activities to meet the requirements of AB 197.

Agenda Item #7 – Amend Governing Board Procedural Rules to change the District Office location address to 2551 W Avenue H, Lancaster, CA 93536.

Presenter: Bret Banks, Executive Director/APCO.

Agenda Item pulled by staff to the next regular scheduled Governing Board meeting.

Agenda Item #8 – Reappoint Newton Chelette as the Public Member on the Governing Board of the Antelope Valley Air Quality Management District (AVAQMD) for a two-year term.

Presenter: Bret Banks, Executive Director/APCO.

Reappointed Newton Chelette as the Public Member on the Governing Board of the Antelope Valley Air Quality Management District (AVAQMD) for a two-year term.

ITEMS FOR DISCUSSION

DEFERRED ITEMS

None.

NEW BUSINESS

Agenda Item #9 – Conduct Continued Public Hearing to consider the proposed AVAQMD Budget for FY 2022-23: a. Re-Open the continued public hearing; b. Receive supplemental staff report and/or staff update; c. Receive public testimony; d. Close public hearing; e. Adopt a resolution approving and adopting the budget for FY 2022-2023.

Presenter: Laquita Cole, Finance Manager.

Chair **CRIST** opened the public hearing. Laquita Cole, Finance Manager and Bret Banks, Executive Director/APCO, presented the proposed budget and answered questions from the Board. Chair **CRIST** called for public comment, no public comment was made in person, or electronically, being none, Chair **CRIST** closed the

Draft Minutes 06.21.2022

public hearing. Upon motion by Board Member **HAWKINS**, seconded by Board Member **HOFBAUER**, and carried by the following roll call vote, with **six AYES** votes by Board Members, **NEWTON CHELETTE, MARVIN CRIST, HOWARD HARRIS, RON HAWKINS, STEVEN HOFBAUER and RAJ MALHI**, with Board Member **AUSTIN BISHOP** absent, the Board **adopted RESOLUTION 22-06, “A RESOLUTION OF THE GOVERNING BOARD OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT APPROVING AND ADOPTING THE PROPOSED OPERATING BUDGET FOR FISCAL YEAR 2022-23.”**

Agenda Item #10 – 1) Award an amount not to exceed \$27,132 of Mobile Source Emission Reductions Program (AB 923) funds to Jeovany Herrera Farms to replace an older diesel-powered farm tractor with cleaner technology; 2) Authorize the Executive Director/APCO the option to change the funding source if warranted or if other applicable sources become available; and 3) Authorize the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute agreements, approved as to legal form by the Office of District Counsel, and pending review by the Governing Board Chairman.

Presenter: Julie McKeehan, Grants Analyst.

Julie McKeehan, Grants Analyst, presented the background information and answered questions from the Board. After discussion, upon motion by Board Member **HOFBAUER**, seconded by Board Member **CHELETTE**, and carried by the following roll call vote, with **six AYES** votes by Board Members, **NEWTON CHELETTE, MARVIN CRIST, HOWARD HARRIS, RON HAWKINS, STEVEN HOFBAUER and RAJ MALHI**, with Board Member **AUSTIN BISHOP** absent, the Board, 1) **Awarded** an amount not to exceed \$27,132 of Mobile Source Emission Reductions Program (AB 923) funds to Jeovany Herrera Farms to replace an older diesel-powered farm tractor with cleaner technology; 2) **Authorized** the Executive Director/APCO the option to change the funding source if warranted or if other applicable sources become available; and 3) **Authorized** the Executive Director/APCO and staff to negotiate target time frames and technical project details and execute agreements, approved as to legal form by the Office of District Counsel, and pending review by the Governing Board Chairman.

Agenda Item #11– Reports.

Governing Board Counsel –

- No report.

Executive Director/APCO –

- Informed the Board of the recent changes to the upper management of the Environmental Regulatory agencies that interface with the District:
 - Martha Guzman new Administrator EPA Region IX
 - Liane Randolph Chair of the California Air Resources Board
 - Retirement of Richard Cory Executive Director of the California Air Resources Board.
- Action due to the upcoming termination of the Mojave Desert AQMD contract:
 - The District intends to enter into a contract for air quality permit engineering services with MS Hatch Consulting until such time the District can hire a permit engineer.
 - Adrianna is training to assume the Clerk of the Board tasks along with some accounting functions.
 - The expanded Lawn and Garden Program began with a “soft” opening with limited outreach. Social Media advertising to begin prior to July 1, 2022.
 - July 1, 2022 the District’s Alternative Fuel Rebate Program will limit vehicle rebates to \$500 for Antelope Valley residents that purchase vehicles from Antelope Valley dealerships.
- The District has seen a large increase in residential housing construction which has resulted in increased staff activity with Dust Control Plan management and complaint response.

Staff –

- No report.

Agenda Item #12– Board Member Reports and Suggestions for Future Agenda Items.

- Chair **CRIST** directed staff to contact the county regarding mulch being delivered to desert areas to ensure the material is used as soil amendment.
- Member **HAWKINS** commented that several Solar Farms have voluntarily replaced gravel driveways with asphalt driveways/being good neighbors and using sheep to clear the weeds under the solar arrays.

Agenda Item #13– Adjourn to Regular Governing Board Meeting of Tuesday, July 19, 2022.

Being no further business, the meeting adjourned at 10:17 a.m. to the next regularly scheduled Governing Board Meeting of Tuesday, July 19, 2022.

The following page(s) contain the backup material for Agenda Item: [Monthly Grant Funding Summary. Receive and file. Presenter: Bret Banks, Executive Director/APCO.](#)
Please scroll down to view the backup material.

Item #2 – Grant Funds Project Summary

June 2022

AB 2766 (\$4 DMV Fee)

\$655,000 Annually by Monthly Distribution

These fees fund the District’s Mobile Source Emission Reductions (MSER) Grant Program. The funds must be used “to reduce air pollution from motor vehicles and for related planning, monitoring, enforcement, and technical studies necessary for the implementation of the California Clean Air Act of 1988”.

Funding Limits: No surplus emission reductions or cost-effectiveness limit requirements.

Current Balance: \$359,734.00

AB 923 (\$2 DMV Fee)

\$614,000 Annually by Monthly Distribution

These fees fund the District’s Mobile Source Emission Reductions (MSER) Grant Program. The funds must be used to remediate air pollution harms created by motor vehicles.

Funding Limits: Carl Moyer eligible projects; unregulated agriculture vehicles and equipment; school bus projects; light-duty vehicle retirement program; and alternative fuel and electric infrastructure projects.

Surplus emission reductions required. Subject to cost-effectiveness limit.

Current Balance: \$333,378.00

Carl Moyer Program

\$1,730,061.00 FY 21/22 Allocation

Carl Moyer Program (CMP) funds provide incentives to gain early or extra emission reductions by retrofitting, repowering, or replacing older more polluting engines with newer, cleaner engines including zero and near zero emission technologies. CMP funding categories include on-road heavy-duty vehicles, off-road equipment, locomotives, marine vessels, light-duty passenger vehicles, lawn mower replacement and alternative fuel infrastructure projects. Surplus emission reductions required. Subject to cost-effectiveness limit.

Current Balance: \$1,331,053.00

AB 134 Community Air Protection (CAP) Projects

\$855,673 FY 19/20 Allocation

The purpose of AB 134 funds is to implement projects under the Carl Moyer Program specifically for projects that meet the goals of AB 617. These funds are focused on replacing older polluting engines operating in disadvantaged and low-income communities with newer, cleaner engines prioritizing zero-emission projects. CMP funding categories include on-road heavy-duty vehicles, off-road equipment, locomotives, marine vessels, light-duty passenger vehicles, lawn mower replacement and alternative fuel infrastructure projects. Surplus emission reductions required. Subject to cost-effectiveness limit.

Current Balance: \$0

The following page(s) contain the backup material for Agenda Item: [Monthly Activity Report. Receive and file. Presenter: Bret Banks, Executive Director/APCO.](#)
Please scroll down to view the backup material.



Agenda Item #3

Date: July 5, 2022

Subject: June Operations Activity Report

Permit Inspections - 121

Notices of Violation (NOV) Issued – 1

Vapor Recovery Tests Witnessed – 0

Complaints – 1

Complaint Investigations – 1

Asbestos Notifications – 5

Asbestos Project Inspections - 0

Active Companies - 277

Active Facilities - 535

Active Permits - 1126

Certificate of Occupancy/Building Permit Reviews - 2

CEQA Project Comment Letters - 14

State or Local Air Monitoring Stations (SLAMS) Network Air Monitoring Site:

Lancaster Site (full meteorology, CO, NO_x, O₃, PM₁₀, PM_{2.5})

Full meteorology (exterior temperature, wind speed, wind direction, exterior pressure and relative humidity)

Community Sensors:

13 **PurpleAir** particulate sensors (Del Sur School, Leona Valley Elementary, Anaverde Hills, Esperanza Elementary School, Joe Walker Middle School, Desert Willow Middle School, Amargosa Creek, Eastside High School, Littlerock High School, Knight High School, Westside School District Offices, (2) Wilsona School District.

	A	B	C	D	E	F	G
1			AVAQMD CEQA PROJECTS				
2			BOARD MEETING				
3			7/19/2022				
4							
5	Date Rec'd	Location	Project Name	Description	Comment	Date Due	Date Sent
6	6/14/2022	Palmdale	TTM 062371	Pre-Application 22-017 requesting to subdivide 10.39 acres into 34 single-family lots and a green belt easement located at the northwest corner of Avenue S and 58 th Street East (APN: 3023-020-106)	DCP CARB Equipment	5/25/2022	6/8/2022
7	6/14/2022	Palmdale	TTM	Pre-Application 22-018 for the request to develop 1.96 acres into 20 multi-family residences totaling 85,377 square feet south of Avenue R between 20 th and 25 th Street East (APN: 3019-001-039).	Dust Control Signage CARB Equipment	5/25/2022	6/8/2022
8	6/14/2022	Palmdale	Industrial Warehouse	Pre-Application 22-019 for the request to develop 18 acres into an industrial warehouse use totaling 389,200 square feet located south of Rancho Vista Boulevard between Sierra Highway and 8 th Street (APN: 3022-001-027)	DCP CARB Equipment	5/25/2022	6/8/2022
9	6/14/2022	Palmdale	SOS Children's Villages	Pre-Application 22-020 Conceptual Review for the request to develop 4.67 acres into eight buildings totaling 46,500 square feet for a mixed use located north of Avenue R west of 30 th Street (APN: 3018-026-001)	Dust Control Signage CARB Equipment Permitting	5/25/2022	6/8/2022
10	6/6/2022	Palmdale	TTM 72819	Tentative Tract Map 72819 requesting to subdivide 89 acres into approximately 276 single-family lots and six detention basin lots located at the southwest corner of Avenue S and 70th Street East (APNs: 3051-031-008 through -012)	DCP CARB Equipment	6/8/2022	6/8/2022
11	6/13/2022	Lancaster	Lancaster WTRH2 - Hydrogen Fuel Production Facility	CUP No. 21-06 for a renewable hydrogen fuel production facility. The project site is located on approximately 15 acres at the northwest corner of 6 th Street East and Avenue M (APNs: 3126-017-028, 3126-017-039 and 3126-017-040)	DCP CARB Equipment Permitting	7/5/2022	6/15/2022
12	6/14/2022	Lancaster	TTM 66680	TTM 66680 planning documents for the proposed development of 219 single-family residential lots located at Avenue K-8 and 55 th Street West (APNs: 3204-006-025, -026, -027, -031, -032, -033, -067, -071, -075, -081, -085, -096 and -088) on approximately 71.82 acres.	DCP CARB Equipment	7/5/2022	6/15/2022
13	6/14/2022	Palmdale	TPM 83738	Tentative Parcel Map 83738 requesting to subdivide 433 acres into 15 industrial lots and one detention basin lot located at the southwest corner of Avenue M and Sierra Highway (APNs: 3126-022-926, -927, -928 and -929).	DCP CARB Equipment Permitting	5/25/2022	6/20/2022

	A	B	C	D	E	F	G
1			AVAQMD CEQA PROJECTS				
2			BOARD MEETING				
3			7/19/2022				
4							
5	Date Rec'd	Location	Project Name	Description	Comment	Date Due	Date Sent
14	6/14/2022	Palmdale	Choice Hotel	Conditional Use Permit 22-009 and Site Plan Review 22-011 requesting to construct a hotel located west of 5 th Street East approximately 400 feet south of West Avenue P-4 on approximately 2.33 acres (APN: 3003-081-068).	Dust Control Signage CARB Equipment Permitting	5/25/2022	6/20/2022
15	6/13/2022	Palmdale	Apartment Buildings	Pre-Application 22-022 requesting to develop 12.5 acres with 5-10 buildings totaling 450,000 square feet for mixed-use project (350 apartment units with amenities, 25 office units, 5 retail units) located at the northwest corner of Rancho Vista Boulevard and 22 nd Street West (APNs: 3001-027-010, -011, -014, -015, -048 and -049).	DCP CARB Equipment	6/22/2022	6/20/2022
16	6/13/2022	Palmdale	Retail Strip Center and Storage Units	Pre-Application 22-023 requesting to 4.5 acres with 4-10 buildings totaling 100,000 square feet for a retail and storage use (retail strip center front, indoor and outdoor storage units) located at 4343 Pearblossom Highway (APNs: 3052-079-002, -003 and -004).	DCP CARB Equipment	6/22/2022	6/20/2022
17	6/13/2022	Palmdale	Quick Quack Car Wash	Pre-Application 22-024 Conceptual Review for the request to develop .89 acres into a commercial building (carwash) totaling 3,527 square feet located on the south side of Avenue N, 650 feet west of 50 th Street West (APNs: 3001-138-06-, -007 and -008).	Dust Control Signage CARB Equipment Permitting	6/22/2022	6/20/2022
18	6/22/2022	Lancaster	Steel Multi-Tenant Buildings	SPR 22-07 for the proposed construction of two (2) steel multi-tenant buildings located at 6 th Street West south of Avenue L-8 (APN: 3128-020-015) in the L1 zone, on approximately 1.23 acres.	No Comment	7/15/2022	7/5/2022
19	6/23/2022	Lancaster	Residential Addition	CUP 22-10, for the proposed construction of a 499 s.f. residential addition and garage conversion to living space at an existing residential care facility located at 1603 Roywood Drive (APN: 3148-047-010)	No Comment	7/14/2022	7/5/2022

The following page(s) contain the backup material for Agenda Item: [Approve payments to MDAQMD in the amount of \\$160,453.87 for May 2022 expenditures. Presenter: Bret Banks, Executive Director/APCO.](#)

Please scroll down to view the backup material.

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

AGENDA ITEM #4

DATE: July 19, 2022

RECOMMENDATION: Approve payments to MDAQMD in the amount of \$160,453.87 for May 2022 expenditures.

SUMMARY: The District contracts for services with MDAQMD; an invoice for services is presented for payment.

BACKGROUND: Key Expenses: Staffing expenses of \$140,286.30.

The AVAQMD contracts with the MDAQMD for essential executive, administrative, fiscal, engineering, and air monitoring services.

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 July 1, 2022.

FINANCIAL DATA: The contract and direct expenditure amounts are part of the approved District budget for FY23. No change in appropriations is anticipated as a result of the approval of this item.

PRESENTER: Bret Banks, Executive Director/APCO



Mojave Desert AQMD
 14306 Park Avenue
 Victorville, CA 92392
 760.245.1661

Due Date **DUE UPON RECEIPT**
 Invoice Date **5/31/2022**
 Invoice Number **43411**

INVOICE

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

FY22 - May 2022		Amount
Program Staff	Program Staff	140,286.30
OVERHEAD	OVERHEAD	19,704.86
Professional Services	Professional Services	12.71
Non-Depreciable Equipment	Non-Depreciable	450.00
<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 160,453.87
MAKE CHECKS PAYABLE TO MOJAVE DESERT AQMD		Amount Paid 0.00
PLEASE INCLUDE THE INVOICE NUMBER ON THE CHECK		Balance Due 160,453.87

The following page(s) contain the backup material for Agenda Item: [Receive and file the Financial Report. This Preliminary Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at May 31, 2022. Presenter: Bret Banks, Executive Director/APCO.](#)

Please scroll down to view the backup material.

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

AGENDA ITEM #5

DATE: July 19, 2022

RECOMMENDATION: Receive and file.

SUMMARY: This Preliminary Financial Report is provided to the Governing Board for information concerning the fiscal status of the District at May 31, 2022.

BACKGROUND: The Financial Reports for May 2022 provide financial and budgetary performance information for the District for the period referenced.

BALANCE SHEET. The balance sheet summarizes the District's financial position on May 31, 2022.

STATEMENT OF REVENUES & EXPENDITURES. A summary of all District revenue and related expenditures incurred in the day to day administration of District Operations.

STATEMENT OF ACTIVITY. The target variance for May is 92%.

The *District Wide* report details revenue and expenses for the District's operating account and grant funds. *Contracted Services* reports the expenses made by the (MDAQMD) and passed through to the District including salaries. *Report Recap* consolidates both reports.

BANK REGISTERS. This report details the Districts bank activity.

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 July 1, 2022.

PRESENTER: Bret Banks, Executive Director/APCO.

Antelope Valley AQMD
Balance Sheet - Governmental Funds
As of May 31, 2022

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	4,294,113.38	782,757.54	1,576,188.31	526,239.43	7,179,298.66
Cash Held For Other Fund	(759,898.28)	96,900.72	148,084.38	514,913.18	0.00
Receivables	201,879.27	0.00	0.00	0.00	201,879.27
Pre-Paid	3,419.46	0.00	0.00	0.00	3,419.46
Total Current Assets	3,739,513.83	879,658.26	1,724,272.69	1,041,152.61	7,384,597.39
Total Assets	3,739,513.83	879,658.26	1,724,272.69	1,041,152.61	7,384,597.39
Liabilities and Net Position					
Current Liabilities					
Payables	416,298.24	7,000.00	0.00	0.00	423,298.24
Due to Others	(1,668.00)	0.00	0.00	0.00	(1,668.00)
Unearned Revenue	1,049,417.84	0.00	0.00	965,331.50	2,014,749.34
Total Current Liabilities	1,464,048.08	7,000.00	0.00	965,331.50	2,436,379.58
Restricted Fund Balance	0.00	649,150.86	1,650,543.42	75,817.45	2,375,511.73
Cash Reserves	577,718.00	0.00	0.00	0.00	577,718.00
Unassigned Fund Balance	1,858,297.84	0.00	0.00	0.00	1,858,297.84
Pre-Paid	914.05	0.00	0.00	0.00	914.05
Change in Net Position	(161,464.14)	223,507.40	73,729.27	3.66	135,776.19
Total Liabilities & Net Position	3,739,513.83	879,658.26	1,724,272.69	1,041,152.61	7,384,597.39

Antelope Valley AQMD
Statement of Revenues & Expenditures
For the Period Ending May 31, 2022

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	80,146.08	0.00	0.00	0.00	80,146.08
AB 2766 and Other Program Revenues	61,247.53	61,194.17	61,194.17	0.00	183,635.87
Fines	2,750.00	0.00	0.00	0.00	2,750.00
Investment Earnings	944.90	0.00	0.00	0.00	944.90
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	145,088.51	61,194.17	61,194.17	0.00	267,476.85
Expenditures					
Program Staff	140,286.30	0.00	0.00	0.00	140,286.30
Services and Supplies	61,804.86	16,000.00	2,400.00	0.00	80,204.86
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	202,091.16	16,000.00	2,400.00	0.00	220,491.16
Excess Revenue Over (Under) Expenditures	(57,002.65)	45,194.17	58,794.17	0.00	46,985.69

Antelope Valley AQMD
Statement of Activity - MTD, MTM and YTD
For 5/31/2022

00 District Wide

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
Revenues				
Permitting	78,914.29	1,040,069.09	1,047,500.00	(0.99)
Programs	183,635.87	1,985,552.44	2,833,400.00	(0.70)
Revenue - Other	0.00	57.00	0.00	0.00
Application Fees	1,763.00	46,193.97	30,500.00	(1.51)
State Revenue	0.00	1,179,774.95	1,096,000.00	(1.08)
Fines & Penalties	2,750.00	29,210.13	10,000.00	(2.92)
Interest Earned	944.90	19,661.85	17,500.00	(1.12)
Adjustments to Revenue	(531.21)	(15,717.00)	0.00	0.00
Total Revenues	267,476.85	4,284,802.43	5,034,900.00	(0.85)
Expenses				
Office Expenses	7,404.73	94,905.67	108,625.00	0.87
Communications	2,493.33	25,108.36	21,050.00	1.19
Vehicles	20.00	10,217.71	7,900.00	1.29
Program Costs	18,400.00	2,263,943.77	3,104,500.00	0.73
Travel	11.70	(315.94)	12,650.00	(0.02)
Professional Services				
Payroll Contract	0.00	911.42	0.00	0.00
Research Studies	0.00	0.00	6,000.00	0.00
Consulting Fees	0.00	5,737.50	3,000.00	1.91
Stipends	700.00	7,200.00	8,400.00	0.86
Maintenance & Repairs	2,617.40	6,392.03	6,500.00	0.98
Non-Depreciable Inventory	22.04	5,260.00	2,300.00	2.29
Dues & Subscriptions	26,212.95	36,169.15	46,400.00	0.78
Legal	1,400.90	15,399.46	44,000.00	0.35
Miscellaneous Expense	754.24	1,167.07	2,900.00	0.40
Suspense	0.00	(1,051.30)	0.00	0.00
Capital Expenditures	0.00	15,116.89	50,000.00	0.30
Total Expenses	60,037.29	2,486,161.79	3,424,225.00	0.73
Program Staff				
Excess Revenue Over (Under) Expenditures	207,439.56	1,798,640.64	1,610,675.00	(1.12)

Antelope Valley AQMD
Statement of Activity - MTD, MTM and YTD
For 5/31/2022

10 Contracted Services

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
Revenues				
Expenses				
Office Expenses	0.00	4,590.61	1,500.00	3.06
Communications	0.00	229.51	0.00	0.00
Vehicles	0.00	547.39	0.00	0.00
Travel	0.00	0.00	2,500.00	0.00
Professional Services				
Payroll Contract	12.71	647.96	125.00	5.18
Financial Audit & Actuarial Svcs	19,704.86	211,611.84	212,625.00	1.00
Non-Depreciable Inventory	450.00	630.98	0.00	0.00
Dues & Subscriptions	0.00	95.54	250.00	0.38
Total Expenses	20,167.57	218,353.83	217,000.00	1.01
Program Staff				
Program Staff	140,286.30	1,444,510.62	1,389,000.00	1.04
Total Program Staff	140,286.30	1,444,510.62	1,389,000.00	1.04
Excess Revenue Over (Under) Expenditures	(160,453.87)	(1,662,864.45)	(1,606,000.00)	(1.04)

Antelope Valley AQMD
Statement of Activity - MTD, MTM and YTD
For 5/31/2022

Report Recap

	M-T-D Actual	Y-T-D Actual	Y-T-D Budget	% Budget to Actual
Revenues				
Permitting	78,914.29	1,040,069.09	1,047,500.00	(0.99)
Programs	183,635.87	1,985,552.44	2,833,400.00	(0.70)
Revenue - Other	0.00	57.00	0.00	0.00
Application Fees	1,763.00	46,193.97	30,500.00	(1.51)
State Revenue	0.00	1,179,774.95	1,096,000.00	(1.08)
Fines & Penalties	2,750.00	29,210.13	10,000.00	(2.92)
Interest Earned	944.90	19,661.85	17,500.00	(1.12)
Adjustments to Revenue	(531.21)	(15,717.00)	0.00	0.00
Total Revenues	267,476.85	4,284,802.43	5,034,900.00	(0.85)
Expenses				
Office Expenses	7,404.73	99,496.28	110,125.00	0.90
Communications	2,493.33	25,337.87	21,050.00	1.20
Vehicles	20.00	10,765.10	7,900.00	1.36
Program Costs	18,400.00	2,263,943.77	3,104,500.00	0.73
Travel	11.70	(315.94)	15,150.00	(0.02)
Professional Services				
Payroll Contract	12.71	1,559.38	125.00	12.48
Financial Audit & Actuarial Svcs	19,704.86	211,611.84	212,625.00	1.00
Research Studies	0.00	0.00	6,000.00	0.00
Consulting Fees	0.00	5,737.50	3,000.00	1.91
Stipends	700.00	7,200.00	8,400.00	0.86
Maintenance & Repairs	2,617.40	6,392.03	6,500.00	0.98
Non-Depreciable Inventory	472.04	5,890.98	2,300.00	2.56
Dues & Subscriptions	26,212.95	36,264.69	46,650.00	0.78
Legal	1,400.90	15,399.46	44,000.00	0.35
Miscellaneous Expense	754.24	1,167.07	2,900.00	0.40
Suspense	0.00	(1,051.30)	0.00	0.00
Capital Expenditures	0.00	15,116.89	50,000.00	0.30
Total Expenses	80,204.86	2,704,515.62	3,641,225.00	0.74
Program Staff				
Program Staff	140,286.30	1,444,510.62	1,389,000.00	1.04
Total Program Staff	140,286.30	1,444,510.62	1,389,000.00	1.04
Excess Revenue Over (Under) Expenditures	46,985.69	135,776.19	4,675.00	(29.04)

Antelope Valley AQMD
Bank Register from 5/01/2022 to 5/31/2022
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>
0000398	5/02/2022	Credit Card Transaction - Abdou Maidea & Elian Meida	0.00	250.00	636,012.43
0000399	5/02/2022	Credit Card Transaction - Total Air Analysis	0.00	489.00	636,501.43
0000397	5/04/2022	Credit Card Transactions - Burns Enviornmental (2)	0.00	2,484.00	638,985.43
0004845	5/06/2022	[10483] STREAMLINE-WEB HOSTING 05/01/22-06/01/2022	200.00	0.00	638,785.43
0004846	5/06/2022	[11259] WEX BANK-FUEL PURCHASES 04/25/2022	661.39	0.00	638,124.04
R22-44	5/06/2022	Operating Fund Replenishment #18	0.00	180,767.36	818,891.40
0000402	5/09/2022	Credit Card Transactions - Vulcan Materials - KH Homes	0.00	1,322.00	820,213.40
0004847	5/11/2022	[10071] QUADIENT LEASING-POSTAGE METER 05/02/22-06/01/22	78.17	0.00	820,135.23
0004848	5/11/2022	[10455] STRADLING YOCCA CARLSON & RAUTH-LEGAL SERVICES MARCH 2022	1,325.45	0.00	818,809.78
0004849	5/11/2022	[10483] STREAMLINE-Inv F7C1BDDC--0017 WEB HOSTING 04/01/22-05/01/22	200.00	0.00	818,609.78
0004850	5/11/2022	[11402] TIME WARNER CABLE-Inv 126316401050122 - Internet	214.98	0.00	818,394.80
0004851	5/11/2022	[10045] VERIZON BUSINESS-Invoices Z8144243, Z8216945	780.16	0.00	817,614.64
0004852	5/11/2022	[10046] VERIZON CALIFORNIA - NJ-LONG DISTANCE 04/28/22-05/27/22	33.27	0.00	817,581.37
0000392	5/16/2022	Credit Card Transaction - KB Homes	0.00	661.00	818,242.37
0004853	5/19/2022	[01148] ANTELOPE VALLEY PRESS-PUBLIC NOTICE FY 2022-2023 BUDGET	203.32	0.00	818,039.05
0004854	5/19/2022	[10006] BANK OF THE WEST-CREDIT CARD - 1628 04/05/22 - 05/04/22	998.15	0.00	817,040.90
0004855	5/19/2022	[10006] BANK OF THE WEST-CREDIT CARD - 1465	2,747.24	0.00	814,293.66
0004856	5/19/2022	[10518] AUSTIN BISHOP-Attendance Governing Board meeting 05/17/2022	100.00	0.00	814,193.66
0004857	5/19/2022	[10055] NEWTON CHELETTE-Attendance Governing Board meeting 05/17/2022	100.00	0.00	814,093.66
0004858	5/19/2022	[10057] MARVIN CRIST-Attendance Governing Board meeting 05/17/2022	100.00	0.00	813,993.66
0004859	5/19/2022	[10599] HOWARD HARRIS-Attendance Governing Board meeting 05/17/2022	100.00	0.00	813,893.66
0004860	5/19/2022	[10058] RONALD HAWKINS-Attendance Governing Board meeting 05/17/2022	100.00	0.00	813,793.66
0004861	5/19/2022	[10503] STEVEN D HOFBAUER-Attendance Governing Board meeting 05/17/2022	111.70	0.00	813,681.96
0004862	5/19/2022	[10054] KENNETH MANN-Attendance Governing Board meeting 05/17/2022	100.00	0.00	813,581.96
0004863	5/19/2022	[10026] MOJAVE DESERT AQMD-FY22 - March 2022	149,750.64	0.00	663,831.32
0004864	5/19/2022	[10260] QCS BUILDING SERVICES-JANITORIAL SERVICE 5/02/2022	56.25	0.00	663,775.07
0004865	5/19/2022	[10043] SOCALGAS-GAS SERVICE 3/31/22-4/29/22	28.16	0.00	663,746.91
0004866	5/19/2022	[10592] SPECTRUM BUSINESS-FIBER 5/08/22-6/07/22	770.00	0.00	662,976.91
0000403	5/20/2022	Credit Card Transaction - Burns Enviornmental	0.00	585.00	663,561.91
0000393	5/23/2022	Credit Card Transaction - sPower	0.00	661.00	664,222.91
0004867	5/26/2022	[10007] BOHN'S PRINTING-NEW BUSINESS CARDS 5/13/2022	158.76	0.00	664,064.15
0004868	5/26/2022	[10405] CANON FINANCIAL SERVICES-COPIER LEASE 05/01/22-05/31/22	308.35	0.00	663,755.80
0004869	5/26/2022	[10019] FEDERAL EXPRESS CORPORATION-CARRIER SERVICE 5/5/2022	11.10	0.00	663,744.70
0004870	5/26/2022	[11405] IT SOLUTIONS INTEGRATED-IT SERVICES MAY 2022	885.00	0.00	662,859.70
0004871	5/26/2022	[10039] SPARKLETTS-WATER SERVICE MAY 2022	9.99	0.00	662,849.71
0004872	5/26/2022	[10050] WOELFL FAMILY TRUST-Lease Payment - June 2022	4,823.67	0.00	658,026.04
0000404	5/26/2022	Credit Card Transactions - Express Body & paint - Joshua Crematory	0.00	2,433.72	660,459.76

Antelope Valley AQMD
Bank Register from 5/01/2022 to 5/31/2022
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>
R22-45	5/31/2022	Operating Fund Replenishment #19	0.00	164,094.36	824,554.12
Total for Report:			164,955.75	353,747.44	

Antelope Valley AQMD
Bank Register from 5/01/2022 to 5/31/2022
General Fund P6A LA County

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
	5/01/2022	Interest Earned	0.00	944.90	2,437,457.18
R22-44	5/06/2022	Operating Fund Replenishment #18	180,767.36	0.00	2,256,689.82
0000390	5/10/2022	Daily Deposit	0.00	451,077.93	2,707,767.75
0000391	5/18/2022	Daily Deposit	0.00	7,852.65	2,715,620.40
0000392	5/25/2022	Daily Deposit	0.00	19,284.91	2,734,905.31
R22-45	5/31/2022	Operating Fund Replenishment #19	164,094.36	0.00	2,570,810.95
	5/31/2022	Service Charge	4.24	0.00	2,570,806.71
Total for Report:			344,865.96	479,160.39	

Antelope Valley AQMD
Bank Register from 5/01/2022 to 5/31/2022
WF AB2766

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0022550	5/06/2022	[11440] DEVONA COLEN-AB 2766 GRANT	1,000.00	0.00	793,757.54
0022551	5/06/2022	[11437] BRIANNA RENA DAWSON-AB 2766 GRANT	500.00	0.00	793,257.54
0022552	5/06/2022	[11442] JOSEPH C DEOCARIZA-AB 2766 GRANT	500.00	0.00	792,757.54
0022553	5/06/2022	[11439] ERIC DANIEL GUTIERREZ-AB 2766 GRANT	500.00	0.00	792,257.54
0022554	5/06/2022	[11441] SEAN JACKSON-AB 2766 GRANT	500.00	0.00	791,757.54
0022555	5/06/2022	[11436] JOSE LUNA-AB 2766 GRANT	500.00	0.00	791,257.54
0022556	5/06/2022	[11443] TYREE NICHOLAS-AB 2766 GRANT	500.00	0.00	790,757.54
0022557	5/06/2022	[11438] STEPHANIE RODRIGUEZ-AB 2766 GRANT	500.00	0.00	790,257.54
0022558	5/06/2022	[11444] SHLOMO M ROSENZWEIG-AB 2766 GRANT	1,000.00	0.00	789,257.54
0022559	5/11/2022	[11448] DANIEL BIRD-AB 2766 GRANT	500.00	0.00	788,757.54
0022560	5/11/2022	[11446] CHARO LANDON BOYER-AB 2766 GRANT	500.00	0.00	788,257.54
0022561	5/11/2022	[11447] MARIEBELLE R RENA-AB 2766 GRANT	1,000.00	0.00	787,257.54
0022562	5/19/2022	[11449] CRYSTAL N GARCIA-AB 2766 GRANT	500.00	0.00	786,757.54
0022563	5/19/2022	[11453] JUAN C GARCIA-AB 2766 GRANT	1,000.00	0.00	785,757.54
0022564	5/19/2022	[11450] HAZEL MARRON-AB 2766 GRANT	500.00	0.00	785,257.54
0022565	5/19/2022	[11452] DONN ROMAN-AB 2766 GRANT	1,000.00	0.00	784,257.54
0022566	5/19/2022	[11451] REGAN RUSSELL-AB 2766 GRANT	500.00	0.00	783,757.54
0022567	5/19/2022	[11454] LAMONT VAN HOOK-AB 2766 GRANT	1,000.00	0.00	782,757.54
Total for Report:			12,000.00	0.00	

Antelope Valley AQMD
Bank Register from 5/01/2022 to 5/31/2022
WF AB923

<u>Check/Ref</u>	<u>Date</u>	<u>Name/Description</u>	<u>Check Amount</u>	<u>Deposit Amount</u>	<u>Account Balance</u>
0001058	5/11/2022	[10884] COAST AUTO SALVAGE-AB 923 GRANT	2,400.00	0.00	1,576,188.31
Total for Report:			2,400.00	0.00	

The following page(s) contain the backup material for Agenda Item: [Amend Governing Board Procedural Rules to reflect recent changes regarding the District Office location and Governing Board meeting location.](#) Presenter: [Bret Banks, Executive Director/APCO.](#)
Please scroll down to view the backup material.

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

AGENDA ITEM # 6

DATE: July 19, 2022

RECOMMENDATION: Amend Governing Board Procedural Rules to reflect recent changes regarding the District Office location and Governing Board meeting location.

SUMMARY: This action will amend the Governing Board Procedural Rules as shown in the attached redline.

BACKGROUND: The Antelope Valley Air Quality Management District (AVAQMD) Governing Board Procedural Rules were last amended March 17, 2020. This action updates the Governing Board Procedural Rules to reflect the recent changes.

REASON FOR RECOMMENDATION: Governing Board approval is required to amend the Governing Board Procedural Rules.

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 about June 30, 2022.

FINANCIAL DATA: No increase in appropriation is anticipated.

PRESENTER: Bret Banks, Executive Director/APCO.

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

Amended: July 19, 2022

Amended: April 21, 2020

Amended: February 14, 2017

Amended: May 20, 2014

Amended: April 16, 2013

Amended: January 17, 2012

Amended: January 18, 2011

Amended: January 15, 2008

Amended: January 17, 2006

Amended: March 18, 2003

Adopted: January 15, 2002

*For related statutory provisions see Health & Safety Code §§41300 et seq., 40700, 40701, 40702.; and Government Code 54950 et seq.

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ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT GOVERNING BOARD PROCEDURAL RULES

1. Meeting Location.

The meeting place of the Antelope Valley Air Quality Management District Governing Board shall be in the Board Chambers ~~at-of~~ the Antelope Valley Transit Authority District offices located at 42210 6th Street West, Lancaster, CA 93534 and all meetings of the Governing Board shall be held therein, unless duly adjourned to another location.

2. District Offices - Address.

The offices of all departments, officers and employees of the District shall be located at the Antelope Valley Air Quality Management District offices, ~~43301 Division Street, Lancaster, California, 93535-4649~~2551 W Avenue H, Lancaster, CA 93536 unless other offices are authorized by the Governing Board.

3. District Offices - Holidays and Hours.

The District offices shall be closed on all official holidays as established by the Governing Board and on alternate Fridays commencing the first Friday in January 2002. Every Saturday and Sunday are holidays in respect to the transaction of business in such District offices. Said District offices shall be open to the public for business as specified by the Air Pollution Control Officer (APCO) and as dictated by business needs on all other days of the year.

4. Meetings.

A. Compliance with the Ralph M. Brown Act.

To ensure that the deliberations and actions of the Governing Board are conducted openly and to ensure meaningful public participation, all meetings of the Governing Board shall be held in compliance with the provisions of the Ralph M. Brown Act (Government Code §§ 54950 et. seq.) and the guidelines promulgated thereunder (14 Cal. Code Regs §§15000 et. seq).

Any subsidiary body of the Governing Board or of the District which is subject to the provisions of the Ralph M. Brown Act shall also hold its meetings in compliance with its provisions.

B. Regular Meetings or Workshop Meetings.

Regular meetings of the Governing Board shall be held on the third Tuesday of the month at 10:00 A.M. Workshop meetings of the Governing Board may be held on any day normally scheduled for a regular meeting but at which no official action is to be taken. For the purposes of this paragraph a workshop meeting is defined as a meeting of the Governing Board when the primary purpose of the meeting is, but is not limited to, conducting a study session. In the event that a Board meeting or workshop meeting falls on a holiday, the meeting shall be held at the same time on the next succeeding day which is not a holiday, unless adjourned to a different time.

An agenda shall be prepared and posted at least seventy-two (72) hours prior to the meeting in a location that is freely accessible to members of the public and on the District's website located at <http://www.avaqmd.ca.gov>.

C. Special Meetings.

A special meeting of the Governing Board may be called at any time by the Chair of the Governing Board or by a majority of the members of the Governing Board, by delivering personally or by United States mail written notice of the meeting to each member of the Governing Board and to each newspaper, radio or television station which has requested notice of meetings in writing. The notice shall be delivered personally or by United States mail and shall be received by the member of the Governing Board at least twenty-four (24) hours before the time of the meeting as specified in the notice. The notice shall specify the time and place of the special meeting and the business to be transacted or discussed. No other business shall be considered at these meetings.

The written notice may be dispensed with as to any member of the Governing Board who at or prior to the time a special meeting convenes, files with the Clerk of the Governing Board a written waiver of the notice. The waiver may be given by telegram or facsimile communication. A written notice may also be dispensed with as to any member who is actually present at the meeting at the time it convenes.

The notice and a written agenda shall be posted at least twenty-four (24) hours prior to the special meeting at the location of the regular meetings of the Governing Board and at the location of the special meeting if different from the location of the regular meetings and the place(s) where the notice is posted shall be freely accessible to members of the public.

D. Study Sessions.

The Governing Board may meet in a study session on the day of the regular Governing Board meeting at the hour of 10:00 a.m. in the board chambers or at such other time or

place as may be designated by the Governing Board for the purpose of hearing reports from the staff, reviewing, discussing and debating matters of interest to the District. Such sessions shall be open to the public. No official action shall be taken at a study session.

An agenda shall be prepared and posted at least seventy-two (72) hours prior to the study session in a location that is freely accessible to members of the public.

E. Meeting to be Public - Except for Closed Sessions.

All regular and special meetings of the Governing Board shall be public. Public comment will be received on agenda items at the time of the hearing of that item. Public comment on items not on the agenda will be heard during the designated public comment period.

The Governing Board may hold closed sessions during a regular or special meeting from which the public may be excluded for the purpose of considering the matters which are properly the subject of such sessions pursuant to law, including but not limited to those matters referred to in Government Code §§54954.5, 54956.8, 54956.9, 54956.95, 54957 and/or 54957.6.

No member of the Governing Board, employee of the District, or any other person present during an closed session of the Governing Board shall disclose to any person the content or substance of any discussion which took place during a closed session unless the Governing Board authorizes the disclosure of such information by majority vote.

5. Agenda.

A. Agenda Preparation.

The times for receiving information for the Governing Board agenda and delivery of the agenda shall be established by the Clerk of the Governing Board.

The Clerk of the Governing Board shall prepare the agenda at the direction of the Executive Director/Air Pollution Control Officer and the Chair of the Governing Board. A brief description shall be provided for each item. Each description shall contain sufficient information regarding the proposed action to allow the general public to determine whether or not to participate. Each agenda produced shall contain a public comment period.

B. Agenda Posting.

Once completed the Clerk of the Board shall post the agenda in a location freely accessible to the general public on or before the posting time listed above for the particular type of meeting to be held. The agenda and any backup material shall also be

available in the District Offices during District business hours. The agenda and any backup material shall also be posted on the District's website.

C. Agenda Distribution.

The Clerk of the Board shall distribute the agenda and any backup material to Members of the Governing Board, appropriate District staff and to anyone who has requested to be included on the agenda distribution list within the last calendar year. Such distribution may occur by U.S. mail in hard copy, U.S. mail via electronic media (CD-Rom), and/or E-mail as specified by the requesting party. If a party fails to specify a delivery modality distribution shall occur via U.S. mail in hard copy.

Persons requesting to be added to the agenda distribution list may specify that they wish to receive only the agenda without the backup documentation. If a person fails to specify then they shall receive the entire agenda including backup documentation.

6. Governing Board Correspondence.

A. Availability to the Public.

Correspondence addressed to the Governing Board which is received by the Clerk of the Governing Board or by any other officer or employee of the District shall become a public record when placed in the Clerk of the Board's correspondence file or when otherwise acted upon by the Clerk of the Board unless such item is marked "confidential" or "personal". Correspondence received in the Clerk of the Governing Board's office or other offices after twelve noon the Monday preceding a regular Governing Board meeting shall not be placed on the agenda unless it concerns a matter to be considered by the Governing Board at the next regular meeting or is determined by the Chair of the Governing Board or the APCO to be an urgent matter which should be brought to the immediate attention of the Governing Board. Correspondence shall not be read aloud at the Governing Board meetings unless requested by a majority vote of the Governing Board.

B. Opening Mail and Written Communications.

The APCO and the District Counsel are authorized to open and examine all mail or other written communications addressed to the Governing Board and its members unless marked "confidential" or "personal" and within the authority delegated to the APCO by the Governing Board, give it immediate attention.

7. Order of Business.

The order of business of Governing Board meetings shall be established by the Governing Board.

8. Unfinished Business.

Any matter the consideration of which has not been completed at any meeting of the Governing Board and which has not been continued or which has not been removed from the agenda shall be listed for consideration at the next regular meeting of the Governing Board.

9. Minutes.

A. Preparation of Minutes.

The Clerk of the Governing Board shall have exclusive responsibility for the preparation of the minutes and any directions for change in the minutes shall be made only by a majority vote of the Governing Board in open session.

B. Reading of the Minutes.

Unless the reading of the minutes of the Governing Board meeting is ordered by the majority vote of the Governing Board, such minutes may be approved without reading if the Clerk of the Governing Board has previously furnished each Governing Board member with a copy.

10. Public Member.

Pursuant to the provisions of Health & Safety Code §41310(d) the Governing Board shall appoint a public member. Such public member shall serve a term of two (2) years commencing on July 1 of the year of appointment or such other period of time as the Governing Board designates in its appointing action.

11. Presiding Officer.

A. Chair as Presiding Officer.

The Chair of the Governing Board shall be the presiding officer at all meetings of the Governing Board.

B. Presiding Officer in Absence of Chair.

In the absence of the Chair, the Vice-Chair shall preside. In the absence of the Chair and the Vice-Chair, the Clerk of the Governing Board shall call the Governing Board to order, whereupon a temporary presiding officer shall be elected by the Governing Board members present to serve until the arrival of the Chair or Vice-Chair or until

adjournment. Wherever in this chapter the term “Chair” is used, the term shall apply equally to the presiding officer as defined in this section.

C. Term of Chair.

The Chair shall be elected each year in December from the membership of the Governing Board and shall serve a term of one (1) year. The term of the Chair shall commence on the first regular meeting of the Governing Board in January and shall expire on the first regular meeting of the Governing Board in the subsequent January.

12. Powers and Duties of the Presiding Officer.

A. Participation.

The presiding officer may move, second, debate and vote from the Chair.

B. Seating Arrangements for the Governing Board.

The Clerk of the Board in consultation with the presiding officer shall, following each Governing Board member appointment and at such other times as necessary, establish the seating arrangement of the members of the Governing Board.

C. Signing of Documents.

The presiding officer or his or her duly appointed designee shall sign all rules, resolutions, contracts and other documents necessitating his or her signature.

D. Sworn Testimony.

The presiding officer may, pursuant to statute or other provision of law, require any person addressing the Governing Board to be sworn as a witness and to testify under oath. The presiding officer shall so require if directed to do so by a majority of the Governing Board.

E. Extraordinary Requests for Assistance by Members.

Members shall address requests for assistance above and beyond the normal measure of assistance provided to permit holders and/or the general public through the presiding officer or the APCO pursuant to Governing Board Policy 11-04. If such request is beyond the scope of the APCO’s authority set forth in Governing Board Policy 02-01 then the presiding officer shall cause the request to be placed on the next agenda for discussion and action by the Governing Board.

13. Rules of Debate.

A. Discussion Procedure.

While discussing any question under consideration by the Governing Board, it shall be the duty of the members thereof to remain seated and address their remarks to the presiding officer and their fellow members. Any remarks or orders to the audience shall be addressed by the presiding officer, or with his or her permission, by members of the Governing Board.

B. Governing Board Members to Address Chair.

Every Governing Board member desiring to speak shall first address the Chair, gain recognition by the presiding officer and shall confine himself or herself to the question under debate, avoiding personalities and indecorous language.

C. Questions to Staff.

Every Governing Board member desiring to question the District staff shall, after recognition by the presiding officer, address his or her question to the APCO or the District Counsel, who shall be entitled either to answer the inquiry himself or herself or to designate a member of the staff for that purpose.

D. Interruptions.

A Governing Board member, once recognized, shall not be interrupted when speaking unless called to order by the presiding officer, unless a point of order or personal privilege is raised by another Governing Board member, or unless the speaker chooses to yield to a question by another Governing Board member. If a Governing Board member while speaking is called to order, he or she shall cease speaking until the question of order is determined; and if interpreted to be in order, may proceed. Members of the District staff, after recognition by the presiding officer, shall hold the floor until completion of their remarks or until recognition is withdrawn by the presiding officer.

E. Points of Order.

The presiding officer shall determine all points of order subject to the right of any Governing Board member to appeal to the Governing Board. If an appeal is taken, the question shall be, "Shall the decision of the presiding officer be sustained?" A majority vote shall conclusively determine such question of order.

F. Point of Personal Privilege.

The right of a Governing Board member to address the Governing Board on a question of personal privilege shall be limited to cases in which his or her integrity, character, or motives are questioned or where the welfare of the Governing Board is concerned. A Governing Board member raising a point of personal privilege may interrupt another Governing Board member who has the floor only if the presiding officer recognizes the privilege.

G. Privilege of Closing Debate.

A Governing Board member moving the adoption of a rule, resolution or motion shall have the privilege of closing debate.

H. Limitation of Debate.

No Governing Board member shall be allowed to speak more than once upon any particular subject until every other Governing Board member desiring to do so shall have spoken.

I. Motion to Reconsider.

A motion to reconsider action taken by the Governing Board may be made only on the day the action was taken. It may be made either immediately during the same session, or at a recessed or adjourned session. This motion must be made by one of the prevailing side, but may be seconded by any member, and may be made at any time and have precedence over all other motion or while a member has the floor; it is debatable. Nothing in these rules prevents a member of the Governing Board from making or remaking the same or any other motion at a subsequent meeting of the Governing Board.

14. Robert's Rules of Order.

In all matters and things not otherwise provided for in these procedural rules, the proceedings of the Governing Board shall be governed by "Robert's Rules of Order", revised edition. However, no rule, resolution, proceedings or other action of the Governing Board shall be invalidated, or the legality thereof otherwise affected, by the failure or omission to observe or follow said rules.

15. Remarks of Governing Board Members and Synopsis of Debate.

A Governing Board member may request through the presiding officer the privilege of having an abstract of his or her statements on any subject under consideration by the Governing Board entered into the minutes. If the Governing Board consents thereto, such statements shall be entered into the minutes.

16. Protest Against Governing Board Action.

Any Governing Board member dissenting from or stating his or her protest against any action of the Governing Board may have his or her reasons for such dissent or protest entered into the minutes. Such reasons shall be entered into the minutes upon the request of any Governing Board member.

17. Addressing the Governing Board.

A. Manner of Addressing Governing Board.

Each person desiring to address the Governing Board shall step up to the microphone, if one is present, state his or her name and address for the record, state the agenda item he or she wishes to discuss, state whom he or she is representing, if he or she is representing an organization or other persons. Unless further time is granted by the presiding officer or a majority vote of the Governing Board, the speaker shall limit his or her remarks to five (5) minutes. All remarks shall be addressed to the Governing Board as a whole and not to any member thereof and no questions shall be asked a Governing Board member or a member of the District staff or member of the audience without permission of the presiding officer. Any person desiring to address the Governing Board on a subject not on the agenda shall first present his or her request to the Clerk of the Governing Board in accordance with Section D below unless it is deemed an emergency.

B. Speaker for Group of Persons.

Whenever any group of persons wishes to address the Governing Board on the same subject matter and expressing the same point of view, the presiding officer may request that a speaker be chosen by the group to address the Governing Board. Absent a special determination by the Governing Board, such speaker shall be limited to the public comment period afforded to members of the public. If additional matters are to be presented by any other member of the group, the presiding officer may ask the group to limit the number of such persons addressing the Governing Board.

C. After a Motion.

After a motion has been made or a public hearing has been closed, no member of the public shall address the Governing Board from the audience on the matter under consideration without first getting permission to do so by the presiding officer or a majority vote of the Governing Board.

D. Written Request to Address Governing Board.

Every official, board, commission or other body connected with the District government, and every citizen, individual, corporation, committee or civic group, having any reports, communications or other matters to be presented at a Governing Board meeting, shall notify the Clerk of the Governing Board of that fact prior to or upon the date of the meeting before such item is called on the agenda. The request shall be in writing on a form as provided by the Governing Board and shall set forth the nature and the subject of the matter to be presented to the Governing Board.

18. Rules of Decorum.

A. Governing Board Members.

While the Governing Board is in session, the members must preserve order and decorum; and the members shall neither by conversation or otherwise delay or interrupt the proceedings or the peace of the Governing Board nor disturb any member while speaking or refuse to obey the orders of the presiding officer.

B. Employees.

Members of the District staff and independent contractors shall observe the same rules of order and decorum as are applicable to the Governing Board.

C. Persons Addressing the Governing Board.

Any person making impertinent, slanderous or profane remarks or who has become boisterous while addressing the Governing Board, shall be called to order by the presiding officer; and if such conduct continues, may at the discretion of the presiding officer, be barred from further audience before the Governing Board during that meeting and may be ordered removed from the premises.

D. Persons Authorized to be at Rostrum.

No person except members of the Governing Board and members of the District staff shall be permitted to approach the rostrum without the consent of the presiding officer.

19. Motions - Second Required.

A motion by any member of the Governing Board including the presiding officer may not be considered by the Governing Board without receiving a second.

20. Disqualification for Conflict of Interest.

Any Governing Board member who is disqualified from voting on a particular matter by a reason of a conflict of interest shall publicly state or have the presiding officer state the nature of such disqualification in open meeting. Where no clearly disqualifying conflict of interest appears, the matter of disqualification may, at the request of the Governing Board member affected, be decided by the other Governing Board members upon advise of District Counsel. Upon disqualification, the disqualified Governing Board member shall remove him or herself from the dais until after the item has been acted upon. In the event that a disqualified Governing Board member is authorized pursuant to state law and wishes to testify to the subject, he or she shall follow the same rules as a member of the audience.

21. Majority and Quorum.

A. Quorum.

Except as provided in subdivision (B) herein, a majority of the Governing Board as duly sworn into membership shall constitute a quorum, and no official action shall be taken by the Governing Board except in the presence of a quorum.

B. Quorum When Positions are Vacant.

Whenever there are one or more vacancies on the Governing Board, the vacant positions shall not be counted in determining the number of members on the Governing Board toward the majority required for a quorum or official action by the Governing Board.

C. Majority Vote Required.

The affirmative votes of a majority of the Governing Board which are present shall be required to take official action on all items provided a quorum is present.

22. Effect of Abstention or Silence.

Every Governing Board member who should vote, unless disqualified by reason of conflict of interest, and who abstains from voting in effect consents that a majority of the Governing Board may decide the question voted upon, and his or her abstention shall be recorded concurrent with the majority vote. Unless a member of the Governing Board states that he or she is abstaining, his or her silence shall be recorded as an affirmative vote.

23. Tie Votes.

Tie votes shall be lost motions.

24. Changing Vote.

A Governing Board member may change his or her vote only if he or she makes a timely request to do so immediately following the announcement of the vote by the Clerk of the Governing Board prior to the time of the next item. Prior to the time that the next item in the order of business is taken up, a Governing Board member who publicly announces that he or she is abstaining from voting on a particular matter shall not subsequently be allowed to withdraw his or her abstention.

25. Rules, Regulations, Resolutions, and Contracts.

A. Prior Approval by Administrative Staff.

All rules, regulations, resolutions and contract documents shall, before presentation to the Governing Board, have been approved as to legal form by the District Counsel and shall have been examined for administration by the APCO or his or her authorized representative.

B. Reading of Rule, Regulations and Resolutions.

At the time of the adoption or amendment of a rule or regulation, the resolution accompanying the rule or regulation shall be read in full unless, after the reading of the title thereof, further reading thereof is waived by the Governing Board members present. Such consent to waive further reading shall be deemed to have been given if no request for a reading in full is made by any Governing Board member; and such consent may be expressed by a statement in substance by the presiding officer that "If there are no objections, the further reading of the resolution shall be waived." If any Governing Board member requests a reading in full, the resolution shall be read in full.

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

Amended: July 19, 2022
Amended: April 21, 2020
Amended: February 14, 2017
Amended: May 20, 2014
Amended: April 16, 2013
Amended: January 17, 2012
Amended: January 18, 2011
Amended: January 15, 2008
Amended: January 17, 2006
Amended: March 18, 2003
Adopted: January 15, 2002

*For related statutory provisions see Health & Safety Code §§41300 et seq., 40700, 40701, 40702.; and Government Code 54950 et seq.

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ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT GOVERNING BOARD PROCEDURAL RULES

1. Meeting Location.

The meeting place of the Antelope Valley Air Quality Management District Governing Board shall be in the Board Chambers of the Antelope Valley Transit Authority District offices located at 42210 6th Street West, Lancaster, CA 93534 and all meetings of the Governing Board shall be held therein, unless duly adjourned to another location.

2. District Offices - Address.

The offices of all departments, officers and employees of the District shall be located at the Antelope Valley Air Quality Management District offices, 2551 W Avenue H, Lancaster, CA 93536 unless other offices are authorized by the Governing Board.

3. District Offices - Holidays and Hours.

The District offices shall be closed on all official holidays as established by the Governing Board and on alternate Fridays commencing the first Friday in January 2002. Every Saturday and Sunday are holidays in respect to the transaction of business in such District offices. Said District offices shall be open to the public for business as specified by the Air Pollution Control Officer (APCO) and as dictated by business needs on all other days of the year.

4. Meetings.

A. Compliance with the Ralph M. Brown Act.

To ensure that the deliberations and actions of the Governing Board are conducted openly and to ensure meaningful public participation, all meetings of the Governing Board shall be held in compliance with the provisions of the Ralph M. Brown Act (Government Code §§ 54950 et. seq.) and the guidelines promulgated thereunder (14 Cal. Code Regs §§15000 et. seq).

Any subsidiary body of the Governing Board or of the District which is subject to the provisions of the Ralph M. Brown Act shall also hold its meetings in compliance with its provisions.

B. Regular Meetings or Workshop Meetings.

Regular meetings of the Governing Board shall be held on the third Tuesday of the month at 10:00 A.M. Workshop meetings of the Governing Board may be held on any day normally scheduled for a regular meeting but at which no official action is to be taken. For the purposes of this paragraph a workshop meeting is defined as a meeting of the Governing Board when the primary purpose of the meeting is, but is not limited to, conducting a study session. In the event that a Board meeting or workshop meeting falls on a holiday, the meeting shall be held at the same time on the next succeeding day which is not a holiday, unless adjourned to a different time.

An agenda shall be prepared and posted at least seventy-two (72) hours prior to the meeting in a location that is freely accessible to members of the public and on the District's website located at <http://www.avaqmd.ca.gov>.

C. Special Meetings.

A special meeting of the Governing Board may be called at any time by the Chair of the Governing Board or by a majority of the members of the Governing Board, by delivering personally or by United States mail written notice of the meeting to each member of the Governing Board and to each newspaper, radio or television station which has requested notice of meetings in writing. The notice shall be delivered personally or by United States mail and shall be received by the member of the Governing Board at least twenty-four (24) hours before the time of the meeting as specified in the notice. The notice shall specify the time and place of the special meeting and the business to be transacted or discussed. No other business shall be considered at these meetings.

The written notice may be dispensed with as to any member of the Governing Board who at or prior to the time a special meeting convenes, files with the Clerk of the Governing Board a written waiver of the notice. The waiver may be given by telegram or facsimile communication. A written notice may also be dispensed with as to any member who is actually present at the meeting at the time it convenes.

The notice and a written agenda shall be posted at least twenty-four (24) hours prior to the special meeting at the location of the regular meetings of the Governing Board and at the location of the special meeting if different from the location of the regular meetings and the place(s) where the notice is posted shall be freely accessible to members of the public.

D. Study Sessions.

The Governing Board may meet in a study session on the day of the regular Governing Board meeting at the hour of 10:00 a.m. in the board chambers or at such other time or

place as may be designated by the Governing Board for the purpose of hearing reports from the staff, reviewing, discussing and debating matters of interest to the District. Such sessions shall be open to the public. No official action shall be taken at a study session.

An agenda shall be prepared and posted at least seventy-two (72) hours prior to the study session in a location that is freely accessible to members of the public.

E. Meeting to be Public - Except for Closed Sessions.

All regular and special meetings of the Governing Board shall be public. Public comment will be received on agenda items at the time of the hearing of that item. Public comment on items not on the agenda will be heard during the designated public comment period.

The Governing Board may hold closed sessions during a regular or special meeting from which the public may be excluded for the purpose of considering the matters which are properly the subject of such sessions pursuant to law, including but not limited to those matters referred to in Government Code §§54954.5, 54956.8, 54956.9, 54956.95, 54957 and/or 54957.6.

No member of the Governing Board, employee of the District, or any other person present during an closed session of the Governing Board shall disclose to any person the content or substance of any discussion which took place during a closed session unless the Governing Board authorizes the disclosure of such information by majority vote.

5. Agenda.

A. Agenda Preparation.

The times for receiving information for the Governing Board agenda and delivery of the agenda shall be established by the Clerk of the Governing Board.

The Clerk of the Governing Board shall prepare the agenda at the direction of the Executive Director/Air Pollution Control Officer and the Chair of the Governing Board. A brief description shall be provided for each item. Each description shall contain sufficient information regarding the proposed action to allow the general public to determine whether or not to participate. Each agenda produced shall contain a public comment period.

B. Agenda Posting.

Once completed the Clerk of the Board shall post the agenda in a location freely accessible to the general public on or before the posting time listed above for the particular type of meeting to be held. The agenda and any backup material shall also be

available in the District Offices during District business hours. The agenda and any backup material shall also be posted on the District's website.

C. Agenda Distribution.

The Clerk of the Board shall distribute the agenda and any backup material to Members of the Governing Board, appropriate District staff and to anyone who has requested to be included on the agenda distribution list within the last calendar year. Such distribution may occur by U.S. mail in hard copy, U.S. mail via electronic media (CD-Rom), and/or E-mail as specified by the requesting party. If a party fails to specify a delivery modality distribution shall occur via U.S. mail in hard copy.

Persons requesting to be added to the agenda distribution list may specify that they wish to receive only the agenda without the backup documentation. If a person fails to specify then they shall receive the entire agenda including backup documentation.

6. Governing Board Correspondence.

A. Availability to the Public.

Correspondence addressed to the Governing Board which is received by the Clerk of the Governing Board or by any other officer or employee of the District shall become a public record when placed in the Clerk of the Board's correspondence file or when otherwise acted upon by the Clerk of the Board unless such item is marked "confidential" or "personal". Correspondence received in the Clerk of the Governing Board's office or other offices after twelve noon the Monday preceding a regular Governing Board meeting shall not be placed on the agenda unless it concerns a matter to be considered by the Governing Board at the next regular meeting or is determined by the Chair of the Governing Board or the APCO to be an urgent matter which should be brought to the immediate attention of the Governing Board. Correspondence shall not be read aloud at the Governing Board meetings unless requested by a majority vote of the Governing Board.

B. Opening Mail and Written Communications.

The APCO and the District Counsel are authorized to open and examine all mail or other written communications addressed to the Governing Board and its members unless marked "confidential" or "personal" and within the authority delegated to the APCO by the Governing Board, give it immediate attention.

7. Order of Business.

The order of business of Governing Board meetings shall be established by the Governing Board.

8. Unfinished Business.

Any matter the consideration of which has not been completed at any meeting of the Governing Board and which has not been continued or which has not been removed from the agenda shall be listed for consideration at the next regular meeting of the Governing Board.

9. Minutes.

A. Preparation of Minutes.

The Clerk of the Governing Board shall have exclusive responsibility for the preparation of the minutes and any directions for change in the minutes shall be made only by a majority vote of the Governing Board in open session.

B. Reading of the Minutes.

Unless the reading of the minutes of the Governing Board meeting is ordered by the majority vote of the Governing Board, such minutes may be approved without reading if the Clerk of the Governing Board has previously furnished each Governing Board member with a copy.

10. Public Member.

Pursuant to the provisions of Health & Safety Code §41310(d) the Governing Board shall appoint a public member. Such public member shall serve a term of two (2) years commencing on July 1 of the year of appointment or such other period of time as the Governing Board designates in its appointing action.

11. Presiding Officer.

A. Chair as Presiding Officer.

The Chair of the Governing Board shall be the presiding officer at all meetings of the Governing Board.

B. Presiding Officer in Absence of Chair.

In the absence of the Chair, the Vice-Chair shall preside. In the absence of the Chair and the Vice-Chair, the Clerk of the Governing Board shall call the Governing Board to order, whereupon a temporary presiding officer shall be elected by the Governing Board members present to serve until the arrival of the Chair or Vice-Chair or until

adjournment. Wherever in this chapter the term “Chair” is used, the term shall apply equally to the presiding officer as defined in this section.

C. Term of Chair.

The Chair shall be elected each year in December from the membership of the Governing Board and shall serve a term of one (1) year. The term of the Chair shall commence on the first regular meeting of the Governing Board in January and shall expire on the first regular meeting of the Governing Board in the subsequent January.

12. Powers and Duties of the Presiding Officer.

A. Participation.

The presiding officer may move, second, debate and vote from the Chair.

B. Seating Arrangements for the Governing Board.

The Clerk of the Board in consultation with the presiding officer shall, following each Governing Board member appointment and at such other times as necessary, establish the seating arrangement of the members of the Governing Board.

C. Signing of Documents.

The presiding officer or his or her duly appointed designee shall sign all rules, resolutions, contracts and other documents necessitating his or her signature.

D. Sworn Testimony.

The presiding officer may, pursuant to statute or other provision of law, require any person addressing the Governing Board to be sworn as a witness and to testify under oath. The presiding officer shall so require if directed to do so by a majority of the Governing Board.

E. Extraordinary Requests for Assistance by Members.

Members shall address requests for assistance above and beyond the normal measure of assistance provided to permit holders and/or the general public through the presiding officer or the APCO pursuant to Governing Board Policy 11-04. If such request is beyond the scope of the APCO’s authority set forth in Governing Board Policy 02-01 then the presiding officer shall cause the request to be placed on the next agenda for discussion and action by the Governing Board.

13. Rules of Debate.

A. Discussion Procedure.

While discussing any question under consideration by the Governing Board, it shall be the duty of the members thereof to remain seated and address their remarks to the presiding officer and their fellow members. Any remarks or orders to the audience shall be addressed by the presiding officer, or with his or her permission, by members of the Governing Board.

B. Governing Board Members to Address Chair.

Every Governing Board member desiring to speak shall first address the Chair, gain recognition by the presiding officer and shall confine himself or herself to the question under debate, avoiding personalities and indecorous language.

C. Questions to Staff.

Every Governing Board member desiring to question the District staff shall, after recognition by the presiding officer, address his or her question to the APCO or the District Counsel, who shall be entitled either to answer the inquiry himself or herself or to designate a member of the staff for that purpose.

D. Interruptions.

A Governing Board member, once recognized, shall not be interrupted when speaking unless called to order by the presiding officer, unless a point of order or personal privilege is raised by another Governing Board member, or unless the speaker chooses to yield to a question by another Governing Board member. If a Governing Board member while speaking is called to order, he or she shall cease speaking until the question of order is determined; and if interpreted to be in order, may proceed. Members of the District staff, after recognition by the presiding officer, shall hold the floor until completion of their remarks or until recognition is withdrawn by the presiding officer.

E. Points of Order.

The presiding officer shall determine all points of order subject to the right of any Governing Board member to appeal to the Governing Board. If an appeal is taken, the question shall be, "Shall the decision of the presiding officer be sustained?" A majority vote shall conclusively determine such question of order.

F. Point of Personal Privilege.

The right of a Governing Board member to address the Governing Board on a question of personal privilege shall be limited to cases in which his or her integrity, character, or motives are questioned or where the welfare of the Governing Board is concerned. A Governing Board member raising a point of personal privilege may interrupt another Governing Board member who has the floor only if the presiding officer recognizes the privilege.

G. Privilege of Closing Debate.

A Governing Board member moving the adoption of a rule, resolution or motion shall have the privilege of closing debate.

H. Limitation of Debate.

No Governing Board member shall be allowed to speak more than once upon any particular subject until every other Governing Board member desiring to do so shall have spoken.

I. Motion to Reconsider.

A motion to reconsider action taken by the Governing Board may be made only on the day the action was taken. It may be made either immediately during the same session, or at a recessed or adjourned session. This motion must be made by one of the prevailing side, but may be seconded by any member, and may be made at any time and have precedence over all other motion or while a member has the floor; it is debatable. Nothing in these rules prevents a member of the Governing Board from making or remaking the same or any other motion at a subsequent meeting of the Governing Board.

14. Robert's Rules of Order.

In all matters and things not otherwise provided for in these procedural rules, the proceedings of the Governing Board shall be governed by "Robert's Rules of Order", revised edition. However, no rule, resolution, proceedings or other action of the Governing Board shall be invalidated, or the legality thereof otherwise affected, by the failure or omission to observe or follow said rules.

15. Remarks of Governing Board Members and Synopsis of Debate.

A Governing Board member may request through the presiding officer the privilege of having an abstract of his or her statements on any subject under consideration by the Governing Board entered into the minutes. If the Governing Board consents thereto, such statements shall be entered into the minutes.

16. Protest Against Governing Board Action.

Any Governing Board member dissenting from or stating his or her protest against any action of the Governing Board may have his or her reasons for such dissent or protest entered into the minutes. Such reasons shall be entered into the minutes upon the request of any Governing Board member.

17. Addressing the Governing Board.

A. Manner of Addressing Governing Board.

Each person desiring to address the Governing Board shall step up to the microphone, if one is present, state his or her name and address for the record, state the agenda item he or she wishes to discuss, state whom he or she is representing, if he or she is representing an organization or other persons. Unless further time is granted by the presiding officer or a majority vote of the Governing Board, the speaker shall limit his or her remarks to five (5) minutes. All remarks shall be addressed to the Governing Board as a whole and not to any member thereof and no questions shall be asked a Governing Board member or a member of the District staff or member of the audience without permission of the presiding officer. Any person desiring to address the Governing Board on a subject not on the agenda shall first present his or her request to the Clerk of the Governing Board in accordance with Section D below unless it is deemed an emergency.

B. Speaker for Group of Persons.

Whenever any group of persons wishes to address the Governing Board on the same subject matter and expressing the same point of view, the presiding officer may request that a speaker be chosen by the group to address the Governing Board. Absent a special determination by the Governing Board, such speaker shall be limited to the public comment period afforded to members of the public. If additional matters are to be presented by any other member of the group, the presiding officer may ask the group to limit the number of such persons addressing the Governing Board.

C. After a Motion.

After a motion has been made or a public hearing has been closed, no member of the public shall address the Governing Board from the audience on the matter under consideration without first getting permission to do so by the presiding officer or a majority vote of the Governing Board.

D. Written Request to Address Governing Board.

Every official, board, commission or other body connected with the District government, and every citizen, individual, corporation, committee or civic group, having any reports, communications or other matters to be presented at a Governing Board meeting, shall notify the Clerk of the Governing Board of that fact prior to or upon the date of the meeting before such item is called on the agenda. The request shall be in writing on a form as provided by the Governing Board and shall set forth the nature and the subject of the matter to be presented to the Governing Board.

18. Rules of Decorum.

A. Governing Board Members.

While the Governing Board is in session, the members must preserve order and decorum; and the members shall neither by conversation or otherwise delay or interrupt the proceedings or the peace of the Governing Board nor disturb any member while speaking or refuse to obey the orders of the presiding officer.

B. Employees.

Members of the District staff and independent contractors shall observe the same rules of order and decorum as are applicable to the Governing Board.

C. Persons Addressing the Governing Board.

Any person making impertinent, slanderous or profane remarks or who has become boisterous while addressing the Governing Board, shall be called to order by the presiding officer; and if such conduct continues, may at the discretion of the presiding officer, be barred from further audience before the Governing Board during that meeting and may be ordered removed from the premises.

D. Persons Authorized to be at Rostrum.

No person except members of the Governing Board and members of the District staff shall be permitted to approach the rostrum without the consent of the presiding officer.

19. Motions - Second Required.

A motion by any member of the Governing Board including the presiding officer may not be considered by the Governing Board without receiving a second.

20. Disqualification for Conflict of Interest.

Any Governing Board member who is disqualified from voting on a particular matter by a reason of a conflict of interest shall publicly state or have the presiding officer state the nature of such disqualification in open meeting. Where no clearly disqualifying conflict of interest appears, the matter of disqualification may, at the request of the Governing Board member affected, be decided by the other Governing Board members upon advise of District Counsel. Upon disqualification, the disqualified Governing Board member shall remove him or herself from the dais until after the item has been acted upon. In the event that a disqualified Governing Board member is authorized pursuant to state law and wishes to testify to the subject, he or she shall follow the same rules as a member of the audience.

21. Majority and Quorum.

A. Quorum.

Except as provided in subdivision (B) herein, a majority of the Governing Board as duly sworn into membership shall constitute a quorum, and no official action shall be taken by the Governing Board except in the presence of a quorum.

B. Quorum When Positions are Vacant.

Whenever there are one or more vacancies on the Governing Board, the vacant positions shall not be counted in determining the number of members on the Governing Board toward the majority required for a quorum or official action by the Governing Board.

C. Majority Vote Required.

The affirmative votes of a majority of the Governing Board which are present shall be required to take official action on all items provided a quorum is present.

22. Effect of Abstention or Silence.

Every Governing Board member who should vote, unless disqualified by reason of conflict of interest, and who abstains from voting in effect consents that a majority of the Governing Board may decide the question voted upon, and his or her abstention shall be recorded concurrent with the majority vote. Unless a member of the Governing Board states that he or she is abstaining, his or her silence shall be recorded as an affirmative vote.

23. Tie Votes.

Tie votes shall be lost motions.

24. Changing Vote.

A Governing Board member may change his or her vote only if he or she makes a timely request to do so immediately following the announcement of the vote by the Clerk of the Governing Board prior to the time of the next item. Prior to the time that the next item in the order of business is taken up, a Governing Board member who publicly announces that he or she is abstaining from voting on a particular matter shall not subsequently be allowed to withdraw his or her abstention.

25. Rules, Regulations, Resolutions, and Contracts.

A. Prior Approval by Administrative Staff.

All rules, regulations, resolutions and contract documents shall, before presentation to the Governing Board, have been approved as to legal form by the District Counsel and shall have been examined for administration by the APCO or his or her authorized representative.

B. Reading of Rule, Regulations and Resolutions.

At the time of the adoption or amendment of a rule or regulation, the resolution accompanying the rule or regulation shall be read in full unless, after the reading of the title thereof, further reading thereof is waived by the Governing Board members present. Such consent to waive further reading shall be deemed to have been given if no request for a reading in full is made by any Governing Board member; and such consent may be expressed by a statement in substance by the presiding officer that "If there are no objections, the further reading of the resolution shall be waived." If any Governing Board member requests a reading in full, the resolution shall be read in full.

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[As Amended June 21, 2022]

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The following page(s) contain the backup material for Agenda Item: [Conduct a public hearing to consider the amendment of Regulation III – Fees: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the CEQA Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption, amending the Rule and directing staff actions.](#) Presenter: Barbara Lods, [Operations Manager.](#)

Please scroll down to view the backup material.

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

AGENDA ITEM #7

DATE: July 19, 2022

RECOMMENDATION: Conduct a public hearing to consider the amendment of Regulation III – *Fees*: a. Open public hearing; b. Receive staff report; c. Receive public testimony; d. Close public hearing; e. Make a determination that the CEQA Categorical Exemption applies; f. Waive reading of Resolution; g. Adopt Resolution making appropriate findings, certifying the Notice of Exemption, amending the Rule and directing staff actions.

SUMMARY: Adjustments in fees are required from time to time to ensure that the fees are aligned with the reasonable regulatory costs of the programs they support. Rule 301 is proposed for amendment to adjust fees by ten percent (10%) to recover the rising costs of issuing air quality permits, performing inspections, investigations, and enforcing District rules and regulations; a 15% increase to Classification D, E, and F to recover permitting and inspection costs for engines over a specific horsepower as the costs for this type of equipment is not commensurate with the fee revenue received.

The District is proposing a new Plan Fee in Rule 302 for Construction Excavation. The Construction Excavation Plan Fee is necessary to mitigate the increased inspection time spent due to expanded residential, industrial and solar construction

BACKGROUND: Rule 301 – *Permit Fees* was last amended 07/20/2021. The 07/20/2021 effective 01/01/2022 version is the current version in the AVAQMD rulebook. Rule 302 – *Other Fees* was last amended 07/16/2019 and is the current version in the AVAQMD rulebook.

Rule 301 is proposed for amendment to ensure that the costs(fees) are aligned with the reasonable regulatory costs of the programs they support. The proposed ten percent (10%) fee adjustment and the 15% fee adjustment to Classification D, E and F is designed to recover the rising costs associated with issuing licenses and permits, performing investigations, inspections, and audits, and the administrative enforcement.

Rule 302 is proposed as a new Plan Fee for Construction Excavation. The Construction Excavation Plan Fee is necessary to mitigate the increased inspection time spent due to expanded residential, industrial and solar construction. A charge will be assessed based on the total acreage of the project

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

AGENDA ITEM #7

PAGE 2

A Notice of Exemption, Categorical Exemption (Class8; 14 Cal. Code Reg. §15308) will be prepared by the AVAQMD for the amendment of Regulation III pursuant to the requirements of CEQA.

REASON FOR RECOMMENDATION: Health & Safety Code §§40702 and 40703 require the Governing Board to hold a public hearing before adopting rules and regulation. Also, 42 U.S.C. §7410(l) (FCAA §110(l)) requires that all State Implementation Plan (SIP) revisions be adopted after public notice and hearing.

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 on or about July 8, 2022.

FINANCIAL DATA: No increase in appropriation is anticipated.

PRESENTER: Barbara Lods, Operations Manager.

RESOLUTION _____

A RESOLUTION OF THE GOVERNING BOARD OF THE ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT MAKING FINDINGS, CERTIFYING THE NOTICE OF EXEMPTION, AMENDING RULE 301 – PERMIT FEES AND DIRECTING STAFF ACTIONS.

On July 19, 2022, on motion by Member _____, seconded by Member _____, and carried, the following resolution is adopted:

WHEREAS, the Antelope Valley Air Quality Management District (AVAQMD) has authority pursuant to California Health and Safety Code (H & S Code) §§40702, 40725-40728 to adopt, amend or repeal rules and regulations; and

WHEREAS, on July 1, 1997 the Antelope Valley Air Pollution Control District (AVAPCD) was created pursuant to statute (former Health & Safety (H&S) Code §40106, A.B. 266-Knight Ch. 542, statutes of 1996) and assumed all air pollution control responsibilities from the South Coast Air Quality Management District (SCAQMD) for the area of Los Angeles County outside the South Coast Air Basin; and

WHEREAS, the SCAQMD rules in effect within the jurisdiction of the AVAPCD remained in effect until the AVAPCD Governing Board superseded or amended them; and

WHEREAS, on January 1, 2002 the AVAQMD was created pursuant to statute (H&S Code §41300 et seq.) to replace the AVAPCD; and

WHEREAS, once again the rules in effect at the time of the change remained in effect until the AVAQMD Governing Board superseded or amended them; and

WHEREAS, the District’s mandated functions such as compliance, permit issuance, and permit administration are labor intensive; and

WHEREAS, therefore, the related fee revenue should be structured to support the relevant regulatory and administrative activities; and

WHEREAS, the 2022-2023 budget includes anticipated revenue derived from a proposed 10% fee increase to Rule 301 – *Permit Fees* to recover the rising costs of issuing air quality permits, performing inspections, investigations, and enforcing District rules and regulations; a 15% increase to Classification D, E, and F to recover permitting and inspection costs for engines over a specific horsepower as the costs for this type of equipment is not commensurate with the fee revenue received; and

//

RESOLUTION _____

1 **WHEREAS**, the District is proposing a new Plan Fee in Rule 302 for Construction Excavation; and

2 **WHEREAS**, the Construction Excavation Plan Fee is necessary to mitigate the increased inspection
3 time spent due to expanded residential, industrial and solar construction

4 **WHEREAS**, a charge will be assessed based on the total acreage of the project; and

5 **WHEREAS**, the fee structure is comparable to similar project fees in neighboring Districts; and

6 **WHEREAS**, therefore, the proposed fee adjustment is well within the provisions of Health & Safety
7 Code §42311(a) and falls within the exemption found in Article XIII C §1(e)(3) of the California
8 Constitution; and

9 **WHEREAS**, to allow time to implement the proposed fee changes, the amendment of Rule 301 –
10 *Permit Fees* is proposed to be effective on January 1, 2023; and

11 **WHEREAS**, the amendment of Rule 302 – *Other Fees* will be effective immediately; and

12 **WHEREAS**, the proposed amendments to Regulation III are clear in that the meaning can be easily
13 understood by the persons impacted by the rule; and

14 **WHEREAS**, the proposed amendments to Regulation III are in harmony with, and not in conflict
15 with, or contradictory to existing statutes, court decisions, or state or federal regulations because these laws
16 and regulations allow for the proposed amendments to the fee rules; and

17 **WHEREAS**, the proposed amendment of Regulation III does not impose the same requirements as
18 any existing state or federal regulation because H&S Code §40702 allows the District to adopt, amend or
19 repeal rules and regulations, and H&S Code §42311 and various other sections merely authorize the
20 imposition of such fees but do not specify the types and amounts of fees to be imposed; and

21 **WHEREAS**, the proposed fee increase will recover the increase projected for expenditures related
22 to the costs of the permitting program and implementing district rules and regulations; issuing air quality
23 permits; performing facility inspections, and public complaint investigations and rule development
24 activities.; and

25 **WHEREAS**, a public hearing has been properly noticed and conducted, pursuant to H & S Code
26 §40725, concerning the proposed amendments to Regulation III; and

27 **WHEREAS**, a Notice of Exemption, a Categorical Exemption (Class 8, 14 CCR §15308) for the
28 proposed amendments to Regulation III, completed in compliance with the California Environmental

RESOLUTION _____

1 Quality Act (CEQA), has been presented to the AVAQMD Board; each member having reviewed,
2 considered and approved the information contained therein prior to acting on the proposed amendments to
3 Regulation III, and the AVAQMD Board having determined that the proposed amendments will not have
4 any potential for resulting in any adverse impact upon the environment; and

5 **WHEREAS**, the Board of the AVAQMD has considered the evidence presented at the public
6 hearing; and

7 **NOW, THEREFORE, BE IT RESOLVED**, that the Governing Board of the AVAQMD finds that
8 the proposed amendments to Regulation III – *Fees* are necessary, authorized, clear, consistent, non-
9 duplicative and properly referenced; and

10 **BE IT FURTHER RESOLVED**, that the Governing Board of the AVAQMD hereby makes a
11 finding that the Class 8 Categorical Exemption (14 CCR §15308) applies and certifies the Notice of
12 Exemption for the proposed amendments to Regulation III – *Fees*; and

13 **BE IT FURTHER RESOLVED**, that the Board of the AVAQMD does hereby adopt, pursuant to
14 the authority granted by law, the proposed amendments to Regulation III – *Fees* as set forth in the
15 attachments to this resolution and incorporated herein by this reference; and

16 **BE IT FURTHER RESOLVED**, that this resolution shall take effect immediately upon adoption,
17 that the Senior Executive Analyst is directed to file the Notice of Exemption in compliance with the
18 provisions of CEQA.

19 **PASSED, APPROVED AND ADOPTED** by the Governing Board of the Antelope Valley Air Quality
20 Management District by the following vote:

21 AYES: MEMBER:
22 NOES: MEMBER:
23 ABSENT: MEMBER:
24 ABSTAIN: MEMBER:

25
26 STATE OF CALIFORNIA)
27 COUNTY OF LOS ANGELES) SS:
28)

RESOLUTION _____

1 I, Deanna Hernandez, Senior Executive Analyst of the Governing Board of the Antelope Valley
2 Air Quality Management District, hereby certify the foregoing to be a full, true and correct copy of the
3 record of the action as the same appears in the Official Minutes of said Governing Board at its meeting of
4 July 19, 2022.

4 _____
5 Senior Executive Analyst
6 Antelope Valley Air Quality Management District.
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RULE 301 PERMIT FEES

(A) General

(1) Purpose

- (a) This rule sets forth the fees required for various permit activities required pursuant to the provisions of Regulation II – *Permits*, and Regulation XIII – *New Source Review*.

(2) Applicability

- (a) This rule applies to:

- (i) Any person subject to the provisions of Regulation II – *Permits*, Regulation XIII – *New Source Review*, or Regulation XVII – *Prevention of Significant Deterioration*.
- (ii) Any governmental entity.
 - a. Federal, State or local governmental agencies or public districts shall pay the fees to the extent allowed pursuant to the provisions of Chapter 2, Division 7, Title 1 of the Government Code (commencing with Section 6103); Part 4, Division 26 of the Health and Safety Code (commencing with Section 41500) and Part 6, Division 26 of the Health and Safety Code (commencing with Section 44300).
- (iii) Any facility subject to the Provisions of Regulation XXX – *Federal Operating Permits (Title V)*.
 - a. Any facility subject to the provisions of Regulation XXX – *Federal Operating Permits (Title V)* shall also be subject to the provisions of District Rule 312.

(3) Limitations

- (a) Revenue derived from permit fees shall be limited as required by Health and Safety Code Sections 42311, 42311.2 and 42311.5.

- (4) Effective Date
 - (a) The amendments to this rule adopted on 07/19/2022 shall be effective on 01/01/2023.

(B) Definitions

For the purpose of this rule, the following definitions shall apply:

- (1) “Alteration Or Modification” – Any physical change, change in method of operation of, or addition to, an existing equipment requiring an application for Permit to Construct pursuant to Rule 201. Routine maintenance and/or repair shall not be considered a physical change. A change in the method of operation of equipment, unless previously limited by an enforceable permit condition, shall not include:
 - (a) An increase in the production rate, unless such increase will cause the maximum design capacity of the equipment to be exceeded; or
 - (b) An increase in the hours of operation.
- (2) “Cancellation” (or Cancel) – An administrative action taken by the District which nullifies or voids a previously pending application for a permit.
- (3) “Emission Reduction Credit” (ERC) – The amount of emissions reduction which is verified and determined by the APCO to be eligible for credit in an emissions reduction bank pursuant to District Rule 1309.
- (4) “Equipment” – Any article, machine, or other contrivance, or combination thereof, which may cause the issuance or control the issuance of air contaminants, and which:
 - (a) Requires a permit pursuant to Rules 201 and/or 203; or
 - (b) Is in operation pursuant to the provisions of Rule 219.
- (5) “Expiration” – The end of the period of validity for an application, Permit to Operate, or a temporary Permit to Operate.
- (6) “Facility” – Any source, equipment, or grouping of equipment or sources, or other air contaminant-emitting activities which are located on one or more contiguous properties within the District, in actual physical contact or separated solely by a public roadway or other public right-of-way, and are owned or operated by the same person (or persons under common control). Such above-described groupings, if on noncontiguous properties but connected only by land carrying a pipeline, shall not be considered one facility.
- (7) “Stationary Source” (or Source) – Any article, machine, equipment, contrivance or combination thereof which emits or has the potential to emit any regulated air pollutant and is required to have a permit pursuant to the provisions of District Rules 201, 202 and 203.

- (8) “Temporary Permit to Operate” – An interim authorization to operate equipment until the Permit to Operate is granted or denied. A temporary Permit to Operate is not issued by the District but may exist pursuant to District Rule 202.

(C) Requirements and Procedures

- (1) Fees, as specified herein, are required for the following activities:
- (a) Filing of a permit application.
 - (b) Evaluation of new or modified equipment and/or Facilities that may cause air pollution or equipment intended to control air pollution.
 - (c) Issuance of authority to construct(s).
 - (d) Issuance of permit(s) to operate.
 - (e) Annual permit to operate renewal.
 - (f) Annual authority to construct renewal.
 - (g) Change of location or ownership of a permit.
 - (h) Alteration, modification, addition or revisions to equipment.
 - (i) Permit granted or denied by Hearing Board.
 - (j) Issuance of signed duplicate or corrected permit.
 - (k) Issuance of permit(s) for previously unpermitted or altered equipment.
 - (l) Filing of application for issuance or modification of ERCs pursuant to District Rule 1309.
 - (m) Reinstatement of a delinquent permit.
 - (n) Any fees applicable to equipment located at a facility subject to Regulation XXX – *Federal Operating Permits (Title V)*.
 - (i) Any facility subject to the provisions of Regulation XXX – *Federal Operating Permits (Title V)* shall also be subject to the provisions of District Rule 312.
- (2) Fees shall be paid when due as specified herein.
- (a) Application and Duplicate Permit Fees
 - (i) Application filing fees required pursuant to Section (D)(1) shall be submitted in conjunction with the application.

(ii) Fees for signed duplicate or corrected permit fees required pursuant to Section (D)(9) shall be submitted in conjunction with the request for the duplicate or corrected permit.

(b) Project Evaluation Fees for Complex Sources.

(i) Project evaluation fees for complex sources required pursuant to Section (D)(2) shall be submitted not later than thirty (30) days of written notification to the applicant that the application is subject to this fee.

(ii) If the applicant fails to pay the project evaluation fee for complex sources when due the APCO shall, after written notice to the applicant, cancel the application.

(c) Initial and Annual Permit fees.

(i) Permit fees shall be invoiced as follows:

a. At least thirty (30) days before the expiration date as shown on the permit; or

b. In the case of an initial permit fee thirty (30) days after issuance of the permit or the due date on the invoice produced after issuance of the permit, whichever is later.

(ii) The permit owner/operator or applicant will be notified by First Class mail, postage prepaid, of the amount to pay and the due date of the invoice.

(iii) If the fee is not paid on or before the due date of the invoice the permit shall become delinquent on the due date of the invoice or expiration date on the permit, whichever occurs first, and shall no longer be valid.

(iv) If the applicable fees remain unpaid, within thirty (30) days after the due date of the invoice or expiration date of the permit, whichever occurs first, the owner/operator or applicant shall be notified in writing by first class mail, postage prepaid:

a. That the permit has become delinquent for non-payment of fees and is no longer valid; and

b. The consequences of continuing to construct or operate with an invalid permit.

(v) If, after notification, the permit remains delinquent for more than three (3) months, the permit shall become inactive in the District's records.

(3) Reinstatement of Permits

(a) A permit which is delinquent but has not become inactive may be reinstated by payment in full of all outstanding fees, fines and penalties, including but not limited to other fees imposed pursuant to District Regulation III and fines or penalties imposed pursuant to the provisions of Article 3, Chapter 4, Part 4 of Division 26 of the Health and Safety Code (commencing with section 42400).

(4) Inactive Permits

- (a) A permit which has become inactive is null and void. The equipment which was the subject of the inactive permit may be permitted again by the District so long as the owner/operator submits a new permit application. Such new permit application will be processed as if the equipment was an entirely new unit requiring a permit.

(5) Refunds

- (a) No claim for refund for any fee required by this rule shall be honored unless:
- (i) For initial permit fees, such claim is submitted within ninety (90) days after the permit was issued.
 - (ii) For renewal permit fees, such claim is submitted within ninety (90) days after the prior permit expiration date.
- (b) Refunds shall be pro-rated for the period between the date the request is received or prior permit expiration date, whichever is applicable, and the current permit expiration date.
- (c) Fees established as surcharges are not refundable and are assessed in addition to the schedules established for permit fees. Surcharges are assessed and applicable as specified herein.
- (d) The application filing fee set forth in section (D)(1) is non-refundable.

(6) Pro-rated fees

- (a) The APCO may pro-rate any of the following fees excluding any applicable filing fee:
- (i) Initial Permit Fee;
 - (ii) Annual Permit to Operate Renewal Fee;
 - (iii) Permit to Construct Renewal Fee;
 - (iv) Alteration, Modification, Addition or Revision Fees.
- (b) Pro-rated fees shall be calculated based upon the fees and fee schedule in effect on the date of issuance of the permit to which the fees apply.
- (c) Fees shall be pro-rated for the period between the date of the issuance of the affected permit and the expiration of the permit.

(7) Service Charge for Returned Checks

- (a) Any person who submits a check to the District on insufficient funds or on instructions to stop payment on the check, absent an overcharge or other legal entitlement to withhold payment, shall be subject to a \$25.00 service charge.

(8) Credit Card Payments

- (a) If any person wishes to pay using a credit card the person shall also pay any costs imposed by the company processing the credit card transaction.

(D) Fees

(1) Application Filing Fee

- (a) Any person who applies for the issuance of a new or modified permit shall be assessed a fee of \$606.00, except for:
- (i) Any facility subject to the Provisions of Regulation XXX – *Federal Operating Permits (Title V)* shall be assessed a fee of \$1,008.00.
 - (b) The application filing fee is non-refundable and shall not be applied to any subsequent application.
 - (c) Applications shall not be accepted unless they are accompanied by the application filing fee.

(2) Project Evaluation Fee for Complex Sources

- (a) Any person who submits an application which is related to projects to construct or modify any of the following, shall be assessed a project evaluation fee for complex sources.
- (i) Equipment associated with landfills;
 - (ii) Equipment associated with resource recovery projects;
 - (iii) Equipment associated with energy cogeneration projects;
 - (iv) Equipment associated with electrical power plants;
 - (v) Other permit units subject to the provisions of District Rule 1303(B);
 - (vi) Emissions of hazardous and toxic material requiring a Health Risk Assessment pursuant to District Rule 1401(E)(3) or a Case-By-Case MACT determination pursuant to District Rule 1401(F)(2) and/or waste disposal or treatment facilities;
 - (vii) Any facility requiring a permit under Regulation XVII – *Prevention of Significant Deterioration*; and
 - (viii) Any other permit units where the APCO or his or her designee has determined that an analysis required pursuant to these Rules or Regulations would require over two (2) hours of staff time to complete.
- (b) A deposit of \$6,500.00 to be applied toward the project evaluation fee for complex sources shall be paid within 30 days of written notification by the District that the application is subject to this fee.

- (c) The project evaluation fee for complex sources shall be based on the District's total actual and reasonable labor time and other reasonable expenses for the evaluation required to develop a permit to construct and/or permit to operate.
 - (i) This fee shall be calculated at a labor rate of \$173.00 per hour plus actual expenses.
 - (ii) The fee shall accrue and be applied against the deposit.
 - (iii) Should the District's costs as calculated pursuant to subsection (i) above not exceed the deposit; the remainder of the deposit will be returned to the applicant.
 - (iv) Should the District's costs as calculated pursuant to subsection (i) above exceed the deposit the excess will be billed to the applicant.
 - a. The applicant shall be notified, in writing, of the amount of any such excess fee and the due date for payment of the fee.
 - b. An accounting of costs and written notice to the applicant shall be issued to the applicant at least quarterly.
- (d) Actual expenses of the District include consultant services which are engaged by the District for the purpose of project evaluations. When project evaluations are performed for the District under such a contract, the applicant will be assessed fees for the actual total and reasonable costs incurred by the District staff to oversee, review and approve the evaluation as well as the actual cost to the District of the contractor evaluation.
- (e) Actual expenses of the District include project notice fees which are incurred on behalf of project public notices.
- (f) The provisions of Section (C)(2) do not apply to this fee. If the applicant fails to pay the project evaluation fee for complex sources when due the APCO shall, after written notice to the applicant, cancel the application.

(3) Initial Permit Fee

- (a) Except as otherwise provided in this Rule, any person who applies for a new or modified permit shall, upon notification that the application has been approved, be assessed the initial permit fee for the issuance of a permit to construct or permit to operate in the amount prescribed in schedules set forth in section (E)(1).
 - (i) For applications containing mutually exclusive alternative construction scenarios the APCO may, upon written request of the applicant, assess an alternate initial permit fee. Such alternate initial permit fee shall not be less than the highest initial permit fee for any single alternative scenario set forth in the application and shall not be more than the sum of the initial permit fees for all alternative scenarios set forth in the application.

- (b) After the provisions for granting permits as set forth in Division 26 of the Health and Safety Code and these Rules and Regulations have been complied with, the applicant shall be notified, in writing, of the amount of the fee to be paid as the initial permit fee.
 - (i) Notice may be given by personal service or by mail, postage prepaid.

- (4) Annual Permit to Operate Renewal Fee
 - (a) Permits to operate shall be annually renewable, upon payment of fees.
 - (b) The annual permit to operate renewal fee shall be calculated pursuant to the schedules set forth in section (E)(1).
 - (c) The annual permit to operate renewal fee shall be invoiced as specified in Section (C)(2)(c) above.

- (5) Permit to Construct Renewal Fee
 - (a) Authorities to construct may be renewed, upon payment of fees, pursuant to the provisions of District Rule 201.
 - (b) The authority to construct renewal fee shall be calculated pursuant to the schedules set forth in section (E)(1).
 - (i) For applications containing mutually exclusive alternative construction scenarios the APCO may, upon written request of the applicant, assess an alternate authority to construct renewal fee. Such alternate authority to construct renewal fee shall not be less than the highest authority to construct renewal fee for any single alternative scenario set forth in the application and shall not be more than the sum of the authority to construct renewal fees for all alternative scenarios set forth in the application.
 - (c) Authorities to construct may only be renewed for two (2) years after the initial date of issuance, unless the application is canceled or an extension of time pursuant to the provisions of District Rule 205 has been granted by the APCO.
 - (d) The authority to construct renewal fee shall be invoiced as specified in Section (C)(2)(c) above.
 - (e) When construction is completed prior to the expiration of the authority to construct, the authority to construct may thereupon act as a temporary permit to operate pursuant to the provisions of District Rule 202. The residual fee for the authority to construct, calculated as a pro-rated fee for the period between the completion of construction and the expiration date of the permit, shall be applied to a pro-rated initial permit fee for the same period. Any positive difference between the residual fee and the pro-rated initial permit fee shall be invoiced as set forth in Section (C)(2).

(6) Change of Location or Ownership Fees

- (a) Permits, pursuant to the provisions of District Rule 209, are only valid for the location specified in the permit.
 - (i) Any person who applies for a permit requesting a change in the location of equipment included on a currently valid permit shall request in writing a change of location for the equipment and may be assessed an initial permit fee if the change in location also creates additional alteration(s), modification(s), addition(s) or revision(s) in either the subject permit or other permits at the same facility.
 - (ii) The person will be notified by mail, postage prepaid, of the amount of the initial permit fee due as a result of the change of location and the due date for payment of the fee.
 - (iii) The APCO or his or her designee may, upon the applicant's written request, waive the initial permit fee.
- (b) Permits, pursuant to the provisions of District Rule 209, are only valid as to the person named on the permit.
 - (i) Any person who applies for a permit requesting a change of ownership of equipment included on a currently valid permit shall be assessed a transfer fee of \$353.00 for each permit being transferred from one person to another.
 - (ii) The filing fee set forth in Section (D)(1) are waived for applications solely requesting a change of ownership
 - (iii) The transfer fee for applications solely requesting a change of ownership is due at the time the application is filed.
- (c) Any person submitting an application for a permit requesting a change of location and/or change of ownership which also requests alterations, additions or revisions to the permit shall be assessed either the fees set forth in this Section or in Section (D)(7) whichever is greater.

(7) Alteration, Modification, Addition or Revision Fees

- (a) Any person who applies for a permit requesting alterations, modifications, additions, or revisions of the permit resulting from a change to equipment included on a currently valid permit shall be assessed an application filing fee pursuant to Section (D)(1) and a permit revision fee.
- (b) The permit revision fee shall be calculated as follows:
 - (i) The initial permit fee for a permit which includes the alteration, addition or revision minus the previous years annual permit to operate renewal fee pro-rated for the period between the date of issuance for the permit containing the alteration addition or revisions and the original permit(s) expiration date.
- (c) The permit revision fee shall be invoiced as set forth in Section (C)(2)(c)(i).

- (d) Any person submitting an application for a permit requesting a change of location and/or change of ownership which also requests alterations, additions or revisions to the permit shall be assessed either the fees set forth in this Section or in Section (D)(6) whichever is greater.
- (8) Fees Applicable when Permit Granted or Denied by Hearing Board
- (a) If a permit is granted by the Hearing Board after denial of an application by the APCO or after the application has been deemed denied pursuant to District Rule 215, the applicant shall be assessed the appropriate fees set forth in this Rule.
 - (b) The applicant shall be notified, in writing, of the amount of the fee and the due date for payment of the fee.
 - (c) Previously paid fees are not refundable if the Hearing Board denies the issuance of a permit which was granted by the APCO.
- (9) Signed Duplicate or Corrected Permit Fees
- (a) A request for a signed duplicate permit or for administrative corrections to a permit shall be made in writing by the permit holder.
 - (b) The permit holder may be assessed a fee of \$176.00 for issuing each signed duplicate or corrected permit.
 - (c) The fee for a signed duplicate or corrected permit is due at the time the permit is requested.
- (10) Previously Unpermitted or Altered Equipment Fee.
- (a) When equipment is built, erected, installed, altered, or replaced (except for identical replacement) without the owner or operator obtaining a permit to construct in accordance with Rule 201, the owner or operator shall be assessed a previously unpermitted equipment fee.
 - (b) The previously unpermitted equipment fee shall be calculated as fifty percent (50%) of all applicable permit fees which would have been required for each year of unpermitted activity, plus the full amount of all applicable permit fees for the year immediately preceding the year when the permit to operate is granted.
 - (c) The unpermitted equipment fee is due when the permit to operate is granted.
 - (d) The assessment of an unpermitted equipment fee shall not limit the District's right to pursue any other remedy provided for by law.
 - (e) The provisions of this subsection shall not apply if a permit is required solely due to a change in Rule 219.

- (f) The APCO may waive the unpermitted equipment fee for good cause upon the written application of the person assessed the fee.

(11) Fees for Issuance of Emission Reduction Credits

- (a) Any person submitting an application for Emission Reduction Credits pursuant to District Rule 1309 shall pay the following fees:
 - (i) An initial application fee of \$1,049.00 for each application submitted.
 - (ii) An analysis fee based upon the actual and reasonable labor time in excess of ten (10) hours labor billed at the rate of \$173.00 per hour.
 - (iii) The actual cost of publication of notice if such is required pursuant to District Rule 1309.
- (b) Any person submitting a document effecting an encumbrance or transfer of Emission Reduction Credits pursuant to District Rule 1309 shall pay a fee of \$173.00 for each document submitted.

(12) Reinstatement Fee for a Delinquent Permit

- (a) Any person who applies for delinquent permit reinstatement pursuant to the provisions of subsection (C)(3)(a) shall be assessed a fee equal to the amount of all outstanding fees, fines and penalties for the particular unit that is the subject of the permit and an initial permit fee for that unit for the current year.

(E) Schedules for Fees

- (1) Initial Permit and Annual Permit to Operate Renewal and Authority to Construct Renewal Fees.
 - (a) Any Equipment or Process subject to the provisions of this rule shall be assigned a fee classification based upon the equipment and/or process type as set forth in Table 1 of this rule.
 - (b) Any Equipment or Process subject to the provisions of this rule which is not otherwise listed in Table 1 of this rule shall be assigned fee classification B.
 - (c) All applicable fees shall be assessed pursuant to the fee classifications listed in Table 1 according to the following schedule:

Equipment/Process Classification	Fee Amount
Classification A	\$584.33
Classification B	\$2,092.76
Classification C	\$5,020.25
Classification D – Reciprocating Internal Combustion Engines rated 50 bhp to 499 bhp and All Emergency Engines	\$610.89
Classification E - Reciprocating Internal Combustion Engines rated 500 bhp to 749 bhp.	\$1,256.39
Classification F - Reciprocating Internal Combustion Engines rated 750 bhp or greater	\$2,296.24
Electrical Generating Equipment (non-emergency) rated 100,000,000 Btu/hr and less	\$6,957.58 plus \$166.95 per each 1,000,000 Btu/hr
Electrical Generating Equipment (non-emergency) rated greater than 100,000,000 Btu/hr	\$19,315.31 plus \$42.33 per each 1,000,000 Btu/hr
Nozzles (Rule 461)	\$63.22 per product/per nozzle

[SIP: Not SIP.]

**Table 1
Equipment/Process Classifications**

Equipment	Classification A	Classification B	Classification C
Basic Process Systems including ancillary equipment	Any Abrasive Blasting; Anodizing; Blending; Chemical (no toxics, hazardous) Milling; Cooling Tower; Any Degreaser; Deposition Ceramics; Dry Cleaning; Etching; Film Cleaner; Grinder; Ink Mfg; Laundry; Liquid Container Filling; Packaging; Polystyrene Extrusion; Polyurethane Mfg; Refrigerant Handling and/or Processing; Smoke Generator; Soldering; Stripping; Vacuum Metallurg	Adhesives; Air Stripper; Ammonia Process; Asphalt Process; Auto Body Shredding; Battery Charging/Mfg; Chemical (toxics, hazardous) Milling; Degreaser; Plastic/Resins Handling; Soil Vapor Extraction; Vacuum Generator; Any process not otherwise listed under any category	Landfill Gas Treatment; Liquid Hazardous Waste Processing; LPG Distiller
<u>Other Processes</u>			
Bulk and Crustal Material Handling	Aggregate Conveying, Loading and/or Unloading; Bulk Chemical Terminal; Green Waste Screening; Paper Conveying; Weigh Station	Aggregate Production; Concrete Batch Plant; Concrete/Asphalt Crushing; Other Conveying; Loading/unloading; Other Screening; Soil Treatment	All others including Asphalt Batch Plant
Coating including Printing and Coating Within Spray Booths	Asphalt/Tar Pot; Asphaltic; Can/Coil; Any Dip Tank; Fabric; Film; Flow; Paper; Printing Press, IR/UV Over, Air Dry or Screen; Roller; Spray; Stereolithography; Striping; Tablet	Asphalt Saturator; Printing Press Other; Spraying Resin/Gel Coat; Wood	
Feed/Food Preparation and Handling	Charbroiler with integral control; Feed Handling; Restaurant Charbroiler	Bakery Oven; Charbroiler no integral control; Feed Processing	All others
Fuel Handling and Storage	Bulk Loading/Unloading <50,000 gpd; Fuel Oil; LPG; Spill Sump Tank; Waste Oil; Railcar unloading to Truck; Tank with no controls	Aircraft Fueling; Bulk Loading/Unloading Rack 50,000 to <200,000 gpd; Fuel Gas Mixer; Hydrant Fueling; Natural Gas Odorizer; Toxics or Hazardous Storage Tank; Fixed Roof Tank; Tank with control system; LPG Tank with Vaporizing System; LPG Tank Truck Loading; LPG Treatment	Bulk Loading/Unloading Rack 200,000+ gpd; Gasoline Blending Plant; All others

**Table 1
Equipment/Process Classifications**

Equipment	Classification A	Classification B	Classification C
Incinerators		Crematory	All others
Sewage, Stormwater, Wastewater and Water Treatment	<10,000 gpd; Fluid Elimination; Landfill Condensate/Leachate Collection/Storage	10,000 to <50,000 gpd; Up to 5 million gpd sewage treatment; Aeration; Groundwater treatment; Landfill Gas Collection; Sewage sludge composting; Sludge Handling	All others
Storage, Non-Fuel	Asphalt <50,000 gal; Baker-Type; Dry Material; Sump Tank; Tank with control; Tank with sparging	Aqueous Ammonia; Asphalt 50,000+ gal; Catalyst	
<u>Air Pollution Control Devices</u>			
Afterburner	Non-catalytic; no more than one MMBtu per hour (supplemental fuel); single source	All others (including boilers and incinerators)	
Biofilter	No more than 100 cfm	All others	
Carbon Absorber/Adsorber	single source no toxics	All others (non-regenerating)	All others
Catalytic Reduction	Non-selective	Selective	
Dust Control including Baghouses and Cyclones	No more than 500 ft ² of filter area; all cyclones and settling chambers; All negative air machines	More than 500 ft ² of filter area; Any size hot baghouse (special filter material)	
Electrostatic Precipitators (ESP)	Less than 3000 cfm or any extruder or any restaurant	All others	
Flares	Portable	All others	Enclosed landfill/digester gas
Scrubbers and/or Mist Control including Sparging	No toxics, NO _x or SO _x control and single source and single stage; or for acid or any restaurant or any sparger	All others, including Ultraviolet Oxidation	

**Table 1
Equipment/Process Classifications**

Equipment	Classification A	Classification B	Classification C
Sterilizers	Hospital ethylene oxide	All others	
Vapor Control		All	
<i>Fuel Burning Equipment (Not Cogeneration or Generating Electricity Equipment Other Than Emergency Equipment)</i>			
Autoclaves; Chillers; Distiller; Dryers, Furnaces, Heaters, Kilns, Ovens, Roasters, Stills	<5 MMBtu/hr; Glass Furnace less than one tpd pull; Laundry; Metal Recovery; Non-Organics Dryer; Non-Toxics Evaporator; Pavement Heater	5 to <50 MMBtu/hr; Arc; Burn-Off; Catalyzed Metal Recovery; Chip Dryer; Cupola; Curing Oven with toxics/hazardous; Electric; Evaporator (Toxics); Frit; Galvanizing; Glass Furnace one to <50 tpd pull; Organics Dryer; Pot/Crucible; Natural Gas Kiln; Reveratory	All others
Boilers	<5 MMBtu/hr	5 to <50 MMBtu/hr; Up to 10 MMBtu landfill or digester gas	All others
Turbines	<0.3 MW(e) Emergency	0.3+ MW(e) Emergency; <50 MW(e) not on Landfill or Digester Gas	All others
Cogeneration and Electrical Generating Equipment (including Duct Burners)			
Equipment under this category shall be assessed a permit renewal fee calculated based on design maximum fuel consumption of the equipment expressed in British thermal units per hour, using gross heating value (See (E)(1)(c))			
Nozzles (Rule 461)			
Permits subject to District Rule 461 shall be assessed a single permit renewal fee calculated as follows: the number of fuel dispensing nozzles multiplied by the number of products dispensed through each nozzle at the facility.			
Reciprocating Internal Combustion Engines			
Equipment under this category shall be assessed a permit renewal fee based on the nameplate bhp of the engine with the exception of those engines designated as "Emergency" engines pursuant to 1110.2 which shall be assessed as Classification D. (See (E)(1)(c)).			

Rule 302 Other Fees

(A) General

(1) Purpose:

- (a) This rule sets forth fees which may be charged for various activities, documents and services, including but not limited: to provision of publications, performing analysis, filing, evaluation and enforcement of Plans, State Mandated fees, and activities regulated pursuant to District Rule 1403 – *Asbestos Emissions from Demolition/Renovation Activities*.

(2) Applicability

(a) This rule applies to

- (i) Any person subject to a fee listed below.
- (ii) Any governmental entity subject to a fee listed below.
 - a. Federal, state and local government agencies or public districts shall pay the fees to the extent allowed pursuant to the provisions of Chapter 2, Division 7, Title 1 of the Government Code (commencing with Section 6103); Part 4, Division 26 of the Health and Safety Code (commencing with Section 41500) and Part 6, Division 26 of the Health and Safety Code (commencing with Section 44300).

(3) Effective Date

- (a) The amendments to this rule as adopted on 07/19/2022 shall be effective immediately.

(B) Definitions

The definitions contained in District Rule 102 shall apply unless the term is otherwise defined herein:

- (1) “Active Operations” – Any activity capable of generating Fugitive Dust, including, but not limited to, Earth-Moving Activities, Construction/Demolition Activities, or heavy- and light-duty vehicular movement.
- (2) “Dust Control Plan” – A document setting forth information and methods to control or measure the emissions of dust required pursuant to District Rule 403.

- (3) “Plan” – A document to be submitted to the District by District Rule or Regulation; or State or Federal law or regulation, providing a description or procedures necessary to accomplish the particular objective and containing those items set forth in the underlying requirement.
- (4) “Source Test Protocol” – a test work Plan or protocol includes a process description, field sampling methods, analytical test methods, test schedules, equipment calibration and a results presentation format used to determine the type and quantity of pollutants emitted from sources by sampling the effluent stream.
- (5) “Source Test Report” – a document that provides the analytical results from an emission source test used to determine the type and quantity of pollutants emitted from sources by sampling the effluent stream. The report should contain an executive summary, field sampling methods, analytical test methods, equipment calibration and a results presentation to determine the type and quantity of pollutants emitted from sources by sampling the effluent stream.

(C) Payments, Adjustments and Refunds

- (1) Fees shall be paid when due as specified herein.
 - (a) Analysis Fees
 - (i) Analysis fees shall be invoiced as follows:
 - a. Directly by the entity retained by the District to perform the test and or analysis; or
 - b. By the District within thirty (30) days of receipt of an invoice by the District for testing and/or analysis services.
 - (ii) If invoiced by the District, the person ordered to provide the analysis or test by the Air Pollution Control Officer (APCO) will be notified by First Class mail, postage prepaid, of the amount to pay and the due date of the invoice.
 - (iii) A fee not paid within thirty (30) days of the due date of the invoice shall constitute grounds for the denial, revocation or suspension of all permits to operate at sources subject to permit requirements and shall constitute a violation of this Rule for any source, whether or not subject to permit requirements.
 - (b) Asbestos Fees
 - (i) Asbestos fees shall be paid with the written notice of intent to demolish, renovate or abate.

(c) Plan Fees

- (i) Plan filing and evaluation fees shall be paid at the time of submission of the Plan.
- (ii) If a Plan requires an annual renewal the District shall invoice the Plan renewal fee at least thirty (30) days prior to the expiration date of the Plan.
 - a. The invoice shall be sent via First Class mail, posted prepaid to the contact person indicated in the Plan.
 - b. Payment of annual review fee shall be due in thirty (30) days from the date of mailing.
- (iii) A fee not paid within thirty (30) days of the due date of the invoice shall constitute grounds for the denial, revocation or suspension of the Plan and shall constitute a violation of this Rule for any source, whether or not subject to permit requirements.

(d) Publication Fees

- (i) Publication fees shall be paid prior to the delivery of the publication requested.

(e) State Mandated Fees

- (i) State mandated fees shall be due as specified in the regulation which imposes the mandate and allows the District to collect the state imposed fees for such mandate.

(2) Credit Card Payments

- (a) Fees may be paid by credit card directly from the District website.
- (b) If any person wishes to pay using a credit card the person shall also pay any costs imposed by the company processing the credit card transaction.

(3) Refunds

- (a) Asbestos fees are non-refundable.
- (b) The Plan filing and evaluation fee set forth in section (B)(1) is non-refundable.

(4) Service Charge for Returned Checks

- (a) Any person who submits a check to the District on insufficient funds or on instructions to stop payment on the check, absent an overcharge or other legal entitlement to withhold payment, shall be subject to a \$25.00 service charge.

(D) Analysis Fees

- (1) Any person ordered by the APCO to provide an analysis of materials used by or the determination of emissions from any source of air contaminants shall pay all direct costs associated with such tests as invoiced by the entity which is retained by the District or the owner/operator, to perform the tests.
- (2) Data and sample collection methods, analysis methods and the qualifications of testing personnel or firms shall be determined by the APCO.

(E) Asbestos Fees

- (1) Any person who is required by District Rule 1403 – *Asbestos Emissions from Demolition/Renovation Activities* to submit a written notice of intention to demolish shall pay, at the time of delivery of notification, a non-refundable fee of \$244.00.
- (2) Any person who is required by District Rule 1403 – *Asbestos Emissions from Demolition/Renovation Activities* to submit a written notice of intention to renovate or abate shall pay a non-refundable fee based upon the area to be renovated or abated:

<u>Linear Feet</u>	<u>Square Feet</u>	<u>Cubic Feet</u>	<u>Fee</u>
260 – 999	100 – 999	35 – 218	\$585.00
1,000 – 4,999	1,000 – 4,999	219- 1094	\$1167.00
5,000 – 9,999	5,000 – 9,999	1,095 – 2,188	\$1755.00
10,000 or more	10,000 or more	2,189 or more	\$2341.00

(3) Expedited Handling Fee

- (a) Any person subject to a fee pursuant to subsections (E)(1) or (2) above who submits the written notice of intention to demolish, renovate or abate and such notice is delivered or postmarked less than fourteen (14) calendar days before the project start date listed on the notification shall pay, in addition to the above fees, an expedited handling fee of \$75.00

(4) Fee Calculation

- (a) Fees are assessed on a per notification basis and multiple fees may apply.
- (b) The total fee for any project shall be the sum of the applicable fees under subsection (1) and (2) above.

- (5) No notification shall be considered received pursuant to Rule 1403, unless it is accompanied by the required payment.

(F) Plan Fees

(1) Air Toxics Plans

- (a) Any person filing a Health Risk Assessment or a Risk Reduction Audit Plan pursuant to the Air Toxic “Hot Spots” Information and Assessment Act as amended (California Health & Safety Code §§ 44300 et seq) shall be assessed a fee of \$489.00 for the District’s evaluation of the Health Risk Assessment and Risk Reduction Audit Plans. *[moved from (F)(2) to create ascending alphabetical order]*

(2) California Business & Professions Code Division 10 Compliance Plan (B&P Div. 10 Compliance Plan)

- (a) Any operation regulated under Division 10 of the California Business & Professions Code shall file a B&P Div. 10 Compliance Plan no later than 10 days prior to the commencement of operations, within 10 days of any substantive change in the information provided in the B&P Div. 10 Compliance Plan and annually prior to the expiration date of the B&P Div. 10 Compliance Plan.

- (i) Such B&P Div. 10 Compliance Plan shall include information that is reasonably designed to ensure the ability to enforce provisions of Division 26 of the California Health & Safety Code and applicable District Rules and Regulations as specified on the most recent official B&P Div. 10 Compliance Plan form issued by the APCO.

- (b) Any person filing a B&P Div. 10 Compliance Plan shall be assessed an annual Plan fee based on facility square footage, (less the square footage designated for common use area and processing area containing permitted equipment). The fee shall be \$0.16 cents per square foot.

- (i) If any of the square footage submitted on the Plan is constructed in a vertical configuration, the fee shall be determined based on the square footage multiplied by the number of layers/tiers in the configuration.
1. Fees shall be submitted in conjunction with the submission of the Plan.
 2. Annual renewal fee shall be invoiced at least 30 days before the expiration date.

(3) Construction Excavation and Dust Control Plan Fees

(a) Any person who is required to submit a Dust Control Plan (DCP) pursuant to the provisions of District Rule 403:

- (i) Shall be assessed a Plan filing and evaluation fee of \$661.00, and
- (ii) Shall be assessed a Construction Excavation fee based on actual acreage (as specified by the land use agency) of the project as follows:

Construction (acres)	
(a) 5 or greater but less than 10	\$1,690.00
(b) 10 or greater but less than 20	\$3,381.00
(c) 20 or greater but less than 50	\$6,762.00
(d) 50 or greater but less than 100	\$8,443.00
(e) 100 or greater but less than 200	\$10,638.00
(f) 200 or greater but less than 300	\$12,833.00
(g) 300 or greater but less than 400	\$15,072.00
(h) 400 or greater but less than 500	\$17,221.00
(i) 500 or greater but less than 1,000	\$19,682.00
(j) 1,000 or greater but less than 2,000	\$21,878.00
(k) 2,000 or greater but less than 3,000	\$26,565.00
(l) 3,000 or greater but less than 4,000	\$33,810.00
(m) 4,000 or greater but less than 5,000	\$43,470.00
(n) 5,000 or greater	\$55,545.00

(iii) The Dust Control Plan filing and evaluation fee of \$661.00 shall be submitted in conjunction with the submission of the Dust Control Plan and the Construction Excavation fee.

(iv) Upon termination of construction activities, if a site stability evaluation is performed pursuant to District Rule 403, the person holding the DCP may be assessed an inspection fee of \$287.00.

(b) Any Active Operation requiring a DCP shall resubmit the DCP annually pursuant to the provisions of District Rule 403(D)(1)(j) as dust generating activities do not cease upon termination of construction activities. Such resubmission shall be assessed a Plan filing and evaluation fee of \$661.00.

(i) If a site inspection is performed for compliance with the provisions of Rule 403 or the applicable DCP, the person holding the DCP may be assessed an inspection fee of \$287.00.

- (4) Source Test and Protocol and Report Evaluation Fees
 - (a) Any person filing a Source Test Protocol with the District shall be assessed a fee of \$489.00 for the evaluation of the Protocol. There will be no additional fee charged for the evaluation of testing results.

(G) Publication Fees

- (1) Any person receiving a publication for which a fee is charged shall be assessed the designated fee.
 - (a) The Air Pollution Control Officer (APCO) shall designate those publications, including information circulars, reports of technical work, or other reports, prepared by the District for which a fee shall be charged.
 - (b) Such fee shall be established by the APCO in a sum not to exceed the cost of preparation and distribution of such documents. Such fees shall be deposited in the general funds of the District.
 - (c) Cities and counties shall be entitled to receive one copy of any District publication without charge.
- (2) Nothing in this Rule shall be construed to limit the rights of any person, or of the District, pursuant to the California Public Records Act, Chapter 3.5, Division 7 of Title 1 (commencing with

(H) State Mandated Fees

- (1) Air Toxics “Hot Spots” Information and Assessment Fees.
 - (a) Any person subject to the provisions of the Air Toxics "Hot Spots" Information and Assessment Act as amended (California Health and Safety Code (H&SC) §§44300 et seq. and the regulations promulgated thereunder shall be assessed an annual fee for the various state level components required by the Act. The fee schedule is set by the California Air Resources Board (CARB) and authorizes collection of the fee by the District pursuant to the provisions of the adopting regulation.
- (2) Other State Mandated Fees
 - (a) Any person subject to the provisions of a State adopted regulation or rule that assesses a fee to cover District costs for implementing such regulation and authorizes the collection of the fee by the District shall be assessed such fee pursuant to the provisions of the adopting regulation.

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NOTICE OF EXEMPTION

TO: Los Angeles County Clerk
12400 E. Imperial Hwy, #1001
Norwalk, CA 90650

FROM: Antelope Valley Air Quality Management District
2551 W Avenue H
Lancaster, CA 93536

PROJECT TITLE: Amendment of AVAQMD Regulation III – *Fees*

PROJECT LOCATION – SPECIFIC: Los Angeles County portion of the Mojave Desert Air Basin.

PROJECT LOCATION – COUNTY: Los Angeles County

DESCRIPTION OF PROJECT: Overall increases in operating expenses require adjustments in permit fees. The AVAQMD is proposing a 10% fee increase to most fees in Rule 301 – *Permit Fees* to recover the rising costs of issuing air quality permits, performing inspections, investigations, and enforcing District rules and regulations. The proposed amendment to Rule 302 – Other Fees is necessary to mitigate the increased inspection time spent due to expanded residential, industrial and solar construction expenditures related to implementing and enforcing compliance with District Rules and Regulations.

NAME OF PUBLIC AGENCY APPROVING PROJECT: Antelope Valley AQMD

NAME OF PERSON OR AGENCY CARRYING OUT PROJECT: Antelope Valley AQMD

EXEMPT STATUS (CHECK ONE)

Ministerial (Pub. Res. Code §21080(b)(1); 14 Cal Code Reg. §15268)

Emergency Project (Pub. Res. Code §21080(b)(4); 14 Cal Code Reg. §15269(b))

Categorical Exemption – Class 8 (14 Cal Code Reg. §15308)

REASONS WHY PROJECT IS EXEMPT: The proposed amendments to Regulation III – *Fees* are exempt from CEQA review because they merely adjust fees and fee methodologies and there is not potential that the amendments might cause the release of additional air contaminants or create any adverse environmental impacts, a Class 8 categorical exemption (14 Cal. Code Reg. §15308) applies.

LEAD AGENCY CONTACT PERSON: Bret Banks _____ **PHONE:** (661) 723-8070

SIGNATURE: _____

TITLE: Executive Director **DATE:** July 19, 2022

DATE RECEIVED FOR FILING:



Antelope Valley
Air Quality Management District

Draft
Staff Report

Proposed Amendments to
Rule 301 – *Permit Fees*
Rule 302 – *Other Fees*

For amendment on
July 19, 2022

2551 WEST AVENUE H
LANCASTER, CALIFORNIA 93536
PHONE (661) 723-8070

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STAFF REPORT

Rule 301 – *Permit Fees* and Rule 302 – *Other Fees*

I. PURPOSE OF STAFF REPORT

A staff report serves several discrete purposes. Its primary purpose is to provide a summary and background material to the members of the Governing Board. This allows the members of the Governing Board to be fully informed before making any required decision. It also provides the documentation necessary for the Governing Board to make any findings, which are required by law to be made prior to the approval or adoption of a document. In addition, a staff report ensures that the correct procedures and proper documentation for approval or adoption of a document have been performed. Finally, the staff report provides evidence for defense against legal challenges regarding the propriety of the approval or adoption of the document.

II. EXECUTIVE SUMMARY

On July 1, 1997 the Antelope Valley Air Pollution Control District (AVAPCD) was created pursuant to statute (former Health & Safety (H&S) Code §40106, A.B. 266-Knight Ch. 542, statutes of 1996) and assumed all air pollution control responsibilities from the South Coast Air Quality Management District (SCAQMD) for the area of Los Angeles County outside the South Coast Air Basin. The SCAQMD rules in effect within the jurisdiction of the AVAPCD remained in effect until the AVAPCD Governing Board superseded or amended them. On January 1, 2002 the AVAQMD was created pursuant to statute (H&S Code §41300 et seq.) to replace the AVAPCD. Once again, the rules in effect at the time of the change remained in effect until the AVAQMD Governing Board superseded or amended them.

The District's mandated functions such as compliance, permit issuance, and permit administration are labor intensive. Therefore, the related fee revenue should be structured to support the relevant regulatory and administrative activities.

The 2022-2023 budget includes anticipated revenue derived from a proposed 10% fee increase to Rule 301 – *Permit Fees* to recover the rising costs of issuing air quality permits, performing inspections, investigations, and enforcing District rules and regulations; a 15% increase to Classification D, E, and F to recover permitting and inspection costs for engines over a specific horsepower as the costs for this type of equipment is not commensurate with the fee revenue received.

The District is proposing a new Plan Fee in Rule 302 for Construction Excavation. The Construction Excavation Plan Fee is necessary to mitigate the increased inspection time spent due to expanded residential, industrial and solar construction. A charge will be assessed based on the total acreage of the project. The fee structure is comparable to similar project fees in neighboring Districts.

The proposed fee adjustments are well within the provisions of Health & Safety Code §42311(a) and falls within the exemption found in Article XIII C §1(e)(3) of the California Constitution.

To allow time to implement the proposed fee changes, the amendment of Rule 301 – *Permit Fees* is proposed to be effective on January 1, 2023. The amendment of Rule 302 – *Other Fees* will be effective immediately.

III. STAFF RECOMMENDATION

Staff recommends that the Governing Board of the AVAQMD adopt amendments to Rule 301 – *Permit Fees* and Rule 302 – *Other Fees* and approve the appropriate CEQA documentation.

IV. LEGAL REQUIREMENTS CHECKLIST

The findings and analysis as indicated below are required for the procedurally correct amendments to Rule 301-*Permit Fees* and Rule 302 – *Other Fees*. Each item is discussed, if applicable, in Section V below. Copies of documents are included in the appropriate Appendix.

FINDINGS REQUIRED FOR RULES & REGULATIONS

- X Necessity
- X Authority
- X Clarity
- X Consistency

- X Non-duplication
- X Reference
- X Public Notice & Comment
- X Public Hearing

REQUIREMENTS FOR STATE IMPLEMENTATION PLAN SUBMISSION (SIP):

- N/A Public Notice & Comment
- N/A Availability of Document
- N/A Notice to Specified Entities (State, Air Districts, USEPA, Other States)
- N/A Public Hearing
- N/A Legal Authority to adopt and implement the document.
- N/A Applicable State laws and regulations were followed.

ELEMENTS OF A FEDERAL SUBMISSION

- N/A Elements as set forth in applicable Federal law or regulations.

CALIFORNIA ENVIRONMENTAL QUALITY ACT REQUIREMENTS (CEQA):

- N/A Ministerial Action
- X Exemption
- N/A Negative Declaration
- N/A Environmental Impact Report
- X Appropriate findings, if necessary.
- X Public Notice & Comment

SUPPLEMENTAL ENVIRONMENTAL ANALYSIS (RULES & REGULATIONS ONLY):

- X Environmental impacts of compliance.
- N/A Mitigation of impacts.
- N/A Alternative methods of compliance.

OTHER:

- N/A Written analysis of existing air pollution control requirements
- X Economic Analysis
- X Public Review

V. DISCUSSION OF LEGAL REQUIREMENTS

A. REQUIRED ELEMENTS/FINDINGS

This section discusses the State of California statutory requirements that apply to the proposed amendments to Rule 301 – *Permit Fees* and Rule 302 – *Other Fees*. These are actions, that need to be performed, and/or information, that must be provided in order to amend the Regulation in a procedurally correct manner.

1. State Findings Required for Adoption of Rules & Regulations:

Before adopting, amending, or repealing a rule or regulation, the AVAQMD Governing Board is required to make findings of necessity, authority, clarity, consistency, non-duplication, and reference based upon relevant information presented at the hearing. The information below is provided to assist the Board in making these findings.

a. Necessity:

The District’s mandated functions such as compliance, permit issuance, and permit administration are labor intensive. Therefore, the related fee revenue should be structured to support the relevant regulatory and administrative activities.

b. Authority:

The District has the authority pursuant to California Health and Safety Code (H&S Code) §40702 to adopt, amend or repeal rules and regulations. The AVAQMD also has the authority to adopt and amend annual fees for the evaluation, issuance and renewal of permits (H&S Code §§41240, 41330, 41512.7, 40711(a), 42310.5, 42311, and 42311.2), enforcement, inspections and air monitoring (H&S Code §§41240, 41330, 40701, 40715, 41512, 41512.5, 42311, 42311.2, 42707, and 42400 et seq.), planning and rule development (H&S Code §§41240, 41330, 41512.7, 40727.2 and 42311), public records act compliance (Government Code 6253), toxic “Hot Spots” (H&S Code §§44344.4, 44380, 44381 and 17 CCR 90703) and “Title V Permitting” (40 CFR 70.9, H&S Code §§41330, 41512.7 and 42311).

c. Clarity:

The proposed amendments to Rule 301 – *Permit Fees* and Rule 302 – *Other Fees* are clear in that they are written so that the persons subject to the rule can easily understand the meaning. Any person or organization applying for and/or holding an AVAQMD Authority to Construct (ATC) or Permit to Operate (PTO) is affected by the proposed amendments to Rule 301. This rule amendment has been developed to adjust fees to Rule 301 to recover the rising costs associated with issuing and enforcing both District and Federal permits; Rule 302 is being amended to recover costs associated with inspection staff time spent due to the increase in residential, industrial and solar construction.

d. Consistency:

The proposed amendment of Rule 301 – *Permit Fees* and Rule 302 – *Other Fees* is in harmony with, and not in conflict with or contradictory to any state law or regulation, federal law or regulation, or court decisions because these laws and regulations allow for the proposed amendments to the fee rules.

e. Non-duplication:

The proposed amendment of Rule 301 – *Permit Fees* and Rule 302 – *Other Fees* does not impose the same requirements as any existing state or federal law or regulation because H&S Code §40702 allows the District to adopt, amend or repeal rules and regulations and H&S §42311 and various other sections merely authorize the imposition of such fees but does not specify the types and amounts of fees to be imposed.

f. Reference:

AVAQMD has the authority pursuant to H&S Code §40702 to adopt, amend or repeal rules and regulations and the authority pursuant to H&S Code §42311 to adopt a schedule of annual fees.

g. Public Notice & Comment, Public Hearing:

Notice for the public hearing for the proposed amendment of Rule 301 – *Permit Fees* and Rule 302 – *Other Fees* will be published on June 17, 2022 for the July 19, 2022 Governing Board meeting. See Appendix “B” for a copy of the public notice. See Appendix “C” for copies of comments, if any, and District responses.

2. Federal Elements (SIP Submittals, Other Federal Submittals).

Submittals to USEPA are required to include various elements depending upon the type of document submitted and the underlying federal law that requires the submittal. Rule 301 – *Permit Fees* and Rule 302 – *Other Fees* are fee rules and do not ordinarily require submission to USEPA. Various prior versions of Rule 301 and Rule 302 were previously included in the State Implementation Plan (SIP). USEPA removed these rules from the SIP on November 16, 2004 (69 FR 67062; 40 CFR 52.220(c)(137)(vii)(F)). Therefore, these rules are not required to be a federal submittal.

B. WRITTEN ANALYSIS OF EXISTING REQUIREMENTS

H&S Code §40727.2 requires air districts to prepare a written analysis of all existing federal air pollution control requirements that apply to the same equipment or source type as the rule proposed for modification by the district. The proposed amendments to Rule 301 – *Permit Fees* and Rule 302 – *Other Fees* only modify fees and provide minor clarification. These proposed amendments do not in themselves impose air pollution control requirements. Therefore, the preparation of a written analysis of existing pollution control requirements that apply to the same equipment or source type is not required.

C. ECONOMIC ANALYSIS

1. General.

Fees are a primary revenue source that supports the District’s efforts to implement and enforce the provisions of the Federal Clean Air Act (FCAA), the California Clean Air Act (CCAA) and District Rules and Regulations. Permit fee schedules reflect the expenditure required to provide analysis of applications, inspections of the regulated community, tracking the inventory of pollutants produced by the regulated industry, and enforcement of federal, state and local mandates regarding air pollution among other mandatory District functions.

2. Economic Analysis for Rule 301 – *Permit Fees* and Rule 302 – *Other Fees*.

The AVAQMD is proposing a fee increase to Rule 301 – *Permit Fees* to recover the rising costs of issuing air quality permits, performing inspections, investigations, and enforcing District rules and regulations.

In addition, the District is proposing a new Plan Fee for Construction Excavation to be added to Rule 302 – *Other Fees*. The Construction Excavation Plan Fee is necessary to mitigate the increased staff inspection time spent due to an increase in residential, industrial and solar construction. A charge will be assessed based on the total acreage of the project. The fee structure is comparable to similar project fees in neighboring Districts.

The proposed fee adjustments are well within the provisions of Health & Safety Code §42311(a) and falls within the exemption found in Article XIII C §1(e)(3) of the California Constitution.³

3. Incremental Cost Effectiveness.

Pursuant to H&S Code §40920.6, incremental cost effectiveness calculations are required for rules and regulations which are adopted or amended to meet the CCAA requirements for Best Available Retrofit Control Technology (BARCT) or “all feasible measures” to control volatile compounds, oxides of nitrogen or oxides of sulfur. The proposed amendments to *Rule 301 – Permit Fees* and *Rule 302 – Other Fees* only affect fees and rule structure, and therefore do not require this analysis.

D. ENVIRONMENTAL ANALYSIS (CEQA)

1. Through the process described below, it was determined that a Notice of Exemption would be the appropriate CEQA process for the proposed amendments to *Rule 301 – Permit Fees* and *Rule 302 – Other Fees*.

a. The proposed amendments to *Rule 301 – Permit Fees* and *Rule 302 – Other Fees* meet the CEQA definition of “project.” They are not “ministerial” actions.

b. The proposed amendments to *Rule 301 – Permit Fees* and *Rule 302 – Other Fees* are exempt from CEQA review because they merely adjust fees and fee methodologies and there is not potential that the amendments might cause the release of additional air contaminants or create any adverse environmental impacts, a Class 8 categorical exemption (14 Cal. Code Reg. §15308) applies.

E. SUPPLEMENTAL ENVIRONMENTAL ANALYSIS

1. Potential Environmental Impacts

The proposed amendments to *Rule 301 – Permit Fees* and *Rule 302 – Other Fees* do not have any potential environmental impacts because the amendments merely adjust fees, make minor format corrections and provide clarification. The amendments do not have any impact upon emissions of air contaminants.

2. Mitigation of Impacts

N/A

3. Alternative Methods of Compliance

N/A

F. PUBLIC REVIEW

See Staff Report Section (V)(A)(1)(g) as well as Appendix B.

VI. TECHNICAL DISCUSSION

A. SOURCE DESCRIPTION

The proposed amendments will affect permit holders and applicants subject to Rule 301 – *Permit Fees*.

B. EMISSIONS

The proposed amendments to Rule 301 – *Permit Fees* and Rule 302 – *Other Fees* only adjust fees, and thus will have no impact on emissions.

C. CONTROL REQUIREMENTS

The proposed amendments to Rule 301 – *Permit Fees* and Rule 302 – *Other Fees* do not impose any control requirements.

D. PROPOSED RULE SUMMARY

This section gives a brief overview of the proposed amendments to Rule 301 – *Permit Fees* and Rule 302 – *Other Fees*. Only a brief summary of each section is included. Readers are encouraged to examine the *[bracketed and italicized]* notations contained in the iterated version of the rule contained in Appendix “A” for notations regarding movement and modification of specific sections and subsections.

1. AVAQMD Rule 301 – *Permit Fees*:

Rule 301 – *Permit Fees*, includes a 10% increase in most fees to recover a portion of the increase in the District’s projected overall operating expenditures related to the costs of issuing air quality permits, performing facility inspections, public complaint investigations and rule development activities, as part of implementing district rules and regulation required pursuant to the provisions of Regulation II – *Permits* and Regulation XIII – *New Source Review*. Rule 301 also includes a 15% increase for (E) fee classifications D-F as the costs for this type of equipment is not commensurate with the fee revenue received.

(A)(4) is proposed for modification to reflect an effective date of January 1, 2023.

(D)(1)(a) is proposed for modification to reflect an increase of 10%, rounded to the nearest dollar.

(D)(1)(a)(i) is proposed for modification to reflect an increase of 10%, rounded to the nearest dollar.

(D)(6)(b)(i) is proposed for modification to reflect an increase of 10%, rounded to the nearest dollar.

(D)(9)(b) is proposed for modification to reflect an increase of 10%, rounded to the nearest dollar.

(D)(11)(a)(i) is proposed for modification to reflect an increase of 10%, rounded to the nearest dollar.

(E) Classification A through C, Electrical Generating Equipment and Nozzles are proposed for a 10% adjustment.

(E) Classification D through F, Reciprocating Internal Combustion Engines are proposed to be adjusted by 15%.

2. AVAQMD Rule 302 – *Other Fees*:

Rule 302 – *Other Fees* establishes a new fee based on actual project acreage under construction to recover the related staff costs as part of implementing District rules and regulations required pursuant to the provisions of Regulation II – *Permits* and Regulation XIII – *New Source Review* associated with the increased inspection time spent due to the upsurge in residential, industrial and solar construction.

(F)(3) This subsection has been added to assess a Construction Excavation fee based on acreage of the proposed project.

E. RULE HISTORY

Prior to July 1, 1997 the Antelope Valley was contained within the SCAQMD. On July 1, 1997 the AVAPCD replaced the SCAQMD as the agency with jurisdiction over the Los Angeles County portion of the Mojave Desert Air Basin (MDAB). On January 1, 2001 the AVAPCD was replaced by the AVAQMD. Pursuant to both statutory changes, the rule and regulations of the predecessor district were retained until the Governing Board adopted, amended or rescinded them. At the first meeting both the AVAPCD and the AVAQMD, the respective Governing Boards reaffirmed all the rules and regulations in effect at the time the agency changed.

The jurisdiction of the AVAPCD and the AVAQMD were specified in the statutes as the portion of the Los Angeles County contained within the MDAB. The MDAB was formerly known as the Southeast Desert Air Basin (SEDAB). In 1997 the SEDAB was split into the MDAB and the Salton Sea Air Basin. Descriptions of these air basins can be found in 17 Cal. Code Regs. §§60109 and 60144. Since USEPA adopts SIP revisions in California as effective within jurisdictional boundaries of local air districts, when the local air district boundaries change the SIP as approved by USEPA for that area up to the date of the change remains as the SIP in that particular area. Thus, upon creation of the AVAPCD on July 1, 1997 the AVAPCD acquired the SIP applicable to the Antelope Valley portion of the SCAQMD that was affected as of June 30, 1997. Likewise, the AVAQMD acquired the SIP that was effective in the jurisdiction of the AVAPCD as of December 31, 2000. Therefore, the SIP history for this region is based upon the rules adopted, effective, and approved for the Antelope Valley by SCAQMD.

Rule 301 was originally adopted by the SCAQMD on 02/04/1977. It has been subsequently amended 05/27/77, 01/06/78, 06/16/78, 04/04/80, 09/05/80, 06/05/81,

09/09/82, 12/03/82, 06/03/83, 05/04/84, 07/06/84, 11/02/84, 12/06/85, 05/01/87, 06/03/88, 12/02/88, 01/06/89, 06/02/89, 06/01/90, 06/07/91, 12/06/91, 06/05/92, 07/10/92, 06/11/93, 10/08/93, 06/10/94, 05/12/95, 10/13/95, 05/10/96, 05/09/97, 03/17/98, 11/15/05 effective 01/01/06, 09/18/07 effective 01/01/08, 06/17/08 effective 01/01/09, 06/15/10 effective 01/01/11, 06/19/12 effective 01/01/13, 06/18/13 effective 01/01/14, 07/15/14 effective 01/01/15, 07/21/15 effective 01/01/16 , 07/19/16; effective 01/01/17 , 07/18/17 effective 01/01/18; 07/17/18 effective 01/01/19; 7/16/19 effective 1/01/2020, 08/18/2020 effective 01/01/2021 and 07/20/21 effective 01/01/2022. The last version is the current version in the AVAQMD rulebook.

Rule 301 is proposed for amendment to adjust most fees by 10% to recover the rising costs of issuing air quality permits, performing inspections, investigations, and enforcing District rules and regulations. In addition, Rule 301 also includes a 15% increase for (E) fee classifications D-F as the costs for this type of equipment is not commensurate with the fee revenue received.

Rule 302 – *Other Fees* is proposed for amendment to establish a new fee based on actual project acreage under construction to recover the related staff costs as part of implementing District rules and regulations required pursuant to the provisions of Regulation II – *Permits* and Regulation XIII – *New Source Review* associated with the increased inspection time spent due to the upsurge in residential, industrial and solar construction.

F. PROPOSITION 26 ANALYSIS

On November 2, 2010 the California voters added Article XIIC §1(e) to the California Constitution (commonly referred to as Proposition 26). This provision added a new definition of “tax” which resulted in a variety of fees and charges imposed by local governmental entities to be subject to voter approval. The provisions also provided several exceptions to this voter approval requirement including but not limited to:

A charge imposed for a specific benefit conferred or privilege granted directly to the payer that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.

A charge imposed for a specific government service or product provided directly to the payer that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.

A charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof.

If a fee increase falls within one or more of these exceptions it is considered not a tax and thus not subject to voter approval.

1. Justification for Fee Adjustment to Rule 301 – *Permit Fees*

In general, air district permit fees would fall under this exemption so long as they are reasonably related to the costs of issuance and enforcement of the permits. A similar requirement that air district fees be reasonably related to costs of district programs is found in Health & Safety Code §42311(a) and includes language indicating that a CPI adjustment is part of a measure of the reasonable increase in district costs. In addition, the California League of Cities in its April 2011 implementation guide for Prop 26¹ opined that a CPI increase is part of the reasonable regulatory cost of issuing a license or permits and thus does not need voter approval.

The budget includes anticipated revenue derived from a proposed 10% fee increase to most permit fees and a 15% increase to certain fees for internal combustion engines. The proposed increase is expected to recover the costs of permitting, performing inspections, investigations and enforcing District rules and regulations. Rule 302 – *Other Fees* is proposed for amendment to establish a new fee based on actual project acreage under construction to recover the related staff costs as part of implementing District rules and regulations required pursuant to the provisions of Regulation II – *Permits* and Regulation XIII – *New Source Review* associated with the increased inspection time spent due to the upsurge in residential, industrial and solar construction

The proposed fee adjustment is well within the provisions of Health & Safety Code §42311(a) and falls within the exemption found in Article XIII C §1(e)(3) of the California Constitution.

¹ <http://www.cacities.org/Resources-Documents/Policy-Advocacy-Section/Hot-Issues/Proposition-26-Implementation-Guide>

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APPENDIX "A"
Rule 301 – *Permit Fees*
Rule 302 – *Other Fees*
Iterated Version

The iterated version is provided so that the changes to an existing rule may be easily found. The manner of differentiating text is as follows:

1. Underlined text identifies new or revised language.
2. ~~—Lined out text~~ identifies language which is being deleted.
3. Normal text identifies the current language of the current rule which will remain unchanged by the adoption of the proposed amendments.
4. *Italicized text* identifies explanatory material that is not part of the proposed language

Rule 301 – *Permit Fees*
Rule 302 – *Other Fees*

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(Adopted: 02/04/77; Amended: 05/27/77; Amended: 01/06/78; Amended: 06/16/78; Amended: 04/04/80; Amended: 09/05/80; Amended: 06/05/81; Amended: 09/09/82; Amended: 12/03/82; Amended: 06/03/83; Amended: 05/04/84; Amended: 07/06/84; Amended: 11/02/84; Amended: 12/06/85; Amended: 05/01/87; Amended: 06/03/88; Amended: 12/02/88; Amended: 01/06/89; Amended: 06/02/89; Amended: 06/01/90; Amended: 06/07/91; Amended: 12/06/91; Amended: 06/05/92; Amended: 07/10/92; Amended: 06/11/93; Amended: 10/08/93; Amended: 06/10/94; Amended: 05/12/95; Amended: 10/13/95; Amended: 05/10/96; Amended: 05/09/97; Amended: 03/17/98; Amended: 11/15/05 effective 01/01/06 amended 09/18/07 effective 01/01/08; Amended 06/17/08 effective 01/01/09; Amended 06/15/10 effective 01/01/11; Amended: 06/19/12; effective 01/01/13; Amended 06/18/13; effective 01/01/14; Amended: 07/15/14 effective 01/01/15; Amended: 07/21/15 effective 01/01/16; Amended 07/19/16 effective 01/01/17; Amended 07/18/17, effective 01/01/18; Amended 07/17/18, effective 01/01/19; Amended 07/16/19, effective 01/01/2020; Amended 08/18/2020, effective 01/01/2021; Amended 07/20/2021, effective 1/01/2022; Amended 07/19/2022, effective 01/01/2023

RULE 301 PERMIT FEES

(A) General

(1) Purpose

- (a) This rule sets forth the fees required for various permit activities required pursuant to the provisions of Regulation II – *Permits*, and Regulation XIII – *New Source Review*.

(2) Applicability

- (a) This rule applies to:

- (i) Any person subject to the provisions of Regulation II – *Permits*, Regulation XIII – *New Source Review*, or Regulation XVII – *Prevention of Significant Deterioration*.
- (ii) Any governmental entity.
 - a. Federal, State or local governmental agencies or public districts shall pay the fees to the extent allowed pursuant to the provisions of Chapter 2, Division 7, Title 1 of the Government Code (commencing with Section 6103); Part 4, Division 26 of the Health and Safety Code (commencing with Section 41500) and Part 6, Division 26 of the Health and Safety Code (commencing with Section 44300).
- (iii) Any facility subject to the Provisions of Regulation XXX – *Federal Operating Permits (Title V)*.
 - a. Any facility subject to the provisions of Regulation XXX – *Federal Operating Permits (Title V)* shall also be subject to the provisions of District Rule 312.

(3) Limitations

- (a) Revenue derived from permit fees shall be limited as required by Health and Safety Code Sections 42311, 42311.2 and 42311.5.

(4) Effective Date

- (a) The amendments to this rule adopted on 07/~~2019~~/20~~21~~22 shall be effective on 01/01/20~~22~~23.

(B) Definitions

For the purpose of this rule, the following definitions shall apply:

- (1) “Alteration Or Modification” – Any physical change, change in method of operation of, or addition to, an existing equipment requiring an application for Permit to Construct pursuant to Rule 201. Routine maintenance and/or repair shall not be considered a physical change. A change in the method of operation of equipment, unless previously limited by an enforceable permit condition, shall not include:
- (a) An increase in the production rate, unless such increase will cause the maximum design capacity of the equipment to be exceeded; or
- (b) An increase in the hours of operation.
- (2) “Cancellation” (or Cancel) – An administrative action taken by the District which nullifies or voids a previously pending application for a permit.
- (3) “Emission Reduction Credit” (ERC) – The amount of emissions reduction which is verified and determined by the APCO to be eligible for credit in an emissions reduction bank pursuant to District Rule 1309.
- (4) “Equipment” – Any article, machine, or other contrivance, or combination thereof, which may cause the issuance or control the issuance of air contaminants, and which:
- (a) Requires a permit pursuant to Rules 201 and/or 203; or
- (b) Is in operation pursuant to the provisions of Rule 219.
- (5) “Expiration” – The end of the period of validity for an application, Permit to Operate, or a temporary Permit to Operate.
- (6) “Facility” – Any source, equipment, or grouping of equipment or sources, or other air contaminant-emitting activities which are located on one or more contiguous properties within the District, in actual physical contact or separated solely by a public roadway or other public right-of-way, and are owned or operated by the same person (or persons under common control). Such above-described groupings, if on noncontiguous properties but connected only by land carrying a pipeline, shall not be considered one facility.
- (7) “Stationary Source” (or Source) – Any article, machine, equipment, contrivance or combination thereof which emits or has the potential to emit any regulated air

pollutant and is required to have a permit pursuant to the provisions of District Rules 201, 202 and 203.

- (8) “Temporary Permit to Operate” – An interim authorization to operate equipment until the Permit to Operate is granted or denied. A temporary Permit to Operate is not issued by the District but may exist pursuant to District Rule 202.

(C) Requirements and Procedures

- (1) Fees, as specified herein, are required for the following activities:
- (a) Filing of a permit application.
 - (b) Evaluation of new or modified equipment and/or Facilities that may cause air pollution or equipment intended to control air pollution.
 - (c) Issuance of authority to construct(s).
 - (d) Issuance of permit(s) to operate.
 - (e) Annual permit to operate renewal.
 - (f) Annual authority to construct renewal.
 - (g) Change of location or ownership of a permit.
 - (h) Alteration, modification, addition or revisions to equipment.
 - (i) Permit granted or denied by Hearing Board.
 - (j) Issuance of signed duplicate or corrected permit.
 - (k) Issuance of permit(s) for previously unpermitted or altered equipment.
 - (l) Filing of application for issuance or modification of ERCs pursuant to District Rule 1309.
 - (m) Reinstatement of a delinquent permit.
 - (n) Any fees applicable to equipment located at a facility subject to Regulation XXX – *Federal Operating Permits (Title V)*.
 - (i) Any facility subject to the provisions of Regulation XXX – *Federal Operating Permits (Title V)* shall also be subject to the provisions of District Rule 312.
- (2) Fees shall be paid when due as specified herein.
- (a) Application and Duplicate Permit Fees

- (i) Application filing fees required pursuant to Section (D)(1) shall be submitted in conjunction with the application.
 - (ii) Fees for signed duplicate or corrected permit fees required pursuant to Section (D)(9) shall be submitted in conjunction with the request for the duplicate or corrected permit.
- (b) Project Evaluation Fees for Complex Sources.
- (i) Project evaluation fees for complex sources required pursuant to Section (D)(2) shall be submitted not later than thirty (30) days of written notification to the applicant that the application is subject to this fee.
 - (ii) If the applicant fails to pay the project evaluation fee for complex sources when due the APCO shall, after written notice to the applicant, cancel the application.
- (c) Initial and Annual Permit fees.
- (i) Permit fees shall be invoiced as follows:
 - a. At least thirty (30) days before the expiration date as shown on the permit; or
 - b. In the case of an initial permit fee thirty (30) days after issuance of the permit or the due date on the invoice produced after issuance of the permit, whichever is later.
 - (ii) The permit owner/operator or applicant will be notified by First Class mail, postage prepaid, of the amount to pay and the due date of the invoice.
 - (iii) If the fee is not paid on or before the due date of the invoice the permit shall become delinquent on the due date of the invoice or expiration date on the permit, whichever occurs first, and shall no longer be valid.
 - (iv) If the applicable fees remain unpaid, within thirty (30) days after the due date of the invoice or expiration date of the permit, whichever occurs first, the owner/operator or applicant shall be notified in writing by first class mail, postage prepaid:
 - a. That the permit has become delinquent for non-payment of fees and is no longer valid; and
 - b. The consequences of continuing to construct or operate with an invalid permit.
 - (v) If, after notification, the permit remains delinquent for more than three (3) months, the permit shall become inactive in the District's records.

(3) Reinstatement of Permits

- (a) A permit which is delinquent but has not become inactive may be reinstated by payment in full of all outstanding fees, fines and penalties, including but not limited to other fees imposed pursuant to District

Regulation III and fines or penalties imposed pursuant to the provisions of Article 3, Chapter 4, Part 4 of Division 26 of the Health and Safety Code (commencing with section 42400).

(4) Inactive Permits

- (a) A permit which has become inactive is null and void. The equipment which was the subject of the inactive permit may be permitted again by the District so long as the owner/operator submits a new permit application. Such new permit application will be processed as if the equipment was an entirely new unit requiring a permit.

(5) Refunds

- (a) No claim for refund for any fee required by this rule shall be honored unless:
 - (i) For initial permit fees, such claim is submitted within ninety (90) days after the permit was issued.
 - (ii) For renewal permit fees, such claim is submitted within ninety (90) days after the prior permit expiration date.
- (b) Refunds shall be pro-rated for the period between the date the request is received or prior permit expiration date, whichever is applicable, and the current permit expiration date.
- (c) Fees established as surcharges are not refundable and are assessed in addition to the schedules established for permit fees. Surcharges are assessed and applicable as specified herein.
- (d) The application filing fee set forth in section (D)(1) is non-refundable.

(6) Pro-rated fees

- (a) The APCO may pro-rate any of the following fees excluding any applicable filing fee:
 - (i) Initial Permit Fee;
 - (ii) Annual Permit to Operate Renewal Fee;
 - (iii) Permit to Construct Renewal Fee;
 - (iv) Alteration, Modification, Addition or Revision Fees.
- (b) Pro-rated fees shall be calculated based upon the fees and fee schedule in effect on the date of issuance of the permit to which the fees apply.
- (c) Fees shall be pro-rated for the period between the date of the issuance of the affected permit and the expiration of the permit.

(7) Service Charge for Returned Checks

- (a) Any person who submits a check to the District on insufficient funds or on instructions to stop payment on the check, absent an overcharge or other legal entitlement to withhold payment, shall be subject to a \$25.00 service charge.

(8) Credit Card Payments

- (a) If any person wishes to pay using a credit card the person shall also pay any costs imposed by the company processing the credit card transaction.

(D) Fees

(1) Application Filing Fee

- (a) Any person who applies for the issuance of a new or modified permit shall be assessed a fee of ~~\$551.00~~606.00, except for:
 - (i) Any facility subject to the Provisions of Regulation XXX – *Federal Operating Permits (Title V)* shall be assessed a fee of ~~\$916.00~~1,008.00.
- (b) The application filing fee is non-refundable and shall not be applied to any subsequent application.
- (c) Applications shall not be accepted unless they are accompanied by the application filing fee.

(2) Project Evaluation Fee for Complex Sources

- (a) Any person who submits an application which is related to projects to construct or modify any of the following, shall be assessed a project evaluation fee for complex sources.
 - (i) Equipment associated with landfills;
 - (ii) Equipment associated with resource recovery projects;
 - (iii) Equipment associated with energy cogeneration projects;
 - (iv) Equipment associated with electrical power plants;
 - (v) Other permit units subject to the provisions of District Rule 1303(B);
 - (vi) Emissions of hazardous and toxic material requiring a Health Risk Assessment pursuant to District Rule 1401(E)(3) or a Case-By-Case MACT determination pursuant to District Rule 1401(F)(2) and/or waste disposal or treatment facilities;
 - (vii) Any facility requiring a permit under Regulation XVII – *Prevention of Significant Deterioration*; and
 - (viii) Any other permit units where the APCO or his or her designee has determined that an analysis required pursuant to these Rules or

Regulations would require over two (2) hours of staff time to complete.

- (b) A deposit of \$6,500.00 to be applied toward the project evaluation fee for complex sources shall be paid within 30 days of written notification by the District that the application is subject to this fee.
- (c) The project evaluation fee for complex sources shall be based on the District's total actual and reasonable labor time and other reasonable expenses for the evaluation required to develop a permit to construct and/or permit to operate.
 - (i) This fee shall be calculated at a labor rate of \$173.00 per hour plus actual expenses.
 - (ii) The fee shall accrue and be applied against the deposit.
 - (iii) Should the District's costs as calculated pursuant to subsection (i) above not exceed the deposit; the remainder of the deposit will be returned to the applicant.
 - (iv) Should the District's costs as calculated pursuant to subsection (i) above exceed the deposit the excess will be billed to the applicant.
 - a. The applicant shall be notified, in writing, of the amount of any such excess fee and the due date for payment of the fee.
 - b. An accounting of costs and written notice to the applicant shall be issued to the applicant at least quarterly.
- (d) Actual expenses of the District include consultant services which are engaged by the District for the purpose of project evaluations. When project evaluations are performed for the District under such a contract, the applicant will be assessed fees for the actual total and reasonable costs incurred by the District staff to oversee, review and approve the evaluation as well as the actual cost to the District of the contractor evaluation.
- (e) Actual expenses of the District include project notice fees which are incurred on behalf of project public notices.
- (f) The provisions of Section (C)(2) do not apply to this fee. If the applicant fails to pay the project evaluation fee for complex sources when due the APCO shall, after written notice to the applicant, cancel the application.

(3) Initial Permit Fee

- (a) Except as otherwise provided in this Rule, any person who applies for a new or modified permit shall, upon notification that the application has been approved, be assessed the initial permit fee for the issuance of a permit to construct or permit to operate in the amount prescribed in schedules set forth in section (E)(1).
 - (i) For applications containing mutually exclusive alternative construction scenarios the APCO may, upon written request of the applicant, assess an alternate initial permit fee. Such alternate initial permit fee shall not be less than the highest initial permit fee for any single alternative scenario set forth in the application and shall not be more than the sum of the initial permit fees for all alternative scenarios set forth in the application.
- (b) After the provisions for granting permits as set forth in Division 26 of the Health and Safety Code and these Rules and Regulations have been complied with, the applicant shall be notified, in writing, of the amount of the fee to be paid as the initial permit fee.
 - (i) Notice may be given by personal service or by mail, postage prepaid.

(4) Annual Permit to Operate Renewal Fee

- (a) Permits to operate shall be annually renewable, upon payment of fees.
- (b) The annual permit to operate renewal fee shall be calculated pursuant to the schedules set forth in section (E)(1).
- (c) The annual permit to operate renewal fee shall be invoiced as specified in Section (C)(2)(c) above.

(5) Permit to Construct Renewal Fee

- (a) Authorities to construct may be renewed, upon payment of fees, pursuant to the provisions of District Rule 201.
- (b) The authority to construct renewal fee shall be calculated pursuant to the schedules set forth in section (E)(1).
 - (i) For applications containing mutually exclusive alternative construction scenarios the APCO may, upon written request of the applicant, assess an alternate authority to construct renewal fee. Such alternate authority to construct renewal fee shall not be less than the highest authority to construct renewal fee for any single alternative scenario set forth in the application and shall not be

more than the sum of the authority to construct renewal fees for all alternative scenarios set forth in the application.

- (c) Authorities to construct may only be renewed for two (2) years after the initial date of issuance, unless the application is canceled or an extension of time pursuant to the provisions of District Rule 205 has been granted by the APCO.
 - (d) The authority to construct renewal fee shall be invoiced as specified in Section (C)(2)(c) above.
 - (e) When construction is completed prior to the expiration of the authority to construct, the authority to construct may thereupon act as a temporary permit to operate pursuant to the provisions of District Rule 202. The residual fee for the authority to construct, calculated as a pro-rated fee for the period between the completion of construction and the expiration date of the permit, shall be applied to a pro-rated initial permit fee for the same period. Any positive difference between the residual fee and the pro-rated initial permit fee shall be invoiced as set forth in Section (C)(2).
- (6) Change of Location or Ownership Fees
- (a) Permits, pursuant to the provisions of District Rule 209, are only valid for the location specified in the permit.
 - (i) Any person who applies for a permit requesting a change in the location of equipment included on a currently valid permit shall request in writing a change of location for the equipment and may be assessed an initial permit fee if the change in location also creates additional alteration(s), modification(s), addition(s) or revision(s) in either the subject permit or other permits at the same facility.
 - (ii) The person will be notified by mail, postage prepaid, of the amount of the initial permit fee due as a result of the change of location and the due date for payment of the fee.
 - (iii) The APCO or his or her designee may, upon the applicant's written request, waive the initial permit fee.
 - (b) Permits, pursuant to the provisions of District Rule 209, are only valid as to the person named on the permit.
 - (i) Any person who applies for a permit requesting a change of ownership of equipment included on a currently valid permit shall be assessed a transfer fee of ~~\$324~~\$353.00 for each permit being transferred from one person to another.
 - (ii) The filing fee set forth in Section (D)(1) are waived for applications solely requesting a change of ownership
 - (iii) The transfer fee for applications solely requesting a change of

ownership is due at the time the application is filed.

- (c) Any person submitting an application for a permit requesting a change of location and/or change of ownership which also requests alterations, additions or revisions to the permit shall be assessed either the fees set forth in this Section or in Section (D)(7) whichever is greater.

(7) Alteration, Modification, Addition or Revision Fees

- (a) Any person who applies for a permit requesting alterations, modifications, additions, or revisions of the permit resulting from a change to equipment included on a currently valid permit shall be assessed an application filing fee pursuant to Section (D)(1) and a permit revision fee.
- (b) The permit revision fee shall be calculated as follows:
 - (i) The initial permit fee for a permit which includes the alteration, addition or revision minus the previous years annual permit to operate renewal fee pro-rated for the period between the date of issuance for the permit containing the alteration addition or revisions and the original permit(s) expiration date.
- (c) The permit revision fee shall be invoiced as set forth in Section (C)(2)(c)(i).
- (d) Any person submitting an application for a permit requesting a change of location and/or change of ownership which also requests alterations, additions or revisions to the permit shall be assessed either the fees set forth in this Section or in Section (D)(6) whichever is greater.

(8) Fees Applicable when Permit Granted or Denied by Hearing Board

- (a) If a permit is granted by the Hearing Board after denial of an application by the APCO or after the application has been deemed denied pursuant to District Rule 215, the applicant shall be assessed the appropriate fees set forth in this Rule.
- (b) The applicant shall be notified, in writing, of the amount of the fee and the due date for payment of the fee.
- (c) Previously paid fees are not refundable if the Hearing Board denies the issuance of a permit which was granted by the APCO.

(9) Signed Duplicate or Corrected Permit Fees

- (a) A request for a signed duplicate permit or for administrative corrections to a permit shall be made in writing by the permit holder.
- (b) The permit holder may be assessed a fee of \$~~160~~176.00 for issuing each signed duplicate or corrected permit.
- (c) The fee for a signed duplicate or corrected permit is due at the time the permit is requested.

- (10) Previously Unpermitted or Altered Equipment Fee.
- (a) When equipment is built, erected, installed, altered, or replaced (except for identical replacement) without the owner or operator obtaining a permit to construct in accordance with Rule 201, the owner or operator shall be assessed a previously unpermitted equipment fee.
 - (b) The previously unpermitted equipment fee shall be calculated as fifty percent (50%) of all applicable permit fees which would have been required for each year of unpermitted activity, plus the full amount of all applicable permit fees for the year immediately preceding the year when the permit to operate is granted.
 - (c) The unpermitted equipment fee is due when the permit to operate is granted.
 - (d) The assessment of an unpermitted equipment fee shall not limit the District's right to pursue any other remedy provided for by law.
 - (e) The provisions of this subsection shall not apply if a permit is required solely due to a change in Rule 219.
 - (f) The APCO may waive the unpermitted equipment fee for good cause upon the written application of the person assessed the fee.
- (11) Fees for Issuance of Emission Reduction Credits
- (a) Any person submitting an application for Emission Reduction Credits pursuant to District Rule 1309 shall pay the following fees:
 - (i) An initial application fee of ~~\$9541,049~~.00 for each application submitted.
 - (ii) An analysis fee based upon the actual and reasonable labor time in excess of ten (10) hours labor billed at the rate of \$173.00 per hour.
 - (iii) The actual cost of publication of notice if such is required pursuant to District Rule 1309.
 - (b) Any person submitting a document effecting an encumbrance or transfer of Emission Reduction Credits pursuant to District Rule 1309 shall pay a fee of \$173.00 for each document submitted.
- (12) Reinstatement Fee for a Delinquent Permit
- (a) Any person who applies for delinquent permit reinstatement pursuant to the provisions of subsection (C)(3)(a) shall be assessed a fee equal to the amount of all outstanding fees, fines and penalties for the particular unit that is the subject of the permit and an initial permit fee for that unit for the current year.

(E) Schedules for Fees

(1) Initial Permit and Annual Permit to Operate Renewal and Authority to Construct Renewal Fees.

- (a) Any Equipment or Process subject to the provisions of this rule shall be assigned a fee classification based upon the equipment and/or process type as set forth in Table 1 of this rule.
- (b) Any Equipment or Process subject to the provisions of this rule which is not otherwise listed in Table 1 of this rule shall be assigned fee classification B.
- (c) All applicable fees shall be assessed pursuant to the fee classifications listed in Table 1 according to the following schedule:

Equipment/Process Classification	Fee Amount
Classification A	\$531.21 <u>584.33</u>
Classification B	\$1,902.51 <u>2,092.76</u>
Classification C	\$4,563.86 <u>5,020.25</u>
Classification D – Reciprocating Internal Combustion Engines rated 50 bhp to 499 bhp and All Emergency Engines	\$531.21 <u>610.89</u>
Classification E - Reciprocating Internal Combustion Engines rated 500 bhp to 749 bhp.	\$1,092.51 <u>1,256.39</u>
Classification F - Reciprocating Internal Combustion Engines rated 750 bhp or greater	\$2,083.69 <u>2,296.24</u>
Electrical Generating Equipment (non-emergency) rated 100,000,000 Btu/hr and less	\$6,325.07 <u>6,957.58</u> plus \$150.86 <u>166.95</u> per each 1,000,000 Btu/hr
Electrical Generating Equipment (non-emergency) rated greater than 100,000,000 Btu/hr	\$17,559.37 <u>19,315.31</u> plus \$38.48 <u>42.33</u> per each 1,000,000 Btu/hr
Nozzles (Rule 461)	\$57.47 <u>63.22</u> per product/per nozzle

[SIP: Not SIP.]

**Table 1
Equipment/Process Classifications**

Equipment	Classification A	Classification B	Classification C
Basic Process Systems including ancillary equipment	Any Abrasive Blasting; Anodizing; Blending; Chemical (no toxics, hazardous) Milling; Cooling Tower; Any Degreaser; Deposition Ceramics; Dry Cleaning; Etching; Film Cleaner; Grinder; Ink Mfg; Laundry; Liquid Container Filling; Packaging; Polystyrene Extrusion; Polyurethane Mfg; Refrigerant Handling and/or Processing; Smoke Generator; Soldering; Stripping; Vacuum Metallurgy	Adhesives; Air Stripper; Ammonia Process; Asphalt Process; Auto Body Shredding; Battery Charging/Mfg; Chemical (toxics, hazardous) Milling; Degreaser; Plastic/Resins Handling; Soil Vapor Extraction; Vacuum Generator; Any process not otherwise listed under any category	Landfill Gas Treatment; Liquid Hazardous Waste Processing; LPG Distiller
<u>Other Processes</u>			
Bulk and Crustal Material Handling	Aggregate Conveying, Loading and/or Unloading; Bulk Chemical Terminal; Green Waste Screening; Paper Conveying; Weigh Station	Aggregate Production; Concrete Batch Plant; Concrete/Asphalt Crushing; Other Conveying; Loading/unloading; Other Screening; Soil Treatment	All others including Asphalt Batch Plant
Coating including Printing and Coating Within Spray Booths	Asphalt/Tar Pot; Asphaltic; Can/Coil; Any Dip Tank; Fabric; Film; Flow; Paper; Printing Press, IR/UV Over, Air Dry or Screen; Roller; Spray; Stereolithography; Striping; Tablet	Asphalt Saturator; Printing Press Other; Spraying Resin/Gel Coat; Wood	
Feed/Food Preparation and Handling	Charbroiler with integral control; Feed Handling; Restaurant Charbroiler	Bakery Oven; Charbroiler no integral control; Feed Processing	All others
Fuel Handling and Storage	Bulk Loading/Unloading <50,000 gpd; Fuel Oil; LPG; Spill Sump Tank; Waste Oil; Railcar unloading to Truck; Tank with no controls	Aircraft Fueling; Bulk Loading/Unloading Rack 50,000 to <200,000 gpd; Fuel Gas Mixer; Hydrant Fueling; Natural Gas Odorizer; Toxics or Hazardous Storage Tank; Fixed Roof Tank; Tank with control system; LPG Tank with Vaporizing System; LPG Tank Truck Loading; LPG Treatment	Bulk Loading/Unloading Rack 200,000+ gpd; Gasoline Blending Plant; All others

**Table 1
Equipment/Process Classifications**

Equipment	Classification A	Classification B	Classification C
Incinerators		Crematory	All others
Sewage, Stormwater, Wastewater and Water Treatment	<10,000 gpd; Fluid Elimination; Landfill Condensate/Leachate Collection/Storage	10,000 to <50,000 gpd; Up to 5 million gpd sewage treatment; Aeration; Groundwater treatment; Landfill Gas Collection; Sewage sludge composting; Sludge Handling	All others
Storage, Non-Fuel	Asphalt <50,000 gal; Baker-Type; Dry Material; Sump Tank; Tank with control; Tank with sparging	Aqueous Ammonia; Asphalt 50,000+ gal; Catalyst	
<u>Air Pollution Control Devices</u>			
Afterburner	Non-catalytic; no more than one MMBtu per hour (supplemental fuel); single source	All others (including boilers and incinerators)	
Biofilter	No more than 100 cfm	All others	
Carbon Absorber/Adsorber	single source no toxics	All others (non-regenerating)	All others
Catalytic Reduction	Non-selective	Selective	
Dust Control including Baghouses and Cyclones	No more than 500 ft ² of filter area; all cyclones and settling chambers; All negative air machines	More than 500 ft ² of filter area; Any size hot baghouse (special filter material)	
Electrostatic Precipitators (ESP)	Less than 3000 cfm or any extruder or any restaurant	All others	
Flares	Portable	All others	Enclosed landfill/digester gas
Scrubbers and/or Mist Control including Sparging	No toxics, NO _x or SO _x control and single source and single stage; or for acid or any restaurant or any sparger	All others, including Ultraviolet Oxidation	

**Table 1
Equipment/Process Classifications**

Equipment	Classification A	Classification B	Classification C
Sterilizers	Hospital ethylene oxide	All others	
Vapor Control		All	
<i>Fuel Burning Equipment (Not Cogeneration or Generating Electricity Equipment Other Than Emergency Equipment)</i>			
Autoclaves; Chillers; Distiller; Dryers, Furnaces, Heaters, Kilns, Ovens, Roasters, Stills	<5 MMBtu/hr; Glass Furnace less than one tpd pull; Laundry; Metal Recovery; Non-Organics Dryer; Non-Toxics Evaporator; Pavement Heater	5 to <50 MMBtu/hr; Arc; Burn-Off; Catalyzed Metal Recovery; Chip Dryer; Cupola; Curing Oven with toxics/hazardous; Electric; Evaporator (Toxics); Frit; Galvanizing; Glass Furnace one to <50 tpd pull; Organics Dryer; Pot/Crucible; Natural Gas Kiln; Reveratory	All others
Boilers	<5 MMBtu/hr	5 to <50 MMBtu/hr; Up to 10 MMBtu landfill or digester gas	All others
Turbines	<0.3 MW(e) Emergency	0.3+ MW(e) Emergency; <50 MW(e) not on Landfill or Digester Gas	All others
Cogeneration and Electrical Generating Equipment (including Duct Burners) Equipment under this category shall be assessed a permit renewal fee calculated based on design maximum fuel consumption of the equipment expressed in British thermal units per hour, using gross heating value (See (E)(1)(c))			
Nozzles (Rule 461) Permits subject to District Rule 461 shall be assessed a single permit renewal fee calculated as follows: the number of fuel dispensing nozzles multiplied by the number of products dispensed through each nozzle at the facility.			
Reciprocating Internal Combustion Engines Equipment under this category shall be assessed a permit renewal fee based on the nameplate bhp of the engine with the exception of those engines designated as “Emergency” engines pursuant to 1110.2 which shall be assessed as Classification D. (See (E)(1)(c)).			

Rule 302 Other Fees

(A) General

(1) Purpose:

- (a) This rule sets forth fees which may be charged for various activities, documents and services, including but not limited to: provision of publications, performing analysis, filing, evaluation and enforcement of Plans, State Mandated fees, and activities regulated pursuant to District Rule 1403 – *Asbestos Emissions from Demolition/Renovation Activities*.

(2) Applicability

(a) This rule applies to

- (i) Any person subject to a fee listed below.
- (ii) Any governmental entity subject to a fee listed below.
 - a. Federal, state and local government agencies or public districts shall pay the fees to the extent allowed pursuant to the provisions of Chapter 2, Division 7, Title 1 of the Government Code (commencing with Section 6103); Part 4, Division 26 of the Health and Safety Code (commencing with Section 41500) and Part 6, Division 26 of the Health and Safety Code (commencing with Section 44300).

(3) Effective Date

- (a) The amendments to this rule as adopted on ~~07/16/19~~07/19/2022 shall be effective immediately.

(B) Definitions

The definitions contained in District Rule 102 shall apply unless the term is otherwise defined herein:

- (1) “Active Operations” – Any activity capable of generating Fugitive Dust, including, but not limited to, Earth-Moving Activities, Construction/Demolition Activities, or heavy- and light-duty vehicular movement.
- (2) “Dust Control Plan” – A document setting forth information and methods to control or measure the emissions of dust required pursuant to District Rule 403.
- (3) “Plan” – A document to be submitted to the District by District Rule or Regulation; or State or Federal law or regulation, providing a description or procedures necessary to

accomplish the particular objective and containing those items set forth in the underlying requirement.

- (4) “Source Test Protocol” – a test work Plan or protocol includes a process description, field sampling methods, analytical test methods, test schedules, equipment calibration and a results presentation format used to determine the type and quantity of pollutants emitted from sources by sampling the effluent stream.
- (5) “Source Test Report” – a document that provides the analytical results from an emission source test used to determine the type and quantity of pollutants emitted from sources by sampling the effluent stream. The report should contain an executive summary, field sampling methods, analytical test methods, equipment calibration and a results presentation to determine the type and quantity of pollutants emitted from sources by sampling the effluent stream.

(C) Payments, Adjustments and Refunds

- (1) Fees shall be paid when due as specified herein.
 - (a) Analysis Fees
 - (i) Analysis fees shall be invoiced as follows:
 - a. Directly by the entity retained by the District to perform the test and or analysis; or
 - b. By the District within thirty (30) days of receipt of an invoice by the District for testing and/or analysis services.
 - (ii) If invoiced by the District, the person ordered to provide the analysis or test by the Air Pollution Control Officer (APCO) will be notified by First Class mail, postage prepaid, of the amount to pay and the due date of the invoice.
 - (iii) A fee not paid within thirty (30) days of the due date of the invoice shall constitute grounds for the denial, revocation or suspension of all permits to operate at sources subject to permit requirements and shall constitute a violation of this Rule for any source, whether or not subject to permit requirements.
 - (b) Asbestos Fees
 - (i) Asbestos fees shall be paid with the written notice of intent to demolish, renovate or abate.
 - (c) Plan Fees
 - (i) Plan filing and evaluation fees shall be paid at the time of submission of the Plan.
 - (ii) If a Plan requires an annual renewal the District shall invoice the Plan renewal fee at least thirty (30) days prior to the expiration date of the Plan.

- a. The invoice shall be sent via First Class mail, posted prepaid to the contact person indicated in the Plan.
- b. Payment of annual review fee shall be due in thirty (30) days from the date of mailing.
- (iii) A fee not paid within thirty (30) days of the due date of the invoice shall constitute grounds for the denial, revocation or suspension of the Plan and shall constitute a violation of this Rule for any source, whether or not subject to permit requirements.

(d) Publication Fees

- (i) Publication fees shall be paid prior to the delivery of the publication requested.

(e) State Mandated Fees

- (i) State mandated fees shall be due as specified in the regulation which imposes the mandate and allows the District to collect the state imposed fees for such mandate.

(2) Credit Card Payments

- (a) Fees may be paid by credit card directly from the District website.
- (b) If any person wishes to pay using a credit card the person shall also pay any costs imposed by the company processing the credit card transaction.

(3) Refunds

- (a) Asbestos fees are non-refundable.
- (b) The Plan filing and evaluation fee set forth in section (B)(1) is non-refundable.

(4) Service Charge for Returned Checks

- (a) Any person who submits a check to the District on insufficient funds or on instructions to stop payment on the check, absent an overcharge or other legal entitlement to withhold payment, shall be subject to a \$25.00 service charge.

(D) Analysis Fees

- (1) Any person ordered by the APCO to provide an analysis of materials used by or the determination of emissions from any source of air contaminants shall pay all direct costs associated with such tests as invoiced by the entity which is retained by the District or the owner/operator, to perform the tests.
- (2) Data and sample collection methods, analysis methods and the qualifications of testing personnel or firms shall be determined by the APCO.

(E) Asbestos Fees

- (1) Any person who is required by District Rule 1403 – *Asbestos Emissions from Demolition/Renovation Activities* to submit a written notice of intention to demolish shall pay, at the time of delivery of notification, a non-refundable fee of \$244.00.
- (2) Any person who is required by District Rule 1403 – *Asbestos Emissions from Demolition/Renovation Activities* to submit a written notice of intention to renovate or abate shall pay a non-refundable fee based upon the area to be renovated or abated:

Linear Feet	Square Feet	Cubic Feet	Fee
260 – 999	100 – 999	35 – 218	\$585.00
1,000 – 4,999	1,000 – 4,999	219- 1094	\$1167.00
5,000 – 9,999	5,000 – 9,999	1,095 – 2,188	\$1755.00
10,000 or more	10,000 or more	2,189 or more	\$2341.00

(3) Expedited Handling Fee

- (a) Any person subject to a fee pursuant to subsections (E)(1) or (2) above who submits the written notice of intention to demolish, renovate or abate and such notice is delivered or postmarked less than fourteen (14) calendar days before the project start date listed on the notification shall pay, in addition to the above fees, an expedited handling fee of \$75.00

(4) Fee Calculation

- (a) Fees are assessed on a per notification basis and multiple fees may apply.
- (b) The total fee for any project shall be the sum of the applicable fees under subsection (1) and (2) above.

(5) No notification shall be considered received pursuant to Rule 1403, unless it is accompanied by the required payment.

(F) Plan Fees

(1) Air Toxics Plans

(a) Any person filing a Health Risk Assessment or a Risk Reduction Audit Plan pursuant to the Air Toxic “Hot Spots” Information and Assessment Act as amended (California Health & Safety Code §§ 44300 et seq) shall be assessed a fee of \$489.00 for the District’s evaluation of the Health Risk Assessment and Risk Reduction Audit Plans. [moved from (F)(2) to create ascending alphabetical order]

(2) California Business & Professions Code Division 10 Compliance Plan (B&P Div. 10 Compliance Plan)

(a) Any operation regulated under Division 10 of the California Business & Professions Code shall file a B&P Div. 10 Compliance Plan no later than 10 days prior to the commencement of operations, within 10 days of any substantive change in the information provided in the B&P Div. 10 Compliance Plan and annually prior to the expiration date of the B&P Div. 10 Compliance Plan.

(i) Such B&P Div. 10 Compliance Plan shall include information that is reasonably designed to ensure the ability to enforce provisions of Division 26 of the California Health & Safety Code and applicable District Rules and Regulations as specified on the most recent official B&P Div. 10 Compliance Plan form issued by the APCO.

(b) Any person filing a B&P Div. 10 Compliance Plan shall be assessed an annual Plan fee based on facility square footage, (less the square footage designated for common use area and processing area containing permitted equipment). The fee shall be \$0.16 cents per square foot.

(i) If any of the square footage submitted on the Plan is constructed in a vertical configuration, the fee shall be determined based on the square footage multiplied by the number of layers/tiers in the configuration.

1. Fees shall be submitted in conjunction with the submission of the Plan.

2. Annual renewal fee shall be invoiced at least 30 days before the expiration date. [moved from (F)(3)(b) to create ascending alphabetical order]

(13) Construction and Dust Control Plan Fees

(a) Any person who is required to submit a Dust Control Plan (DCP) pursuant to the provisions of District Rule 403: ~~shall be assessed a Plan filing and evaluation fee of \$661.00.~~

~~(i) Shall be assessed a Plan filing and evaluation fee of \$661.00, and~~

~~(ii) Shall be assessed a Construction Excavation fee based on actual acreage (as specified by the land use agency) of the project as follows:~~

Construction (acres)

<u>(a) 5 or greater but less than 10</u>	<u>\$1,690.00</u>
<u>(b) 10 or greater but less than 20</u>	<u>\$3,381.00</u>
<u>(c) 20 or greater but less than 50</u>	<u>\$6,762.00</u>
<u>(d) 50 or greater but less than 100</u>	<u>\$8,443.00</u>
<u>(e) 100 or greater but less than 200</u>	<u>\$10,638.00</u>
<u>(f) 200 or greater but less than 300</u>	<u>\$12,833.00</u>
<u>(g) 300 or greater but less than 400</u>	<u>\$15,072.00</u>
<u>(h) 400 or greater but less than 500</u>	<u>\$17,221.00</u>
<u>(i) 500 or greater but less than 1,000</u>	<u>\$19,682.00</u>
<u>(j) 1,000 or greater but less than 2,000</u>	<u>\$21,878.00</u>
<u>(k) 2,000 or greater but less than 3,000</u>	<u>\$26,565.00</u>
<u>(l) 3,000 or greater but less than 4,000</u>	<u>\$33,810.00</u>
<u>(m) 4,000 or greater but less than 5,000</u>	<u>\$43,470.00</u>
<u>(n) 5,000 or greater</u>	<u>\$55,545.00</u>

~~(i) The Dust Control Plan filing and evaluation fee of \$661.00 shall be submitted in conjunction with the submission of the Dust Control Plan and the Construction Excavation fee.~~

~~(iii) Upon termination of construction activities, if a site stability evaluation is performed pursuant to District Rule 403, the person holding the DCP may be assessed an inspection fee of \$287.00.~~

(b) Any Active Operation requiring a DCP shall resubmit the DCP annually pursuant to the provisions of District Rule 403(D)(1)(j) as dust generating activities do not cease upon termination of construction activities. Such resubmission shall be assessed a Plan filing and evaluation fee of \$661.00.

(i) If a site inspection is performed for compliance with the provisions of Rule 403 or the applicable DCP ~~is performed~~, the person holding the DCP may be assessed an inspection fee of \$287.00.

~~(2) Air Toxics Plans~~

~~(a) — Any person filing a Health Risk Assessment or a Risk Reduction Audit Plan pursuant to the Air Toxic “Hot Spots” Information and Assessment Act as amended (California Health & Safety Code §§ 44300 et seq) shall be assessed a fee of \$489.00 for the District’s evaluation of the Health Risk Assessment and Risk Reduction Audit Plans.~~

~~(34) Other Plan Fees-Source Test and Protocol and Report Evaluation Fees~~

~~(a) — Source Test Protocol and Report Evaluation Fees *[moved for clarity]*~~

~~(ia) Any person filing a Source Test Protocol with the District shall be assessed a fee of \$489.00 for the evaluation of the Protocol. There will be no additional fee charged for the evaluation of testing results.~~

~~(b) — California Business & Professions Code Division 10 Compliance Plan (B&P Div. 10 Compliance Plan)~~

~~(i) — Any operation regulated under Division 10 of the California Business & Professions Code shall file a B&P Div. 10 Compliance Plan no later than 10 days prior to the commencement of operations, within 10 days of any substantive change in the information provided in the B&P Div. 10 Compliance Plan and annually prior to the expiration date of the B&P Div. 10 Compliance Plan.~~

~~a. — Such B&P Div. 10 Compliance Plan shall include information that is reasonably designed to ensure the ability to enforce provisions of Division 26 of the California Health & Safety Code and applicable District Rules and Regulations as specified on the most recent official B&P Div. 10 Compliance Plan form issued by the APCO.~~

~~(ii) — Any person filing a B&P Div. 10 Compliance Plan shall be assessed an annual Plan fee based on facility square footage, (less the square footage designated for common use area and processing area containing permitted equipment). The fee shall be \$0.16 cents per square foot.~~

~~(1) If any of the square footage submitted on the Plan is constructed in a vertical configuration, the fee shall be determined based on the square footage multiplied by the number of layers/tiers in the configuration.~~

~~1. Fees shall be submitted in conjunction with the submission of the Plan.~~

~~2. Annual renewal fee shall be invoiced at least 30 days before the expiration date. *[moved to (F)(2) above to create alphabetical order]*~~

(G) Publication Fees

- (1) Any person receiving a publication for which a fee is charged shall be assessed the designated fee.
 - (a) The Air Pollution Control Officer (APCO) shall designate those publications, including information circulars, reports of technical work, or other reports, prepared by the District for which a fee shall be charged.
 - (b) Such fee shall be established by the APCO in a sum not to exceed the cost of preparation and distribution of such documents. Such fees shall be deposited in the general funds of the District.
 - (c) Cities and counties shall be entitled to receive one copy of any District publication without charge.
- (2) Nothing in this Rule shall be construed to limit the rights of any person, or of the District, pursuant to the California Public Records Act, Chapter 3.5, Division 7 of Title 1 (commencing with Section 6250) of the Government Code.

(H) State Mandated Fees

- (1) Air Toxics “Hot Spots” Information and Assessment Fees.
 - (a) Any person subject to the provisions of the Air Toxics "Hot Spots" Information and Assessment Act as amended (California Health and Safety Code (H&SC) §§44300 et seq. and the regulations promulgated thereunder shall be assessed an annual fee for the various state level components required by the Act. The fee schedule is set by the California Air Resources Board (CARB) and authorizes collection of the fee by the District pursuant to the provisions of the adopting regulation.
- (2) Other State Mandated Fees
 - (a) Any person subject to the provisions of a State adopted regulation or rule that assesses a fee to cover District costs for implementing such regulation and authorizes the collection of the fee by the District shall be assessed such fee pursuant to the provisions of the adopting regulation.

APPENDIX "B"
PUBLIC NOTICE DOCUMENTS

1. Draft Notice of Public Hearing – Antelope Valley Press 06/17/2022

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NOTICE OF HEARING

NOTICE IS HEARBY GIVEN that the Governing Board of the Antelope Valley Air Quality Management District (AVAQMD) will conduct a public hearing on July 19, 2022 at 10:00 A.M. to consider the proposed amendment to Rule 301 – *Permit Fees* and Rule 302 – *Other Fees*.

Overall increases in operating expenses require adjustments in permit fees. The AVAQMD is proposing a 10% fee increase to most fees in Rule 301 – *Permit Fees* to recover the rising costs of issuing air quality permits, performing inspections, investigations, and enforcing District rules and regulations. In addition, Rule 301 also includes a 15% increase for (E) fee classifications D-F as the costs for this type of equipment is not commensurate with the fee revenue received. The proposed amendment to Rule 302 – *Other Fees* is necessary to mitigate the increased inspection time spent due to expanded residential, industrial and solar construction expenditures.

To allow time to implement the proposed fee change for Rule 301 – *Permit Fees* in the computerized billing system, this amendment is proposed to be effective on January 1, 2023. The proposed changes to Rule 302 – *Other Fees* will be effective immediately.

SAID HEARING is being held in accordance with the guidelines set forth in the Governor's Executive Order N-29-20 issued on March 17, 2020 that modifies the Brown Act to allow attendance, conduct of the meeting, and public participation by teleconference, videoconference, in person or any of the above.

Copies of the proposed amendment to Rule 301 – *Permit Fees* and Rule 302 – *Other Fees*, as well as the Staff Report are posted on the AVAQMD website at www.avaqmd.ca.gov and are also available at the AVAQMD Office at 2551 W Avenue H, Lancaster, CA 93536. Written comments may be submitted to Bret Banks, Executive Director, at the above office address, and should be received no later than July 18, 2022 to be considered. If you have any questions you may contact Barbara Lods at (661) 723-8070 x23 or via E-mail at blods@avaqmd.ca.gov for further information. Traducción esta disponible por solicitud.

Pursuant to the California Environmental Quality Act (CEQA) the AVAQMD has determined that a Categorical Exemption (Class 8 – 14 Cal. Code Reg §15308) applies and has prepared a *Notice of Exemption* for this action.

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APPENDIX "C"
PUBLIC COMMENTS AND RESPONSES

1. N/A

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APPENDIX "D"
CALIFORNIA ENVIRONMENTAL QUALITY ACT
DOCUMENTATION

1. Notice of Exemption (Draft) – Los Angeles County

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NOTICE OF EXEMPTION

TO: Los Angeles County Clerk
12400 E. Imperial Hwy, #1001
Norwalk, CA 90650

FROM: Antelope Valley Air Quality Management District
2551 W Avenue H
Lancaster, CA 93536

PROJECT TITLE: Amendment of AVAQMD Regulation III – *Fees*

PROJECT LOCATION – SPECIFIC: Los Angeles County portion of the Mojave Desert Air Basin.

PROJECT LOCATION – COUNTY: Los Angeles County

DESCRIPTION OF PROJECT: Overall increases in operating expenses require adjustments in permit fees. The AVAQMD is proposing a 10% fee increase to most fees in Rule 301 – *Permit Fees* to recover the rising costs of issuing air quality permits, performing inspections, investigations, and enforcing District rules and regulations. The proposed amendment to Rule 302 – *Other Fees* is necessary to mitigate the increased inspection time spent due to expanded residential, industrial and solar construction expenditures related to implementing and enforcing compliance with District Rules and Regulations.

NAME OF PUBLIC AGENCY APPROVING PROJECT: Antelope Valley AQMD

NAME OF PERSON OR AGENCY CARRYING OUT PROJECT: Antelope Valley AQMD

EXEMPT STATUS (CHECK ONE)

- Ministerial (Pub. Res. Code §21080(b)(1); 14 Cal Code Reg. §15268)
- Emergency Project (Pub. Res. Code §21080(b)(4); 14 Cal Code Reg. §15269(b))
- Categorical Exemption – Class 8 (14 Cal Code Reg. §15308)

REASONS WHY PROJECT IS EXEMPT: The proposed amendments to Regulation III – *Fees* are exempt from CEQA review because they merely adjust fees and fee methodologies and there is not potential that the amendments might cause the release of additional air contaminants or create any adverse environmental impacts, a Class 8 categorical exemption (14 Cal. Code Reg. §15308) applies.

LEAD AGENCY CONTACT PERSON: Bret Banks _____ **PHONE:** (661) 723-8070

SIGNATURE: _____
TITLE: Executive Director **DATE:** July 19, 2022

DATE RECEIVED FOR FILING:

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APPENDIX "E" BIBLIOGRAPHY

The following documents were consulted in the preparation of this staff report and the proposed amendments to Rule 301 – *Permit Fees* and Rule 302 – *Other Fees*:

1. AVAQMD Proposed Budget for Fiscal Year 2022-2023

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The following page(s) contain the backup material for Agenda Item: [Approve an Agreement between the Antelope Valley Air Quality Management District \(AVAQMD\) and the City of Lancaster to provide administrative and operations services; Authorize the Chairman to finalize terms and conditions of the proposed Agreement; and Authorize the Chairman to execute the final Agreement. Presenter: Bret Banks, Executive Director/APCO.](#)

Please scroll down to view the backup material.

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

AGENDA ITEM #8

DATE: July 19, 2022

RECOMMENDATION: Approve an Agreement between the Antelope Valley Air Quality Management District (AVAQMD) and the City of Lancaster to provide administrative and operations services; Authorize the Chairman to finalize terms and conditions of the proposed Agreement; and Authorize the Chairman to execute the final Agreement.

SUMMARY: This item presents a proposed Agreement for the City of Lancaster to provide administrative and operational services for the AVAQMD; authorizes the Chairman to finalize terms and conditions of the proposed agreement; and authorize the Chairman to execute the final Agreement.

BACKGROUND: The Agreement for services between the AVAQMD and the City of Lancaster shall be for a period of five (5) years commencing on October 1, 2022 and ending on June 30, 2027, with an option to continue for two (2) more years under the same terms and conditions, unless earlier terminated, extended, or modified as provided herein. Although this Agreement will become effective as of October 1, 2022, and the parties will commence planning for the 2022/2023 fiscal year, it is intended that the provision of Services pursuant to this Agreement may commence prior to October 1, 2022, in preparation of the Agreement.

Certain services that are provided between October 1, 2022 and June 30, 2023 will be subject to the existing Agreement between the MDAQMD and AVAQMD for administrative services specific to certain software licenses. Staff has developed a draft agreement and legal counsel has reviewed it for matters of interest to the AVAQMD. This item includes a copy of the proposed contract and 2022/2023 adopted AVAQMD budget.

REASON FOR RECOMMENDATION: Governing Board approval is required to enter into contracts and agreements.

REVIEW BY OTHERS: This item was reviewed by Allison K. Burns, Special Counsel as to legal form on or about July 12, 2022.

FINANCIAL DATA: No increase in appropriation is anticipated action will not require any additional appropriation.

PRESENTER: Bret Banks, Executive Director/APCO

**AGREEMENT BETWEEN THE
ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT
AND THE CITY OF LANCASTER**

This agreement (Agreement) is made between the ANTELOPE VALLEY AIR QUALITY MANAGEMENT DISTRICT (AVAQMD) AND THE CITY OF LANCASTER (CITY).

RECITALS

WHEREAS, AVAQMD is the local agency with the Primary responsibility for the control of air pollution from all sources other than vehicular sources within the local jurisdiction (Health & Safety Code §39002, 40000); and

WHEREAS, AVAQMD has a jurisdiction as described in Health & Safety Code §41300(b) and more particularly described in AVAQMD Rule 103; and

WHEREAS, the CITY OF LANCASTER is within the jurisdiction as described in Health & Safety Code §41300(b);

WHEREAS, the AVAQMD agrees to contract from the CITY OF LANCASTER services necessary to provide air pollution control services including human resources, staffing and fiscal administration adequate to meet the regulatory and legislated responsibilities of an air quality management district within the AVAQMD jurisdiction; and

WHEREAS, the CITY agrees to provide such services consistent with all applicable laws and regulations pursuant to the provisions of this Agreement; and

WHEREAS, the AVAQMD and the CITY OF LANCASTER together agree to enter into this Agreement pursuant to the provisions of Title 1, Division 7, Chapter 5, Article 1 of the California Government Code (commencing with §6500).

In consideration of the mutual covenants and conditions the AVAQMD and the CITY OF LANCASTER agree as follows:

TERMS AND CONDITIONS

1. PURPOSE

The purpose of this Agreement is for the AVAQMD to contract from the CITY OF LANCASTER certain administrative and operations services as AVAQMD and the CITY OF LANCASTER have determined are necessary to enable AVAQMD to meet the regulatory and legislated responsibilities of an air quality management district for compensation consistent with all applicable laws and regulations. This Agreement is entered into pursuant to the provisions of Title 1, Division 7, Chapter 5, Article 1 of the California Government Code (commencing with §6500).

2. TERM OF AGREEMENT

The term of this Agreement shall be for a period of five (5) years commencing on October 1, 2022 and ending on June 30, 2027, with an option to continue for two (2) more years under the same terms and conditions, unless earlier terminated, extended, or modified as provided herein. Although this Agreement will become effective as of October 1, 2022, and the parties will commence planning for the 2022/2023 fiscal year, it is intended that the provision of Services pursuant to this Agreement may commence prior to October 1, 2022, in preparation of the Agreement. Certain services that are provided between October 1, 2022 and June 30, 2023 will be subject to the existing Agreement between the MDAQMD and AVAQMD for administrative services specific to certain software licenses.

3. SCOPE OF SERVICES

The CITY OF LANCASTER agrees to provide the human resource, staffing and fiscal administration, as specified in “Scope of Materials and Services” (Exhibit “A”), attached and incorporated by this reference (collectively, the “Services”). The CITY OF LANCASTER and AVAQMD will mutually agree upon an annual budget for the Services based on a best estimate of the costs to provide such Services and historical data, which budget will be adopted by AVAQMD prior to the commencement of each fiscal year (“Annual Budget”). The Annual Budget for the fiscal year inclusive of October 1, 2022, is attached hereto as Exhibit “A”. The Annual Budget will be subject to amendment in accordance with changes in the actual costs of goods and services provided by the CITY OF LANCASTER as described in Section 5(c). Exhibit A may be amended in whole or in part to reflect any changes or adjustments as directed by the actions of the governing bodies of the AVAQMD and/or the CITY OF LANCASTER. For purposes of interpretation of the scope and nature of the Services, the governing order of document precedence shall be first Exhibit 1 and second the current fiscal year budget for the AVAQMD, as amended. For all subsequent fiscal years, the annual budget will be effective July 1-June 30 of each year.

4. COMPENSATION

The CITY OF LANCASTER shall perform its obligations under this Agreement in accordance with the approved Annual Budget, as amended, each fiscal year during the term of this Agreement or until the termination or expiration of this Agreement. Compensation is based on the cost matrix as described below:

- A. The CITY OF LANCASTER may purchase materials and supplies which will be reimbursed by the AVAQMD at the actual cost of the material or supplies;
- B. AVAQMD shall pay the pro rata portion of the base salary and associated employment benefits for all time spent by Program Staff (as defined in Section 11) on AVAQMD matters as described in the Annual Budget.
- C. The CITY OF LANCASTER agrees to provide the following products and services in the scope of this Agreement to the level used by the CITY OF LANCASTER in the scope of its regular business practices: financial and payroll systems as needed to provide human resource, staffing and fiscal support. Where the AVAQMD has purchased and/or owns user licenses or enhancements, or chooses to enhance any of these services beyond the level used by the CITY OF LANCASTER, the AVAQMD agrees to pay the costs for the enhancements and related maintenance.
- D. Except as provided in Paragraph C above, the CITY OF LANCASTER may make available certain services or products for which they are the sole owner, or certain services or purchases from which both the CITY and AVAQMD derive relevant benefits. The CITY OF LANCASTER may access a proportionate share of the purchase cost and/or service costs to the AVAQMD not to exceed a proportionate amount based on the ratio of Full-Time Equivalents or any other relevant use metric between both agencies at the end of current fiscal year or period of software use.
- E. If additional services are required or requested over and above the services described in Exhibit 1 or which exceed the Annual Budget, as amended, then such services and associated costs shall be provided when directed and approved by the AVAQMD Governing Board.
- F. AVAQMD will further pay a charge to cover administrative overhead and compensate the CITY OF LANCASTER for the indirect costs of delivering the services described herein. Said charge will be calculated as 10% of the total billed each month for services and will be added to the invoice.

5. PAYMENT OF COSTS

On a monthly basis or as necessary, the CITY OF LANCASTER shall deliver to the AVAQMD an invoice for materials and services provided. The invoice shall include a description of the materials and services provided.

- A. Payment for the costs of services and materials provided by the CITY OF LANCASTER to the AVAQMD pursuant to this Agreement shall be made at the direction of the AVAQMD Governing Board, according to the regular check approval process.
- B. Professional services of the CITY OF LANCASTER staff will be billed monthly at 1/12 of the contracted amount approved in the annual AVAQMD Budget as set forth in the line item, "Program Staff".
- C. Not less than quarterly, the CITY OF LANCASTER will reconcile the actual costs to deliver the Services against the estimates approved in the Annual Budget. If the actual cost to deliver the Services exceeds the estimate in the Annual Budget, then the CITY OF LANCASTER will be entitled to invoice AVAQMD for such excess cost. If the actual cost to deliver the Services is less than the estimate in the Annual Budget, then the CITY OF LANCASTER will credit AVAQMD for such cost saving. If an increase or decrease in actual cost is expected to continue for the remainder of the fiscal year, then the Annual Budget and the monthly billing will be modified accordingly, provided however, that with respect to increases in the Annual Budget, the CITY OF LANCASTER will cooperate with AVAQMD to find ways to mitigate such increases.
- D. The AVAQMD shall pay the amount indicated on the invoice within forty-five (45) days of the date of the invoice. If the AVAQMD does not pay the amount indicated on the invoice with forty-five (45) days, interest may accrue on the unpaid amount at the legal rate of interest per annum or such rate as allowed by any subsequent amendment to California Law.

In the event the AVAQMD disputes an amount indicated on an invoice, such dispute shall be resolved in accordance with the conflict resolution procedures as set forth in Section 8 below. In the event of such a dispute, interest will accrue on only that part of the disputed amount which is determined to be due and owing to the CITY OF LANCASTER as provided in Section 4 above.

In the event of a breach or termination of this Agreement, the CITY OF LANCASTER is entitled to payment for Services actually performed and materials actually provided as of the date of the breach or termination. In such event the CITY OF LANCASTER shall provide a final invoice as set forth above detailing the materials and services provided and hours expended for the period between the last date indicated on the previous invoice to the date of the breach or termination. The final invoice will include the cost of the CITY OF LANCASTER to transition all Dedicated Staff, as defined in Section 11, and for AVAQMD to assume all Personnel Costs as set forth in Section 11.

6. INDEMNITY AND LIABILITY

AVAQMD and the CITY OF LANCASTER shall, to the extent authorized by law, indemnify and hold harmless each other, their agents and employees against all liabilities arising out of or connected with the performance of this Agreement.

In the event litigation is threatened or commenced by a third party regarding negligent acts or omissions of the AVAQMD, its officers, volunteers and authorized agents while performing services for the AVAQMD to which the CITY OF LANCASTER becomes a party, the AVAQMD shall retain and bear all litigation costs of the AVAQMD and THE CITY OF LANCASTER engendered by such litigation.

In the event litigation is threatened or commenced by a third party regarding negligent acts or omissions of the CITY OF LANCASTER, its officers, employees, volunteers and authorized agents while performing services for the CITY OF LANCASTER to which the AVAQMD becomes a party, the CITY OF LANCASTER shall retain and bear all litigation costs of the AVAQMD and the CITY OF LANCASTER engendered by such litigation.

For the purposes of this section, negligent acts and omissions include, but are not limited to, the failure to lawfully perform the following: the adoption and implementation of rules, regulations, plans and policies; the issuance of permits; the issuance and management of grants and grant programs; the performance of duties under the California Environmental Quality Act Pub. Res. Code 21000 et seq.); and the enforcement of rules, regulations, and orders of either the AVAQMD or the CITY OF LANCASTER. Notwithstanding the foregoing, the CITY OF LANCASTER staff will not be considered to be acting negligently if they properly carry out the rules, regulations, plans and policies adopted by AVAQMD. AVAQMD remains solely responsible for such rules, regulations, permit issuance, grant activities, plans and policies, as well as defending any third-party claim which challenges the enforceability and/or legality of same.

7. INSURANCE

Within thirty (30) days from the execution of this Agreement and for the term of this Agreement: the CITY OF LANCASTER will include the AVAQMD as an additional named insured on the CITY OF LANCASTER policies for workers' compensation insurance, and employment practices insurance.

The AVAQMD shall obtain and maintain general liability insurance, property insurance, vehicle comprehensive and collision insurance, errors and omissions insurance, and other insurance as approved by the AVAQMD Governing Board at the expense of the AVAQMD.

In the event the AVAQMD directly obtains the services of officers and employees outside the scope of this Agreement the AVAQMD shall obtain and maintain workers' compensation and employment practices insurance at the expense of the AVAQMD. Such additional insurance shall be obtained within thirty (30) days from the employment of officers or employees outside the

scope of this Agreement. The AVAQMD will, as necessary, include the CITY OF LANCASTER as an additional named insurance on such policies.

8. CONFLICT RESOLUTION

Conflicts regarding the terms, provisions, nature, scope, delivery, provision of specific services or materials, or arising as a result of the implementation of this Agreement shall be resolved in the following manner:

- A. The chair of the Governing board of the AVAQMD (the “Chair”) or the Mayor of the CITY OF LANCASTER (the “Mayor”) shall contact the other, inform him or her of the nature and scope of the conflict and attempt to resolve the conflict.
- B. If the Chair and Mayor cannot resolve the conflict by discussion, each shall place an item on the agenda of the next regularly scheduled meeting for their respective Governing Board/City Council, respectively, regarding the conflict and appointment of Governing Board/City Council members to a Conflict Resolution Committee.
- C. The AVAQMD Governing Board and the CITY OF LANCASTER City Council shall each appoint two (2) members to the Conflict Resolution Committee.
- D. The Conflict Resolution committee shall schedule a meeting to occur within fifteen (15) days of the later of the AVAQMD or the CITY OF LANCASTER Governing Board/City Council meeting at which members were appointed to the Conflict Resolution Committee. The Conflict Resolution Committee shall have fifteen (15) days from the date of the first meeting of the committee to attempt to resolve the conflict.
- E. If the Conflict Resolution Committee fails to resolve the conflict within the time stated above, the matter shall be submitted to non-binding arbitration by either Party. Each Party agrees to bear one-half (1/2) the cost of obtaining such non-binding arbitration. An impartial arbitrator shall be selected by alternately striking from a list provided by the California State Mediation and Conciliation Service who shall hear the matter and render a decision.
- F. If either of the Governing Board/City Council elects not to accept the decision of the arbitrator at its next regularly scheduled meeting or the arbitrator fails to resolve the matter, either the AVAQMD or the CITY OF LANCASTER may terminate this Agreement in accordance with the terms set forth herein
- G. Each party reserves its rights and remedies to enforce the terms of this Agreement at law or in equity.

9. DUE DILIGENCE

Upon commencement of the term of this Agreement the CITY OF LANCASTER agrees to perform with due diligence the services specified herein.

10. EQUIPMENT

Equipment owned by the AVAQMD at the expiration or termination of this Agreement shall remain the property of the AVAQMD.

Equipment owned by the CITY OF LANCASTER prior to the expiration or termination of this Agreement but used in the performance of services under this Agreement shall remain the property of the CITY OF LANCASTER.

Equipment purchased and billed to the AVAQMD pursuant to the terms of this Agreement shall be the property of the AVAQMD.

The CITY OF LANCASTER agrees that upon expiration or termination of this Agreement, any property of the AVAQMD which is in the possession of the CITY OF LANCASTER shall be returned to the AVAQMD at a location designated by the AVAQMD within fifteen (15) days of the expiration or termination of this Agreement.

11. PROGRAM STAFF

The CITY OF LANCASTER will provide professional officers and employees of the CITY OF LANCASTER to perform the Services for AVAQMD pursuant to the terms of this Agreement. It is intended that the CITY OF LANCASTER will use both (a) existing CITY OF LANCASTER staff; and (b) staff which has been hired by the CITY OF LANCASTER solely to perform the Services (“Dedicated Staff”). All officers and employees of the CITY OF LANCASTER, including the Dedicated Staff, shall remain the officers and employees of the CITY OF LANCASTER. Notwithstanding the provisions of paragraph 4 above, the CITY OF LANCASTER shall remain solely responsible for the payment of all salaries and benefits, including but not limited to salary, health and dental benefits, employment related taxes and pension contributions (collectively, “Personnel Costs”), for its officers and employees when such officers and employees are performing the Services.

The duties which the officers and employees of the CITY OF LANCASTER may be required to perform for the AVAQMD pursuant to this Agreement shall conform to the job descriptions of such officers and employees in their duties with the CITY OF LANCASTER. For the purposes of this Agreement “job description” shall be the current and most recent job descriptions or as subsequently amended by the CITY OF LANCASTER for the CITY OF LANCASTER’s officers and employees.

Upon expiration or termination of this Agreement with the CITY OF LANCASTER, it is

intended that the Dedicated Staff and its office location will be transitioned to AVAQMD. In the event the AVAQMD offers employment to such Dedicated Staff in the same or a similar capacity and subject to the personnel policies and procedures of the AVAQMD and other requirements as determined by the AVAQMD Governing Board, if any, AVAQMD will assume all Personnel Costs of the Dedicated Staff transferred to the AVAQMD employment on the transition date. The CITY OF LANCASTER and AVAQMD will cooperate to transition any existing pension benefits to the extent permitted by applicable law. Following the expiration or termination, if services will be performed by a third-party contractor, then AVAQMD may request 1) that the third-party contractor offer position(s) to the Dedicated Employees; and 2) that the third-party contractor give priority offers of employment of same or similar positions to the Dedicated Employees. Notwithstanding the use of a third-party contractor, AVAQMD will remain financially responsible for the assumption of all Personnel Costs for transferred staff as of the transition date.

In the event that AVAQMD or any third-party contractor employed by AVAQMD fails to transition the Dedicated Staff, then the CITY OF LANCASTER will continue to treat the Dedicated Staff in accordance with the CITY OF LANCASTER's normal existing policies and procedures and Dedicated Staff will have the same rights and seniority in the same manner and to the same extent as the CITY OF LANCASTER staff who have not been dedicated to provide services to AVAQMD. Notwithstanding the foregoing, the CITY OF LANCASTER reserves the right to terminate Dedicated Staff if no position(s) are available and AVAQMD will be responsible for all reasonable costs and expenses incurred by the CITY OF LANCASTER in connection with such termination.

12. LEGISLATED POSITIONS

The Governing Board of the AVAQMD shall appoint an Air Pollution Control Officer (APCO) pursuant to H&S §41350(b); and legal counsel pursuant to H&S §41357.

13. OPERATIONAL OVERSIGHT

The CITY OF LANCASTER will provide the services of a Senior Manager to act in the capacity of the Executive Director of AVAQMD. It is acknowledged and understood that the position of Executive Director is unique and that the person serving in this position must have the full confidence of the Governing Board of the AVAQMD. Accordingly, the Governing Board of the AVAQMD, with a 75% majority, will have the right, at any time, to request the removal of or replacement of the position of Executive Director. The replacement for the position of Executive Director will be subject to the review and approval of the Governing Board of AVAQMD and AVAQMD will be responsible for all costs incurred by the CITY OF LANCASTER to locate and hire any replacement. The initial Executive Director of AVAQMD will be Bret Banks. Any removal of Bret Banks from this position will result in his removal from employment with the CITY OF LANCASTER.

The Governing Board of the AVAQMD reserves the right to contract separately for operation oversight of the AVAQMD office. The CITY OF LANCASTER will provide reasonable access to its records and personnel for such oversight. Such third party hired for oversight may direct day to day operations under this Agreement as well as oversee actions of staff to provide services under this Agreement as well as oversee actions of staff to provide services under this Agreement, however such third party shall not have the right to change the scope or nature of Services under this Agreement nor exercise any personnel related authority under the CITY OF LANCASTER's policies and procedures including, but not limited to, performance reviews and discipline of CITY OF LANCASTER personnel. Nothing in this provision shall prevent either the AVAQMD Governing Board or any person contracted to provide operation oversight from providing input, advice and consultation regarding AVAQMD issues.

14. FEES, FINES, SUBVENTIONS, GRANTS AND OTHER REVENUE

All fees, fines, subventions, grants and other revenue owed to the AVAQMD pursuant to Federal, State or AVAQMD law, rule, regulation, permit or order of a State or Federal Court of competent jurisdiction shall be received by the AVAQMD. In the event that any such fee, fine, subventions, grants and other revenue owed to the AVAQMD is received by the CITY OF LANCASTER, it shall be transferred to the AVAQMD immediately upon receipt and shall not affect payments made under this Agreement.

15. CONTRACT PERFORMANCE

The CITY OF LANCASTER agrees to make and maintain all records that are required by Federal or State law or AVAQMD rule, regulation, permit or order or by an order of a State or Federal Court of competent jurisdiction and to transfer such records to the AVAQMD upon expiration or termination of this Agreement.

A Governing Board member of the respective Governing Boards of the AVAQMD and the CITY OF LANCASTER may attend any open session of Governing Board meetings of the other agency and any public meetings of the other agency which directly relate to the materials and services provided pursuant to this Agreement.

16. COPYRIGHT MATERIALS

The AVAQMD reserves the right to any copyrightable materials the AVAQMD shall have the right, title and interest including trade secret and copy right interest in the copyrightable materials. During the term of this Agreement, the CITY OF LANCASTER shall have a non-exclusive right to use, copy and otherwise benefit from such materials.

17. FISCAL AUDIT

The AVAQMD shall designate an auditor and a fiscal audit shall be conducted annually by a qualified accountancy firm. The results of the audit shall be presented to the Governing Board on completion.

In the event this agreement expires or terminates, an audit shall be provided to the Governing Board of the AVAQMD within ninety (90) days of the expiration or termination of this Agreement.

The CITY OF LANCASTER agrees that the AVAQMD or its duly authorized representative shall have access and the right to examine, audit, excerpt, transcribe and copy the CITY OF LANCASTER's financial records, documents, papers and records which are related or pertinent to this Agreement. Such materials shall be retained for a period of at least two (2) years or such other longer period as required by State or Federal law, rule or regulation or by the CITY OF LANCASTER's policies or procedures.

The AVAQMD agrees that the CITY OF LANCASTER or its duly authorized representative shall have access and the right to examine, audit, excerpt, transcribe and copy the AVAQMD's financial records, documents, papers and records which are related or pertinent to this Agreement. Such materials shall be retained for a period of at least two (2) years or such other longer period as required by State or Federal law, rule or regulation or by AVAQMD's policies or procedures.

18. PRIVILEGES AND IMMUNITIES

Pursuant to the provisions of Government Code 6513 and any other applicable law, all of the privileges and immunities from liability, exceptions from laws, ordinances and rules, all pension, relief, disability, workers' compensation and other benefits which apply to the activity of officers, agents or employees of the CITY OF LANCASTER shall apply to the same degree and extent while such officers, agents or employees of the CITY OF LANCASTER are engaged in the performance of any of their functions and duties within the jurisdiction of the AVAQMD or the CITY OF LANCASTER.

19. SUCCESSORS

Neither party will assign or transfer any rights or obligations under this Agreement without the written consent of the other.

Each party and their successors, legal representatives and to the extent permitted herein, their assigns, are hereby bound to the other party and to the successors, legal representatives and the assigns of the other party in respect to all covenants, agreements and obligations of this Agreement.

20. AMENDMENT

This Agreement and its Exhibits, as amended from time to time in accordance with the terms of this Agreement, constitute the entire agreement between the Parties and will supersede all prior written or oral understandings. This Agreement and its Exhibits, as amended, may only be amended, supplemented and modified by an executed written instrument as approved the Governing Boards of the AVAQMD and the CITY OF LANCASTER. Notwithstanding the foregoing, the Governing Boards may specify a threshold for modifications to the Services and the Annual budget which are within the discretion of the General Managers of each entity.

For purposes of this Agreement, the annual adoption of the Annual Budget for each successive fiscal year until the expiration or termination of this Agreement as provided for in Paragraph 3 shall be deemed an amendment to Exhibit B of this Agreement upon mutual approval of the Annual Budget and its adoption by the Governing Board of the AVAQMD.

21. TERMINATION

The Governing Boards of the AVAQMD or the CITY OF LANCASTER may terminate this Agreement at any time by giving written notice to the other party 180 days in advance of the proposed termination, but not less than ninety (90) days before the effective date of the proposed termination.

In the event this Agreement is terminated, all finished and unfinished documents and other materials produced by the CITY OF LANCASTER pursuant to the terms of this Agreement shall be provided to the AVAQMD. If the Agreement is terminated by either party, the CITY OF LANCASTER shall be paid all amounts due and unpaid, whether or not such amounts had been billed to the AVAQMD, as of the date of the termination subject to the resolution of any disputed amounts pursuant to the conflict resolution procedure set forth in Section 8 above.

In the event this Agreement is terminated, AVAQMD Dedicated Staff will be transitioned in accordance with the terms of Section 11.

22. EFFECTIVE DATE

This Agreement shall be effective October 1, 2022 for the term specified in Section 2 above.

23. VENUE

The venue for any claims or actions brought related to or regarding this Agreement shall lie in the County of Los Angeles, California.

This Agreement is executed in the city of Lancaster, County of Los Angeles.

ANTELOPE VALLEY AIR QUALITY
MANAGEMENT DISTRICT

CITY OF LANCASTER

BY: _____
Bret Banks, APCO

BY: _____
Jason Caudle, City Manager

DATED: _____

DATED: _____

Approved as to Legal Form

END OF CONTRACT

FISCAL YEAR
2022-23



ADOPTED
BUDGET

City of
LANCASTER

City of
PALMDALE

**HIGH
DESERT**
*of Los
Angeles
County*

Pictured: Apollo Community Regional Park, Lancaster, Calif.

661.723.8070

 avaqmd.ca.gov

 [.com/avaqmd](https://www.facebook.com/avaqmd)

 [@avaqmd](https://twitter.com/avaqmd)

July 1, 2022

Antelope Valley Air Quality Management District
43301 Division St., Suite 206
Lancaster, CA 93535-4649

Bret Banks, Executive Director

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Antelope Valley Air Quality Management District

Bret Banks, *Executive Director*

43301 Division St., Antelope Valley, CA 93535-4649

661.723.8070 • www.AVAQMD.ca.gov



April 14, 2022

It is my pleasure to present for your consideration, the Antelope Valley Air Quality Management District's adopted Fiscal Year (FY) 2022-2023 General Fund Budget and Grant Programs. This budget is designed to serve as the financial plan for the District's programs, projects, and policies. It reflects the District's commitment to long-term financial planning, cost-effective services, and fiscal policies that recognize the need to fund future obligations.

The adopted budget for FY23 is optimistic. The COVID-19 pandemic took a significant toll on our local economy and changed how we financially prepare for the future. However, our conservative financial strategy assured the District's success through this tumultuous economic period which includes an unprecedented inflation of 8.1%. The FY23 consolidated budget is \$6.55 million with a General Fund budget of \$3.69 million (up from FY22) by \$.77 million dollars from funded programs. Recommendations include an increase to Regulation III, Fees, by proposing a 10.0% fee increase effective January 1, 2023.

The Antelope Valley AQMD is serviced based with 7 full time equivalents including one vacant FTE. Additional administrative and technical services are provided by 2.5 FTEs through our contract for services with the Mojave Desert AQMD. As such, the General Budget is composed of Personnel expenses of 55%, Program expenses of 34%, Capital Expenses of 1%, and Operating Expenses of 10%.

A Public Hearing will be held May 17, 2022 to receive public comments concerning this adopted budget and will be continued to June 21, 2022 for adoption on July 1, 2022. The FY23 Budget represents a financial strategy designed to meet this year's obligations and challenges, efficiently and transparently, while maintaining sensitivity towards industry and the general public.

Bret Banks
Air Pollution Control Officer

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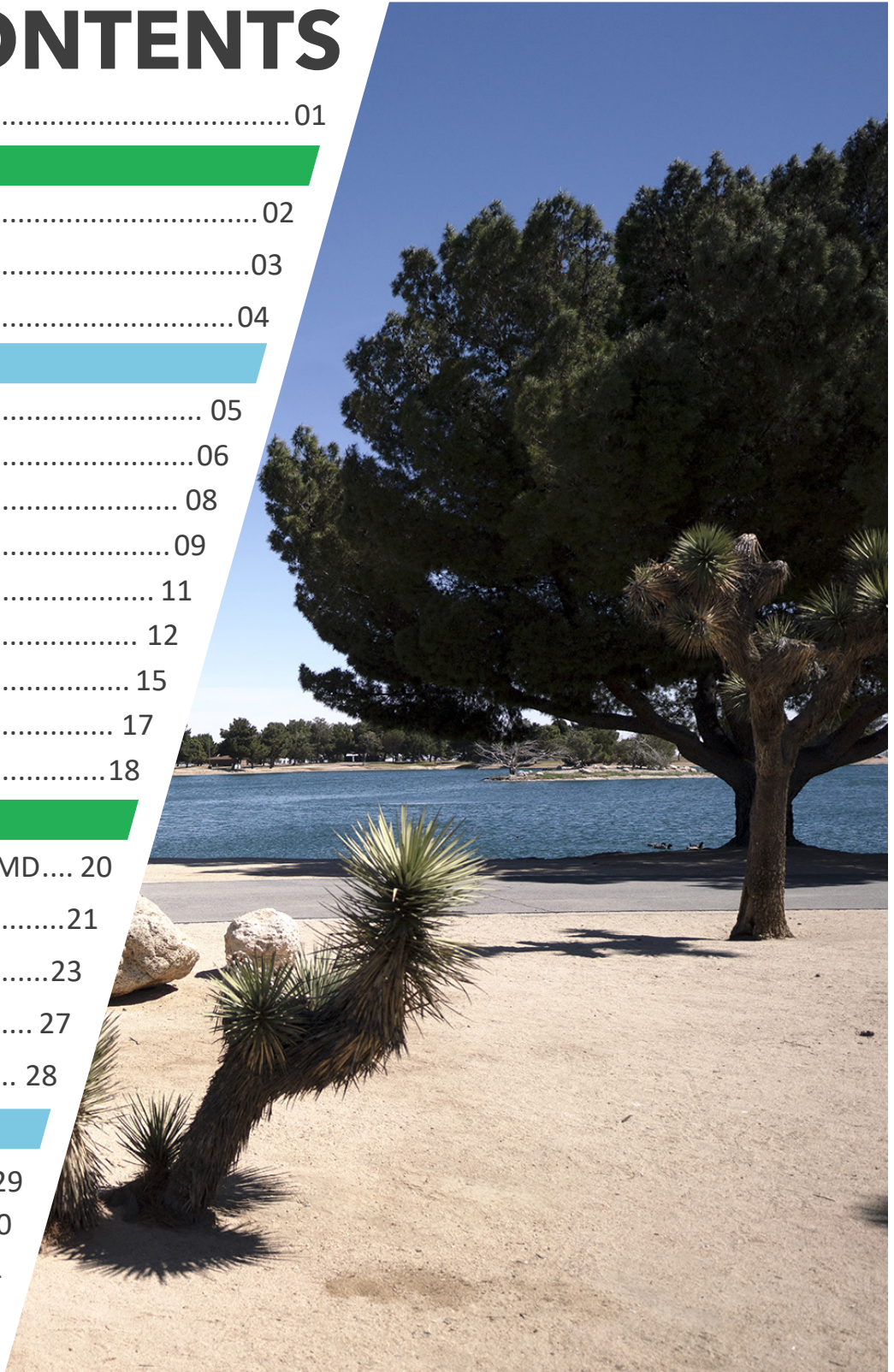
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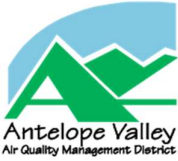
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ABOUT THE AVAQMD

INTRODUCTION

The Antelope Valley Air Quality Management District (AVAQMD) relies on transparency and community involvement to educate industries, businesses and individuals about current air quality regulations and ensure compliance with local, state and federal regulations through annual inspections. 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.

AVAQMD WEBSITE

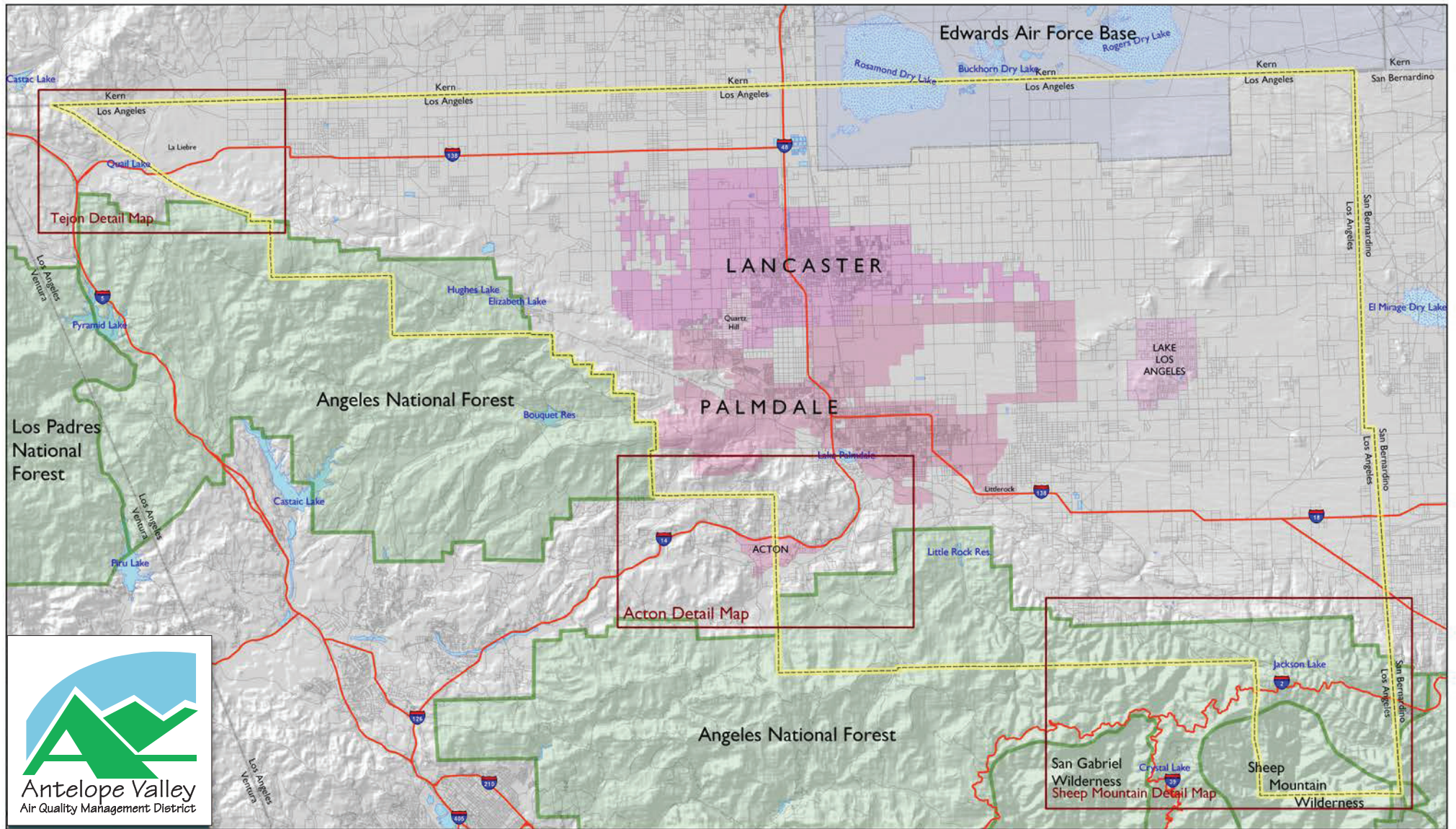
Educating the community is the most important investment the District can make to impact the future of air quality in the region. Using technology and social media the District is able to reach the public with the latest version of the District rulebook, application for permits, various forms, and air quality information – such as forecasts, ozone maps and real time air quality data provided through Purple Air monitoring stations throughout the community

COMMUNITY OUTREACH

The District strives to be known as a partner in the development of a sustainable local economy that values health and environmental conservation. This is achieved by providing information through involvement in community events such as the Antelope Valley Economic Development and Growth Enterprise's Business Outlook Conference, school education programs, attendance at regular meetings held by City Councils, local business and organizations.

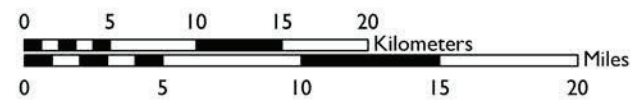


The District lies within the northern part of Los Angeles County. The District boundaries start on the south just outside of Acton, north to the Kern County line, east to the San Bernardino County line, and west to the Quail Lake area. The AVAQMD is located within the Mojave Desert air basin. An air basin is a geographical region to describe an area with a commonly shared air mass, since air pollution does not follow county, city, or political boundaries.



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

Antelope Valley Air Quality Management District Boundary



GOVERNING Board

CHAIR



Marvin Crist
City of Lancaster

VICE CHAIR



Austin Bishop
City of Palmdale



Newton Chelette
Public Member



Howard Harris
*Los Angeles County,
Fifth District*



Ron Hawkins
*Los Angeles County,
Fifth District*



Steven Hofbauer
City of Palmdale



Ken Mann
City of Lancaster



WHAT WE DO

- Adopt rules that limit pollution, issue permits to ensure compliance, and inspect pollution sources.
- Administer agricultural burning and dust plans to preserve the air quality in Antelope Valley, protect public health and safety, and to ensure agricultural activity continues in a safe regulated fashion.
- Inventory and assess the health risks of toxic air emissions.
- Monitor the county's air quality through the use of an air quality monitoring station.
- Administer the Motor Vehicle Emission Reduction Program funding projects which reduce air pollution from motor vehicles, and for related planning, monitoring, and enforcement activities.
- Prepare Clean Air Plans to identify how much pollution is in our air, where it comes from, and how to control it most effectively.
- Analyze the air quality impact of new businesses and land development projects. Respond to public complaints and inquiries.
- Work with other government agencies to ensure their decisions & coordinate with good air quality programs.
- Help individuals and businesses understand and comply with federal, state, and local air pollution control laws.
- Inform the public about air quality conditions and health implications.
- Issue permits to build, alter, and operate equipment to companies under our jurisdiction that either cause, contribute to, or control air pollution

Antelope Valley AQMD
ALL FUNDS, Consolidated

	Budget FY 2022	EOY Estimate FY 2022	Budget FY 2023
Revenues			
Permit Fees	1,047,500	1,124,947	1,199,200
Application Fees	30,500	31,176	32,500
Federal Revenue	0	0	63,982
Fines & Penalties	10,000	14,250	10,000
Interest Income	17,500	19,909	44,602
Revenue from Programs	2,833,400	2,510,794	3,755,106
State Revenue	1,096,000	1,179,925	1,446,315
Total Revenues	5,034,900	4,881,001	6,551,705
Expenses			
Personnel Expenses			
Program Staff	1,389,000	1,532,974	1,800,000
Total Personnel Expenses	1,389,000	1,532,974	1,800,000
Operating Expenses			
Communications	21,050	26,405	35,870
Dues & Subscriptions	46,650	19,050	21,100
Non-Depreciable Inventory	2,300	5,395	10,500
Legal	44,000	16,700	79,000
Professional Services	230,150	269,930	305,150
Maintenance & Repairs	6,500	4,700	7,000
Training & Travel	15,150	14,075	16,650
Vehicles	7,900	15,005	15,930
Office Expenses	110,125	109,701	132,761
Program Expenses	3,104,500	2,887,118	4,119,978
Miscellaneous Expenses	2,900	550	2,900
Total Operating Expenses	3,591,225	3,368,629	4,746,839
Capital Expenses			
Equipment	25,000	15,120	25,000
Software	25,000	0	25,000
Total Capital Expenses	50,000	15,120	50,000
Total Expenses	5,030,225	4,916,723	6,596,839
Cash To (From) Reserves	4,675	(35,722)	(45,134)



COST RECOVERY FISCAL YEAR 2022-2023

BACKGROUND

The District is responsible for protecting public health and the environment by achieving and maintaining health-based national and state ambient air quality standards which help with reducing public exposure to toxic air contaminants within our jurisdiction. Fulfilling this task involves reducing air pollutant emissions from sources of regulated air pollutants, and maintaining these emission reductions over time.

The District regulates and inventories criteria and toxic emissions and conducts regional scale air quality monitoring within our jurisdictional boundaries. The District's air quality programs are primarily funded by revenue from regulatory fees, government grants and subventions.

OBJECTIVES

The cost of programs to address air pollution should be borne by the individuals and businesses that cause air pollution through regulatory and service fees. The primary authority for recovering the cost of District programs and activities related to stationary sources is given in Section 41240 of the Health and Safety Code(HSC). Using this guideline, the District must

- Recover the costs of programs related to permitted stationary sources
- Recover the costs of programs related to area-wide and indirect sources of emissions which are regulated, but for which permits are not issued
- Recover the costs of certain Hearing Board proceedings
- Recover the costs related to programs that regulate toxic air contaminants

STUDY METHODOLOGY

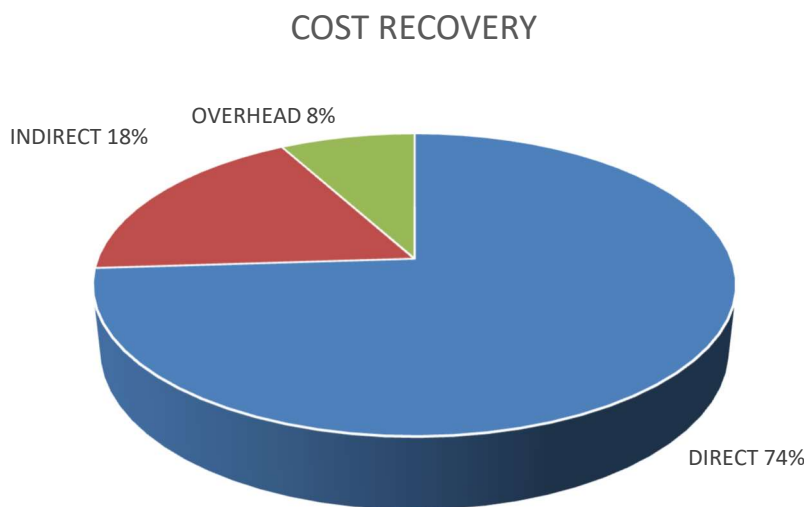
The measure of the revenue that may be recovered through source fees is the full cost of all programs related to these sources, including all direct program costs, a commensurate share of indirect program costs, and overhead unless otherwise funded. It is the District's practice that such fees are valid so long as they do not exceed the reasonable cost of the service or regulatory program for which the fee is charged, and are apportioned such that the costs allocated to each source bears a fair or reasonable relationship to its burden on, and benefits from, the regulatory system.

Cost accounting is the process of ascertaining, accumulating, and assigning the costs of District programs. It begins with a system of accounting that assigns costs directly to their cost centers. By classifying each cost to its center, we are able to calculate whether program revenues are covering their associated costs.

Costs are classified as direct, indirect or overhead.

Direct costs can be associated directly with a particular program or activity such as permitting activities. Indirect costs are associated indirectly with a particular program or activity such as administrative activities or professional services. Overhead costs are those necessary for the

general operation of the District as a whole and are not directly associated with a particular program or activity such as operating expenses.



Annually, the District's direct, indirect, and overhead rate are established based on the prior fiscal years audited financial information. These rates are used in determining fairly and conveniently within the boundaries of generally accepted accounting principles, what proportion of costs each program

should bear. For the FY23 budget, the direct rate is 74%, the indirect rate is 18% and overhead is 8%.

The cost recovery process is designed so that individual program revenue adequately addresses expenses. Through the use of cost accounting, we analyze Permit Revenue and other programs for accuracy, appropriateness, and controls. Further, we evaluate the need for, and calculate the rate for fee increases to our Permitting Program based on 100% cost recovery. Permit Revenue for FY23 is \$1.24M and covers 75% of the cost of permitting.

Antelope Valley AQMD
GENERAL FUND, Consolidated

	Budget FY 2022	EOY Estimates FY 2022	Budget FY 2023
Revenues			
Permit Fees	1,047,500	1,124,947	1,199,200
Application Fees	30,500	31,176	32,500
Federal Revenue	0	0	63,982
Fines & Penalties	10,000	14,250	10,000
Interest Income	15,000	9,922	10,000
Revenue from Programs	731,400	678,199	934,045
State Revenue	1,096,000	1,179,925	1,446,315
Total Revenues	2,930,400	3,038,419	3,696,042
Expenses			
Personnel Expenses			
Program Staff	1,389,000	1,532,974	1,800,000
Total Personnel Expenses	1,389,000	1,532,974	1,800,000
Operating Expenses			
Communications	21,050	26,405	35,870
Dues & Subscriptions	46,650	19,050	21,100
Non-Depreciable Inventory	2,300	5,395	10,500
Legal	44,000	16,700	79,000
Professional Services	230,150	269,930	305,150
Maintenance & Repairs	6,500	4,700	7,000
Training & Travel	15,150	14,075	16,650
Vehicles	7,900	15,005	15,930
Office Expenses	110,125	109,700	132,761
Program Expenses	1,000,000	1,044,536	1,264,315
Miscellaneous Expenses	2,900	550	2,900
Total Operating Expenses	1,486,725	1,526,046	1,891,176
Capital Expenses			
Equipment	25,000	15,120	25,000
Software	25,000	0	25,000
Total Capital Expenses	50,000	15,120	50,000
Total Expenses	2,925,725	3,074,140	3,741,176
Cash To (From) Reserves	4,675	(35,721)	(45,134)

GENERAL FUND



REVENUE

The greatest uncertainties facing Antelope Valley's AQMD's budgetary outlook stem from the potential for major economic disruption due to the COVID-19 global pandemic. We recognize the hardships that many are experiencing. We are making accommodations in many program areas and remain committed to protecting public health and helping business. The Antelope Valley AQMD staff will monitor the financial impacts and in the event that there are major changes in the economic landscape, we would make adjustments to the FY23 Budget being proposed.

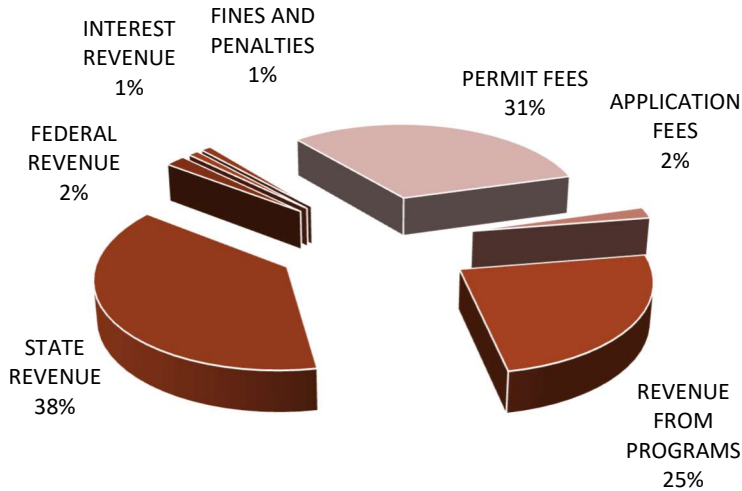


This budget includes a financial summary of all revenues, expenditures and staffing used by each of Antelope Valley AQMD's programs in the delivery of essential services to clean the air and to protect the health of all residents in the Antelope Valley AQMD through practical and innovative strategies.

The proposed General Fund budget for FY23 is not balanced budget with expenditures and revenues of \$3.7M million and 9.5 full time equivalents (FTE) including one vacant FTE. The FY23 proposed budget is 22% percent more than the FY22 adopted budget of \$2.9M. This is due in part to a 10% increase in fees effective January 1, 2023. Additionally, state and federally funded programs within the general fund are responsible for an additional \$.6M in FY23.

Staff is proposing a budget for FY23 that allows the Antelope Valley AQMD programs to operate efficiently, transparently, and in a manner sensitive to public agencies, businesses and the public, while providing continued emission reductions and health benefit improvements.

GENERAL FUND REVENUE



Recommendations include an increase to Regulation III, Fees, by proposing a 10.0% fee increase effective January 1, 2023. Interest projections are a conservative 1% due to current market performance. Permit revenue is 34% of general fund revenue. Revenue from programs is 25% while state and federal revenue is 41% of general fund revenue.

EXPENSES

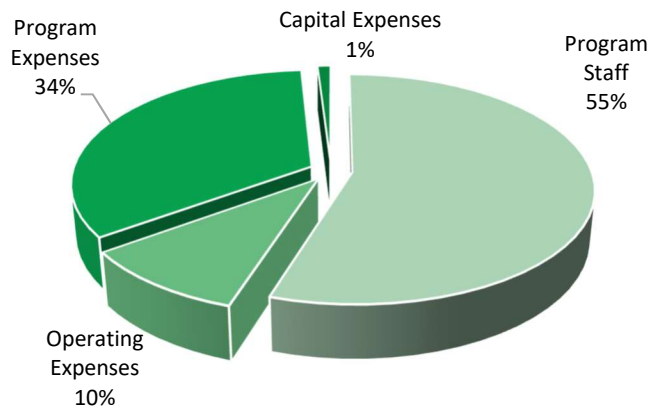
The Antelope Valley Air Quality Management District is in a five year contract for services with the Mojave Desert Air Quality Management District. Administrative and operational services were contracted

in order to meet the regulatory responsibilities of an air quality management district for compensation consistent with all applicable laws and regulations.

The FY23 General Fund expenses are \$3.7M including a Program staff budget of \$1.8M. Operating Expenses are \$627k, Capital Expenses are \$50k, and Program Expenses are \$1.26M. This is a 26% increase from the FY22 budget of \$1M. The additional revenue is from the AB134 Community Air Protection Grant Program revenue and is received from the California Air Resources Board (CARB).

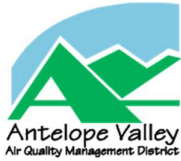
Program staff is 30% more than FY22. This is due to an increase of 2 FTEs, a COLA of 5%, and other miscellaneous benefit increases. Staffing costs account for 55% of the General Fund Budget.

GENERAL FUND EXPENSES



Antelope Valley AQMD
GENERAL FUND, Revenue Detail

	<u>Budget FY 2022</u>	<u>EOY Estimate FY 2022</u>	<u>Budget FY 2023</u>
Revenues			
Permit Fees			
Permit Fees Rev	953,000	1,053,818	1,105,000
Asbestos Demo/Reno Rev	90,000	85,319	90,000
Title V Rev	4,500	4,000	4,200
Permit Fee Adjustments	0	(18,190)	0
	<u>1,047,500</u>	<u>1,124,947</u>	<u>1,199,200</u>
Application Fees			
Permit Application Fees	30,000	29,226	32,000
AG Application Fees	500	1,950	500
	<u>30,500</u>	<u>31,176</u>	<u>32,500</u>
Fines & Penalties			
Notice of Violations Fee	10,000	14,250	10,000
	<u>10,000</u>	<u>14,250</u>	<u>10,000</u>
Interest Income			
Interest Revenue	15,000	9,922	10,000
	<u>15,000</u>	<u>9,922</u>	<u>10,000</u>
Other Revenue			
Revenue from Programs			
Administrative Funding	100,000	25,000	247,045
AB2766 Program	630,000	651,729	650,000
AB923 Program	0	0	36,000
Hot Spots	1,400	1,470	1,000
	<u>731,400</u>	<u>678,199</u>	<u>934,045</u>
State and Federal Revenue			
PERP Regulation	40,000	33,057	35,000
State Contracts	959,000	1,049,868	1,314,315
State Subvention	97,000	97,000	97,000
ARB PM 2.5 Section 103	0	0	63,982
	<u>1,096,000</u>	<u>1,179,925</u>	<u>1,510,297</u>
Total General Fund Revenues	<u>2,930,400</u>	<u>3,038,419</u>	<u>3,696,042</u>



AVAQMD PROGRAMS

PROGRAM DESCRIPTIONS

U.S. Environmental Protection Agency

The sets nationwide air quality and emissions standards and oversees state efforts and enforcement.

California Air Resources Board

Focuses on unique air quality challenges by setting the state's emissions standards for a range of pollution sources including vehicles, fuels and consumer products.

COMUNICATIONS

The Antelope Valley Air Quality Management District conducts public information and education programs in order to educate businesses and residents in the Antelope Valley region about air pollution, its sources, health effects on humans, damage to the environment and the various programs offered by the Districts to reduce air emissions. 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 public workshops, conferences, presentations, social media 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

The District operates an ambient air monitoring and meteorological network that tracks air quality trends within the Antelope Valley region. The station is an active 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. This data is 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.



STATIONARY SOURCES

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 the potential to emit specific air contaminants. The wide range of requirements applied depends on the type and size of the proposed project.

District staff provides technical reviews of various documents, such as permit applications, manufacturer's data, test reports, risk assessments, and emission inventory. 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 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.

COMPLIANCE

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 inspections performed to verify compliance to air quality regulations and permit requirements.
- 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.

PLANNING & RULEMAKING

The District promulgates rules and plans in accordance with State and Federal planning requirements in order to achieve and maintain regional compliance with the ambient air quality standards. Planning staff serve as the District liaison with regional, State and Federal governments, ensuring District compliance with applicable requirements. Planning staff also performs California Environmental Quality Act (CEQA) review 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, 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) in the Federal Clean Air Act, the Clean Air Act Amendments and subsequent Federal legislation. This program currently focuses on the National eight-hour ozone standard and the National 24-hour annual PM10 and PM 2.5 standards.
- Federal General and Transportation Conformity, entailing regional project review and comment.
- California Environmental Quality Act (CEQA), requiring local and regional project review.

Antelope Valley AQMD
DISTRICT WIDE, Expense Detail

	<u>Budget FY 2022</u>	<u>EOY Estimate FY 2022</u>	<u>Budget FY 2023</u>
Expenses			
Personnel Expenses			
Operating Expenses			
Communications			
Telephones	6,000	5,140	6,000
Long Distance Charges	500	320	500
Video/Teleconference	150	150	150
Internet	10,000	10,395	11,820
Web Hosting	2,400	2,400	2,400
Tech Support	2,000	2,000	10,000
Computers	0	6,000	5,000
	<u>21,050</u>	<u>26,405</u>	<u>35,870</u>
Dues & Subscriptions			
Memberships & Sponsorships	45,000	18,750	20,000
Publications & Subscriptions	800	300	500
Professional Dues	600	0	600
	<u>46,400</u>	<u>19,050</u>	<u>21,100</u>
Non-Depreciable Inventory			
Furniture & Fixtures Exp	100	220	2,500
Machinery & Equipment Exp	1,200	5,000	7,000
Safety Equipment Exp	1,000	170	1,000
	<u>2,300</u>	<u>5,390</u>	<u>10,500</u>
Legal			
Legal Notices	4,000	615	4,000
Legal Services	40,000	16,085	75,000
	<u>44,000</u>	<u>16,700</u>	<u>79,000</u>
Professional Services			
Payroll Contract	0	1,215	1,000
Research Studies	6,000	6,000	6,000
Consulting Fees	3,000	8,220	25,000
Stipends	8,400	8,400	8,400
	<u>17,400</u>	<u>23,835</u>	<u>40,400</u>
Maintenance & Repairs			
General Bldg. Maintenance	2,000	0	2,000
Custodial Services	3,000	2,700	3,000
Equipment Repair	1,500	2,000	2,000
	<u>6,500</u>	<u>4,700</u>	<u>7,000</u>
Training & Travel			
Training	4,500	5,000	4,500
Travel	8,000	9,000	12,000
Mileage	150	75	150
	<u>12,650</u>	<u>14,075</u>	<u>16,650</u>

Antelope Valley AQMD
DISTRICT WIDE, Expense Detail

	<u>Budget FY 2022</u>	<u>EOY Estimate FY 2022</u>	<u>Budget FY 2023</u>
Vehicles			
Vehicle Gas & Oil	1,500	3,775	4,000
Vehicle Maintenance	2,000	2,000	2,000
Vehicle Repairs	3,000	3,000	3,000
Vehicle Insurance	1,400	5,680	6,930
	<u>7,900</u>	<u>14,455</u>	<u>15,930</u>
Office Expenses			
Software	1,300	2,000	25,000
Utilities	8,600	8,600	8,860
Supplies	3,000	3,000	3,000
Facility Leases	60,100	60,100	60,000
Equipment Lease	5,000	5,000	5,000
Postage	0	300	2,000
Courier	175	175	300
Printing/Shredding Services	1,350	1,350	1,350
Security	500	675	600
Liability Insurance	18,100	12,436	14,726
Meeting Expenses	1,000	1,225	1,225
Community Relations	9,500	9,500	9,500
	<u>108,625</u>	<u>104,361</u>	<u>131,561</u>
Program Expenses			
Program Expenditures	900,000	1,041,286	1,264,315
Program Expenditures Administrative	100,000	3,250	0
	<u>1,000,000</u>	<u>1,044,536</u>	<u>1,264,315</u>
Miscellaneous Expenses			
Bank Fees	2,900	550	2,900
	<u>2,900</u>	<u>550</u>	<u>2,900</u>
Total Operating Expenses	<u>1,269,725</u>	<u>1,274,057</u>	<u>1,625,226</u>
Capital Expenses			
Equipment	25,000	15,120	25,000
Software	25,000	0	25,000
Total Capital Expenses	<u>50,000</u>	<u>15,120</u>	<u>50,000</u>
Total Expenses	<u>1,319,725</u>	<u>1,289,177</u>	<u>1,675,226</u>



SUPPORT STAFF

EXECUTIVE SERVICES

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 six members, meets as needed and members may receive \$100.00 stipend per meeting plus travel expenses.

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 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.

ADMINISTRATIVE SERVICES

The Administrative Services office provides financial, administrative and personnel management services to the operating divisions of the District. Finance staff prepares the annual budget and controls expenditures by providing information regarding expenditures and the availability of budgeted funds. Finance 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 risk management, fleet and facility management, and fixed assets.

**Antelope Valley AQMD
CONTRACT, Expense Detail**

	<u>Budget FY 2022</u>	<u>EOY Estimate FY 2022</u>	<u>Budget FY 2023</u>
Expenses			
Personnel Expenses			
Program Staff	1,389,000	1,532,974	1,800,000
Total Personnel Expenses	1,389,000	1,532,974	1,800,000
Operating Expenses			
Communications			
Dues & Subscriptions			
Publications & Subscriptions	250	0	0
	250	0	0
Non-Depreciable Inventory			
Safety Equipment Exp	0	5	0
	0	5	0
Legal			
Professional Services			
Payroll Contract	125	200	250
Financial Services	212,625	245,895	264,500
	212,750	246,095	264,750
Maintenance & Repairs			
Training & Travel			
Training	500	0	0
Travel	2,000	0	0
	2,500	0	0

**Antelope Valley AQMD
CONTRACT, Expense Detail**

	<u>Budget FY 2022</u>	<u>EOY Estimate FY 2022</u>	<u>Budget FY 2023</u>
Vehicles			
Vehicle Gas & Oil	0	550	0
	<u>0</u>	<u>550</u>	<u>0</u>
Office Expenses			
Software	0	3,750	0
Supplies	500	450	0
Postage	1,000	1,000	1,000
Courier	0	140	200
	<u>1,500</u>	<u>5,340</u>	<u>1,200</u>
Program Expenses			
Miscellaneous Expenses			
Total Operating Expenses	<u>217,000</u>	<u>251,990</u>	<u>265,950</u>
Capital Expenses			
Total Expenses	<u>1,606,000</u>	<u>1,784,964</u>	<u>2,065,950</u>



THE CONTRACT - MDAQMD

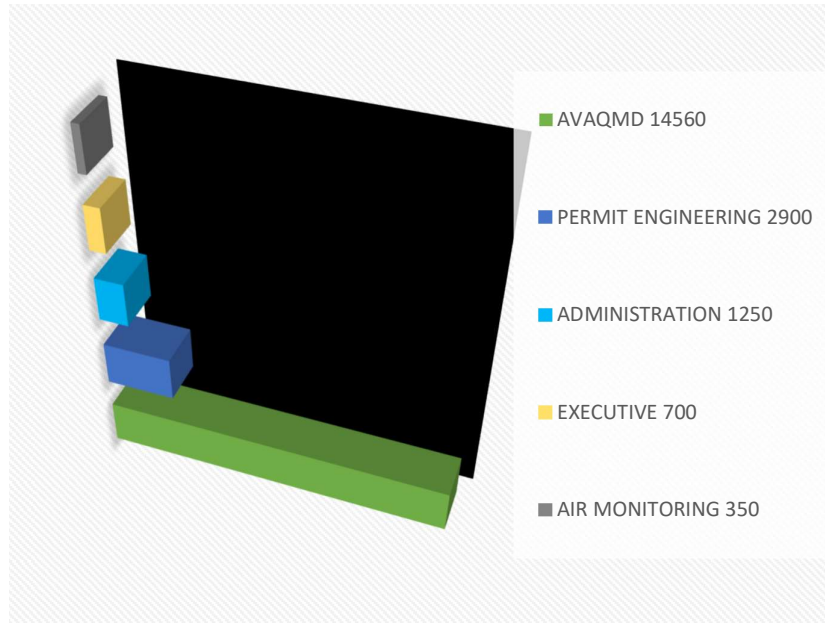
PROGRAM STAFF: 19,760 HOURS • 9.5 FTE • 1.80M

PERIOD JULY 1, 2022 – JUNE 30, 2023

TERMS AND CONDITIONS

The Antelope Valley Air Quality Management District contracts with the Mojave Desert Air Quality Management District for administrative and operations services as necessary to enable AVAQMD to meet the regulatory and legislated responsibilities of an air quality management district for compensation consistent with all applicable laws and regulations. On March 15, 2022, the AVAQMD initiated the process of ending the 25 year contract for services with the MDAQMD with an effective date of September 30, 2022. After September 30, 2022, any services contracted by the AVAQMD, through the MDAQMD, could be considered on a temporary as needed basis.

This agreement is pursuant to the provisions of Title 1, Division 7, Chapter 5, Article 1 of the California Government Code (commencing with §6500).



CONTRACT HOURS

The total contracted hours for FY2023 is 19,760. The Antelope Valley AQMD office located in Lancaster, CA is staffed by 6 full time equivalents (FTE) with one vacant FTE.

Additionally, 2.5 FTEs provide administrative, executive, air monitoring, permit engineering, and other technical services. On a monthly basis, the Mojave Desert AQMD shall deliver to the Antelope Valley AQMD an itemized invoice for actual materials and services provided.

AVAQMD GRANTS

AB2766

The District's air quality programs are primarily funded by revenue from regulatory fees, government grants and subventions. The AB2766 program is funded through a \$4 (four dollar) assessment by the District's Governing Board, and collected by the California Department of Motor Vehicles on motor vehicle registrations. 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.

The FY23 AB2766 Program Budget is unchanged at \$620k ; which represents 22% of all program revenue.

AB923

The District regulates and inventories criteria and toxic emissions and conducts regional scale air quality monitoring within our jurisdictional boundaries. Funds collected under AB923 allows air districts in state non-attainment areas to adopt an additional \$2 (two dollar) surcharge on motor vehicle registration fees to be used strictly for incentive-based emission reduction funding programs.



The use of the 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. The FY23 AB923 Program Budget is \$546k; which represents 19% of all program revenue.



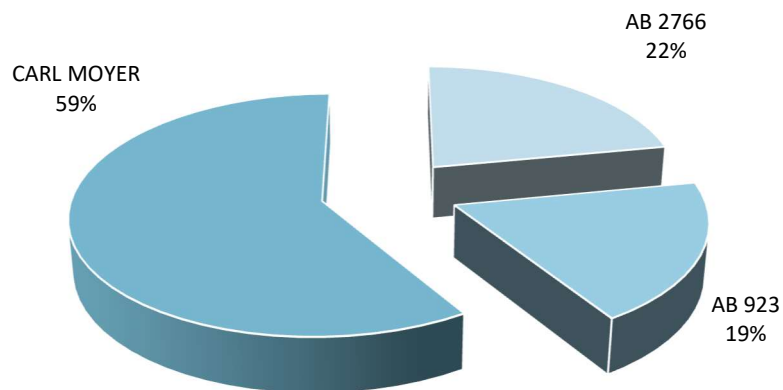
CARL MOYER

The Moyer Program complements California’s regulatory program by providing incentives to obtain early or extra emission reductions, especially from emission sources in minority and low-income communities and areas disproportionately impacted by air pollution. Incentives encourage customers to purchase cleaner technologies, and stimulate the marketplace to manufacture cleaner technologies.

Although the Moyer Program has grown in scope, it retains its primary objective of obtaining cost-effective and surplus emission reductions to be credited toward California’s legally enforceable obligations in the State Implementation Plan (SIP) – California’s road map for attaining health-based national ambient air quality standards.

Carl 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 to qualifying applicants on a formula basis according to specific criteria and cost effectiveness. The FY23 Carl Moyer Program Budget is \$1.5M compared to \$800k in FY22; which represents 59% of all program revenue.



Antelope Valley AQMD
Program Funds Consolidated GRANT PROGRAMS

	<u>Budget FY 2022</u>	<u>EOY Estimate FY 2022</u>	<u>Budget FY 2023</u>
<u>Revenues</u>			
Administrative Funding	100,000	67,557	141,258
AB2766 Program	620,000	620,000	620,000
Carl Moyer Program Round 21	800,000	599,413	1,513,803
AB923 Program	582,000	545,625	546,000
Interest Revenue	2,500	9,987	34,602
	<hr/>	<hr/>	<hr/>
Total Consolidated Program Revenue	2,104,500	1,842,582	2,855,663
<u>Expenses</u>			
Program Expenditures	2,004,500	1,811,400	2,714,405
Program Expenditures Administrative	100,000	31,182	141,258
	<hr/>	<hr/>	<hr/>
Total Consolidated Program Expense	2,104,500	1,842,582	2,855,663

Antelope Valley AQMD
Program Funds AB2766 GRANT PROGRAMS

	Budget FY 2022	EOY Estimate FY 2022	Budget FY 2023
<u>Revenues</u>			
AB2766 Program	620,000	620,000	620,000
Interest Revenue	500	0	0
Total AB2766 Program Revenue	620,500	620,000	620,000
<u>Expenses</u>			
Program Expenditures	620,500	620,000	620,000
Total AB2766 Program Expense	620,500	620,000	620,000

Antelope Valley AQMD
Program Funds AB923 GRANT PROGRAMS

	<u>Budget FY 2022</u>	<u>EOY Estimate FY 2022</u>	<u>Budget FY 2023</u>
<u>Revenues</u>			
Administrative Funding	0	36,375	0
AB923 Program	582,000	545,625	546,000
Interest Revenue	1,500	0	0
Total AB923 Program Revenue	583,500	582,000	546,000

<u>Expenses</u>			
Program Expenditures	583,500	582,000	546,000
Total AB923 Program Expense	583,500	582,000	546,000

Antelope Valley AQMD
Program Funds Carl Moyer GRANT PROGRAMS

	<u>Budget FY 2022</u>	<u>EOY Estimate FY 2022</u>	<u>Budget FY 2023</u>
<u>Revenues</u>			
Administrative Funding	100,000	31,182	141,258
Carl Moyer Program	800,000	599,413	1,513,803
Interest Revenue	500	9,987	34,602
	<hr/>	<hr/>	<hr/>
Total Carl Moyer Program Revenue	900,500	640,582	1,689,663
<u>Expenses</u>			
Program Expenditures	800,500	609,400	1,548,405
	100,000	31,182	141,258
	<hr/>	<hr/>	<hr/>
Total Carl Moyer Program Expense	900,500	640,582	1,689,663

Antelope Valley AQMD

ALL FUNDS, Consolidated Historical

	Budget FY 2019	Budget FY 2020	Budget FY 2021	Budget FY 2022	Budget FY 2023
Revenues					
Permit Fees	792,150	1,019,500	971,500	1,047,500	1,199,200
Application Fees	42,000	30,000	41,500	30,500	32,500
Federal Revenue	0	0	0	0	63,982
Fines & Penalties	59,000	62,000	63,000	10,000	10,000
Interest Income	14,300	22,435	58,000	17,500	44,602
Revenue from Programs	2,603,044	2,570,566	2,667,385	2,833,400	3,755,106
State Revenue	141,500	206,305	169,500	1,096,000	1,446,315
Total Revenues	3,651,994	3,910,806	3,970,885	5,034,900	6,551,705
Expenses					
Personnel Expenses					
Salaries & Wages	1,200,218	1,338,000	1,425,175	1,389,000	1,800,000
Total Personnel Expenses	1,200,218	1,338,000	1,425,175	1,389,000	1,800,000
Operating Expenses					
Communications	23,500	20,500	18,500	21,050	35,870
Dues & Subscriptions	10,500	20,500	46,100	46,650	21,100
Non-Depreciable Inventory	11,000	10,000	1,000	2,300	10,500
Legal	19,000	19,000	19,000	44,000	79,000
Professional Services	207,650	217,400	217,400	230,150	305,150
Maintenance & Repairs	6,500	6,500	6,500	6,500	7,000
Training & Travel	11,000	10,150	12,150	15,150	16,650
Vehicles	12,000	10,000	5,500	7,900	15,930
Office Expenses	107,425	102,575	97,475	110,125	132,761
Program Expenses	1,753,826	2,060,266	2,036,085	3,104,500	4,119,978
Miscellaneous Expenses	800	915	1,000	2,900	2,900
Total Operating Expenses	2,163,201	2,477,806	2,460,710	3,591,225	4,746,839
Capital Expenses					
Furniture & Fixtures	25,000	0	0	0	0
Equipment	0	40,000	40,000	25,000	25,000
Vehicles	30,000	30,000	20,000	0	0
Computers	35,000	0	0	0	0
Software	0	25,000	25,000	25,000	25,000
Total Capital Expenses	90,000	95,000	85,000	50,000	50,000
Total Expenses	3,453,419	3,910,806	3,970,885	5,030,225	6,596,839

5 YEAR BUDGET RECAP

Over the last 5 years, the Antelope Valley budget has focused on streamlining many of its operations while still meeting its program commitments despite new federal and state mandates and increased workload complexity. The focus has been, and continues to be, on reducing or maintaining operating expenditure levels in General Fund and maximizing the efficient use of staff resources to enable select vacant positions to remain vacant, be deleted or be unfunded whenever possible.

In FY19 the District began to receive funding from the California Resource Board under AB 617 to reduce exposure in neighborhoods most impacted by air pollution as well as



funding under the AB 134 Community Air Protection Fund. Additionally, the Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program provides funding through local air districts for agricultural harvesting equipment, heavy-duty trucks, agricultural pump engines, tractors, and other equipment used in agricultural operations.

Permit Revenue is up 48% from FY19 as a result of strategic fee increases designed to measure the revenue that may be recovered through source fees against the full cost of providing the services. The cost of all programs related to these sources includes all direct program costs, a commensurate share of indirect program costs, and overhead unless otherwise funded. It is the District's practice that such fees are valid so long as they do not exceed the reasonable cost of the service or regulatory program for which the fee is charged, and are apportioned such that the costs allocated to each source bears a fair or reasonable relationship to its burden on, and benefits from, the regulatory system. Revenue from General Fund Programs increased by 26% from FY2019 as a result of a state and federal funding.

Staffing costs increased by 30% from the FY22 budget commensurate with the increase in FTEs. Excluding programs, Operating expenses have increased 29% since FY19. The rise in costs are the direct result of staffing increases of 30% recommendations for procedural changes to the Districts contract with the Mojave Desert AQMD.

Antelope Valley AQMD
GENERAL FUND, Consolidated Historical

	Budget FY 2019	Budget FY 2020	Budget FY 2021	Budget FY 2022	Budget FY 2023
Revenues					
Permit Fees	792,150	1,019,500	971,500	1,047,500	1,199,200
Application Fees	42,000	30,000	41,500	30,500	32,500
Federal Revenue	0	0	0	0	63,982
Fines & Penalties	59,000	62,000	63,000	10,000	10,000
Interest Income	4,000	6,435	30,000	15,000	10,000
Revenue from Programs	774,300	611,300	659,300	731,400	934,045
State Revenue	141,500	206,305	169,500	1,096,000	1,446,315
Total Revenues	1,812,950	1,935,540	1,934,800	2,930,400	3,696,042
Expenses					
Personnel Expenses					
Salaries & Wages	1,100,000	1,338,000	1,425,175	1,389,000	1,800,000
Total Personnel Expenses	1,100,000	1,338,000	1,425,175	1,389,000	1,800,000
Operating Expenses					
Communications	23,500	20,500	18,500	21,050	35,870
Dues & Subscriptions	10,500	20,500	46,100	46,650	21,100
Non-Depreciable Inventory	11,000	10,000	1,000	2,300	10,500
Legal	19,000	19,000	19,000	44,000	79,000
Professional Services	207,650	217,400	217,400	230,150	305,150
Maintenance & Repairs	6,500	6,500	6,500	6,500	7,000
Training & Travel	11,000	10,150	12,150	15,150	16,650
Vehicles	12,000	10,000	5,500	7,900	15,930
Office Expenses	107,425	102,575	97,475	110,125	132,761
Program Expenses	15,000	85,000	0	1,000,000	1,264,315
Miscellaneous Expenses	800	915	1,000	2,900	2,900
Total Operating Expenses	424,375	502,540	424,625	1,486,725	1,891,176
Capital Expenses					
Furniture & Fixtures	25,000	0	0	0	0
Equipment	0	40,000	40,000	25,000	25,000
Vehicles	30,000	30,000	20,000	0	0
Computers	35,000	0	0	0	0
Software	0	25,000	25,000	25,000	25,000
Total Capital Expenses	90,000	95,000	85,000	50,000	50,000
Total Expenses	1,614,375	1,935,540	1,934,800	2,925,725	3,741,176



FINANCIAL RESERVES

It is the policy of the Governing Board of the Antelope Valley Air Quality Management District (District) to direct the Air Pollution Control Officer (APCO) to establish and maintain certain fund balances to ensure the sound fiscal management of District resources.

The purposes of the District's fund balance policy include maintaining prudent level of financial resources to protect against reducing service levels or raising fees because of temporary revenue shortfalls or unpredicted one-time expenditures. Another purpose is to reserve funds for unanticipated large expenditures, such as capital expenses; or extraordinary costs associated with defending the District's regulatory activities.

CLASSIFICATION OF FUNDS

Restricted Fund Balance is designated for the specific purposes stipulated by the external source, government code, enabling legislation, or other legal restriction. Following are an example of this classification: Mobile Emission Reduction Revenue (AB 2766), Incentive Based Emission Reduction Funding (AB 923), and Carl Moyer Grant Program Funds. These funds are held in separate trust accounts and are reported separate from the District's General Fund.

Committed Fund Balance is designated by policy and includes amounts that can be used only for the specific purposes determined by a formal action of the Governing Board. Commitments may be changed only by action of the Governing Board. The District's Operating Cash Reserves is an example of this classification. The FY23 Cash Reserves are \$1M or 27% of the annual operating Budget.

Assigned Fund Balance is used to describe the portion of the fund balance that reflects the intended use of resources; the intent being established by the Governing Board, or the Board's designee. Such fund balance will be allocated and defined in the District's annual adopted budget. The District's Budget Stabilization Reserves is an example of this classification.

REVENUES

Permit Fees

Permit Fees Rev	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 Fee	

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 Revenue	Interest on funds held on deposit, all funds

Revenue from Programs

Administrative Funding	Program pass thru funds for administration costs of the program
AB2766 Program	Revenue received through DMV vehicle registration
California Clean Air Act Fees	State mandated fee collected on behalf of Carb
Hot Sports	State mandated fee: "Air Toxic "Hot Spot"

State Revenue

PERP State Funds	Portable Engine Registration Program
State Subvention	Funds received from state budget to supplement Permitting and Air Monitoring

EXPENSES

Program Staff

Contracted costs to provide staff for District operations

Operating Expenses

Communications	Telephones, teleconferencing, internet, cable, hosting, tech support
Dues & Subscriptions	District memberships, sponsorships, publications, subscriptions
Non-Depreciable Inventory	Furniture, equipment, machinery, and safety equipment < \$5,000
Legal	Legal services for Governing Board, Hearing Board; publications
Professional Services	Financial services, audit, research studies, consulting fees, stipends
Maintenance & Repairs	General building maintenance, custodial services, and repairs
Training and Travel	Employee training; professional development and related travel
Vehicles	Fuel and oil, maintenance and repair, insurance for District's fleet
Office Expenses	Software, utilities, supplies, leases, postage, courier, printing and shredding services, security, insurance, meeting expenses and community relations

PROGRAM EXPENSES

Expenses attributable to the use of special funds

CAPITAL EXPENSES

Furniture & fixtures, Equipment, vehicles, computers, and software over \$5K

ACRONYMS

AB2766	Enabling legislation for collection of fees for mobile source reduction projects
AIRS	Aerometric Information Retrieval System
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
CNGVG	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
MACT	Maximum Achievable Control for Toxics
MEEC	Mojave Environmental Education Consortium
MDAQMD	Mojave Desert Air Quality Management District
MOU	Memorandum of Understanding
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