

**BOARD OF DIRECTORS
MEETING**

Board of Supervisors Chambers
700 H Street - Suite 1450
Sacramento, California



AGENDA

Thursday

April 25, 2024

9:00 AM

DIRECTORS

Chair
Patrick Kennedy

Vice-Chair
Sarah Aquino

Bret Daniels
Rich Desmond
Sue Frost
Eric Guerra

Patrick Hume
Caity Maple
Kevin Papineau
Sergio Robles

Phil Serna
Donald Terry
Shoun Thao
Mai Vang

ANNOUNCEMENTS

Members of the public may participate in the meeting in-person, by video conference via Zoom, conference line, and by submitting written comments electronically by email at boardclerk@airquality.org.

Comments submitted will be delivered to the Board of Directors by staff. Public comments regarding matters under the jurisdiction of the Board of Directors will be acknowledged by the Chairperson during the meeting. Public comments will be accepted live until the adjournment of the meeting, distributed to the Board of Directors, and included in the record.

Submit public comments via email to: boardclerk@airquality.org

Zoom Meeting Link:

<https://us06web.zoom.us/j/87314130035?pwd=pTxA45BE35JssyS9bsq2AAvu2Zgaab.1>

Meeting ID: 873 1413 0035

Passcode: 101299

Call In Number

(669) 900-6833

(408) 638-0968

Teleconference Locations:

Folsom City Hall, 50 Natoma St., Folsom, CA 95630

Hyatt Place Fresno, 7333 N Fresno St, Fresno, CA 93720

CALL TO ORDER/ROLL CALL

PLEDGE OF ALLEGIANCE

BOARD CLERK ANNOUNCEMENTS

BROWN ACT

SPECIAL PRESENTATIONS

1. Recognition of Service for Two Hearing Board Members

CONSENT CALENDAR

2. March 28, 2024 Board of Directors Meeting Minutes
Recommendation: Approve the March 28, 2024 Board of Director Meeting Minutes.
3. March 28, 2024 Budget & Personnel Committee Meeting Minutes
Recommendation: Approve the March 28, 2024 Budget & Personnel Committee Meeting Minutes.
4. April 3, 2024 Administrative Headquarters Facility Ad Hoc Committee Meeting Minutes
Recommendation: Approve the April 3, 2024 Administrative Headquarters Facility Ad Hoc Committee Meeting Minutes.
5. Quarterly Contracts Report (January 2024 – March 2024)
Recommendation: Receive and file a report on certain contracts executed by the Air Pollution Control Officer under the Non-Incentive Purchasing Authority for the quarter January 2024 – March 2024.
6. Appointment of Two Hearing Board Members; Attorney and Public Member
Recommendation: Pass a motion appointing Darrel Woo as the Hearing Board attorney member (assuming the current attorney member term effective 4/25/2024 through 1/27/2025) and appointing Jonathan Ellison as the Hearing Board public member (assuming the current public member term effective 4/25/2024 through 7/24/2025).

PUBLIC HEARINGS

7. Fiscal Year 2024/2025 Proposed Budget and Fee Schedule
Recommendation: Conduct a public hearing on the Fiscal Year 2024/2025 (FY24/25) Proposed Budget and Fee Schedule; provide direction to staff regarding development of the final budget; and pass a motion to set the public hearing for the adoption of the FY24/25 Proposed Budget and Fee Schedule for May 23, 2024.

DISCUSSION CALENDAR

8. Sacramento Valley Basinwide Air Pollution Control Council New Alternate Member Appointment
Recommendation: Designate a member of the Sac Metro Air District Board of Directors to serve as the alternate council member to the Sacramento Valley Basinwide Air Pollution Control Council (BCC).
9. Clean Car 4 All Program Update
Recommendation: Receive and file a presentation on Clean Cars 4 All (CC4A) program implementation changes and a relaunch of the program in spring of 2024.

AIR POLLUTION CONTROL OFFICER'S REPORT

10. Air Pollution Control Officer Presentation
Recommendation: Receive and file a presentation from the Air Pollution Control Officer, including the following topics: Sacramento Emergency Clean Air Transportation Program; Headquarters Relocation Status; and Sac Metro Air District Earth Day Activities.

CLOSED SESSION

11. Conference with Legal Counsel - Anticipated Litigation: Significant exposure to litigation pursuant to Government Code section 54956.9(b) (1 Case) - EDP v SMAQMD

BOARD IDEAS, COMMENTS AND AB 1234 REPORTS

PUBLIC COMMENT

ADJOURN

Agenda Revision: This agenda may be revised. A final agenda will be posted on the website (www.airquality.org) and at the meeting site 72 hours in advance of the meeting. Materials submitted within 72 hours of the meeting and after distribution of the agenda packets will be made available on the Sac Metro Air District website subject to staff's ability to post the documents prior to the meeting. The order of the agenda items are listed for reference and may be taken in any order deemed appropriate by the Board of Directors. The agenda provides a general description and staff recommendation; however, the Board of Directors may take action other than what is recommended.

Testimony: The Board of Directors welcomes and encourages participation in Board meetings. When it appears there are several members of the public wishing to address the Board on a specific item, at the outset of the item the Chair of the Board will announce the maximum amount of time that will be allowed for presentation of the testimony. Matters under the jurisdiction of the Board and not on the posted agenda may be addressed by the general public immediately prior to the close of the meeting. The Board limits testimony on matters not on the agenda to five minutes per person and not more than 15 minutes for a particular subject.

Meeting Broadcast: The meeting is videotaped in its entirety and will be cablecast without interruption on Metro Cable 14, the Government Affairs Channel and will be webcast at <https://metro14live.saccounty.gov>. This morning's meeting is being cablecast live and will be rebroadcast on Sunday, April 27, 2024 at 2:00 p.m. on Channel 14.

Closed Captioning: Metro Cable now provides closed captioning of the Sac Metro Air District Board meetings for the deaf and hard of hearing community. The captioning will be available on both the live and playback broadcasts on the Metro Cable television channel (Channel 14).

Assisted Listening: Assisted listening devices are available for use by the public. Please see the Clerk of the Board for further information.

Board Action: The Board of Directors may take action on any of the items listed on this agenda.

Information: Full staff reports are available for public review on the District's website (www.airquality.org), including all attachments and exhibits, or for public inspection at the District's office at 777 12th Street, Suite 300, Sacramento, CA. Copies of items prepared by staff and distributed for the first time at the meeting will be available at the back of the meeting room or may be obtained from the Board Clerk. Copies of items that were not prepared by staff may be obtained after the meeting from the Clerk. Materials related to an item on this Agenda submitted to Sac Metro Air District after distribution of the agenda packet are available for public inspection in the Clerk of the Board's office during normal business hours. For information regarding this agenda, please contact Salina Martinez, Clerk of the Sac Metro Air District Board of Directors, at 279-207-1164.

Meeting Date: 4/25/2024
Report Type: CONSENT CALENDAR
Report ID: 2024-0425-2.



Title: March 28, 2024 Board of Directors Meeting Minutes

Recommendation: Approve the March 28, 2024 Board of Director Meeting Minutes.

Rationale for Recommendation: Minutes serve as the official record of the actions that occurred at board or committee meetings. It is the Board of Directors practice to approve the meeting minutes at subsequent Board meeting. The minutes are included as Attachment A.

All approved Board resolutions from the meeting are attached.

Contact: Salina Martinez, Administrative Supervisor/ Clerk of the Board, 279-207-1164

Presentation: No

ATTACHMENTS:

Attachment A: March 28, 2024 BOD Meeting Minutes
Resolution No. 2024-005 Conflict of Interest Code Amendment
Resolution No. 2024-006 FY23/24 Budget Position Amendment
Resolution No. 2024-007 ERC Credits Sacramento Rendering Company Loan
Resolution No. 2024-008 Revision to the State Implementation Plan
Resolution No. 2024-009 Appointment of a CalPERS Retiree
Resolution No. 2024-010 CPRG Program Overview and Phase II

Approvals/Acknowledgements

Executive Director or Designee: Alberto Ayala, Report Approved 4/16/2024

District Counsel or Designee: Kathrine Pittard, Approved as to Form 4/12/2024



MINUTES

BOARD OF DIRECTORS
Sacramento Metropolitan Air Quality Management District
700 H Street, Suite 1450
Sacramento, California

Thursday

March 28, 2024

9:00 AM

DIRECTORS

Chair
Patrick Kennedy

Vice-Chair
Sarah Aquino

Bret Daniels
Rich Desmond
Sue Frost
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Patrick Hume
Caity Maple
Kevin Papineau
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ANNOUNCEMENTS

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Submit public comments via email to: boardclerk@airquality.org

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Meeting ID: 873 1413 0035
Passcode: 101299

Call In Number
(669) 900-6833
(408) 638-0968

Teleconference Locations:

7333 North Fresno Street, Fresno, CA 93720

CALL TO ORDER/ROLL CALL

Meeting was called to order.

Directors Present: Sarah Aquino, Rich Desmond, Sue Frost, Patrick Hume, Patrick Kennedy, Caity Maple, Kevin Papineau, Sergio Robles, Phil Serna, and Donald Terry.

Directors Absent: Bret Daniels, Eric Guerra, Karina Talamantes, and Mai Vang.

PLEDGE OF ALLEGIANCE

SPECIAL PRESENTATIONS

1. Congresswoman Matsui will Address the Board of Directors to Discuss the Region's Clean Air and Carbon Reduction Priorities and Opportunities

Congresswoman Doris Matsui attended the meeting and gave a statement on the Region's Clean Air and Carbon Reduction Priorities and Opportunities.

CONSENT CALENDAR

ACTION:

Caity Maple Moved /Phil Serna Seconded

Ayes: Sarah Aquino, Rich Desmond, Sue Frost, Patrick Hume, Patrick Kennedy, Caity Maple, Kevin Papineau, Sergio Robles, Phil Serna, and Donald Terry.

Absent: Bret Daniels, Eric Guerra, Karina Talamantes, and Mai Vang.

2. February 22, 2024 Board of Directors Meeting Minutes

Recommendation: Approve the February 22, 2024 Board of Director Meeting Minutes.

Approved

3. Conflict of Interest Code 2024 Amendment

Recommendation: Adopt a resolution to amend the District's Conflict of Interest Code.

Resolution No. 2024-005

4. FY23/24 Budgeted Position Amendment - Authorize the Addition of 4.2 Full-Time Positions to the Approved Budgeted Positions

Recommendation: Adopt a resolution to amend the FY23/24 Sacramento Metropolitan Air Quality Management District Budgeted Positions increasing the authorized positions from 97.6 to 101.8 Full Time Equivalents.

Resolution No. 2024-006

5. Emission Reduction Credits from the Community Bank for Sacramento Rendering Company - Loan Number C24-1001

Recommendation: Adopt a resolution transferring a total of 3,598.8 pounds of nitrogen oxides (NOx) per year from the Community Bank to Sacramento Rendering Company for two years.

Resolution No. 2024-007

6. Contract for Air Quality Forecasting Services

Recommendation: Authorize the Executive Director/Air Pollution Control Officer to execute a three-year contract for air quality forecasting related services in an amount not to exceed \$570,000 with the option to extend the contract beyond the initial three-year term for two separate one-year extensions in an amount not to exceed \$190,000 for each additional year, and make minor revisions to the contract, in consultation with the District Counsel and within the funding limits, that may be necessary to fully implement its intent.

Authorized

7. Appointment of Hearing Board Professional Engineer Member

Recommendation: Pass a motion appointing Earl Withycombe to the Hearing Board as the professional engineer member for a 3-year term beginning March 29, 2024, and ending March 28, 2027.

Motion Passed

8. Revision to the State Implementation Plan to Incorporate Reasonably Available Control Technology for Major Sources of Nitrogen Oxides

Recommendation: Determine that the adoption of revisions to the State Implementation Plan (SIP) to satisfy Reasonably Available Control Technology (RACT) for Major Sources of nitrogen oxides (NOx) is exempt from the California Environmental Quality Act (CEQA); 2) adopt a resolution approving the SIP revision, and 3) direct Staff to forward the SIP revision and all necessary supporting documents to the California Air Resources Board (CARB) for submittal to the U.S. Environmental Protection Agency (EPA).

Resolution No. 2024-008

PUBLIC HEARINGS

9. Revision to the State Implementation Plan to Incorporate Reasonably Available Control Technology for Major Sources of Nitrogen Oxides (public hearing to be cancelled unless timely requested)

Recommendation: Conduct a public hearing for the adoption of revisions to the State Implementation Plan (SIP) to satisfy Reasonably Available Control Technology (RACT) for Major Sources of nitrogen oxides (NOx); and 1) determine that the adoption of the SIP revisions is exempt from the California Environmental Quality Act (CEQA); 2) adopt a resolution approving the SIP revision; 3) direct Staff to forward the SIP revision and all necessary supporting documents to the California Air Resources Board (CARB) for submittal to the U.S. Environmental Protection Agency (EPA). If no hearing is requested, the Board may take these actions through the Consent Calendar.

The Sac Metro Air District did not receive any requests for a Public Hearing, so this item was cancelled and approved on the Consent Calendar under Item No. 8.

DISCUSSION CALENDAR

10. Appointment of a CalPERS Retiree as Extra Help to Transition Administrative Operations to the New Director of Administrative Services

Recommendation: Adopt a resolution to appoint Jamille Moens as an extra help retired annuitant to transition administrative operations to the newly appointed Director of Administrative Services under the California Public Employees' Retirement System (CalPERS) exception to the 180-day wait period, per Government Code § 7522.56 and § 21224.

Denise Booth, Administrative Services Division, gave a presentation on the Appointment of a CalPERS Retiree as Extra Help to Transition Administrative Operations to the New Director of Administrative Services.

Resolution No. 2024-009

ACTION:

Sarah Aquino Moved /Sue Frost Seconded

Ayes: Sarah Aquino, Rich Desmond, Sue Frost, Patrick Hume, Patrick Kennedy, Caity Maple, Kevin Papineau, Sergio Robles, Phil Serna, and Donald Terry.

Absent: Bret Daniels, Eric Guerra, Karina Talamantes, and Mai Vang.

11. **Transportation Incentive Grants to Folsom Cordova Unified School District for Three Zero-Emission School Buses**

Recommendation: Authorize the Executive Director/Air Pollution Control Officer to execute an agreement with Folsom Cordova Unified School District in an amount not to exceed \$1,200,000 under the Low Emission Vehicle Incentive Program for three zero-emission school buses, and make minor revisions to the contract, in consultation with the District Counsel and within the funding limits, that may be necessary to fully implement its intent.

Raef Porter, Transportation and Climate Change Division, gave a presentation on Transportation Incentive Grants to Folsom Cordova Unified School District for Three Zero-Emission School Buses.

Authorized

ACTION:

Sarah Aquino Moved /Donald Terry Seconded

Ayes: Sarah Aquino, Rich Desmond, Sue Frost, Patrick Hume, Patrick Kennedy, Caity Maple, Kevin Papineau, Sergio Robles, Phil Serna, and Donald Terry.

Absent: Bret Daniels, Eric Guerra, Karina Talamantes, and Mai Vang.

12. **Climate Pollution Reduction Grants Program Overview and Phase II Grant Application**

Recommendation: Adopt a resolution authorizing the Executive Director/Air Pollution Control Officer, in consultation with District Counsel, to 1) submit an application to the Climate Pollution Reduction Grants (CPRG) Implementation Grants program for an amount currently estimated at between \$70 and \$100 million, not to exceed \$100 million; 2) execute agreements with the Sacramento Area Council of Governments (SACOG) and Yolo County as subrecipients of the grant to aid in the implementation of the Built Environment and Natural and Working Lands measures, respectively; and, 3) receive and file the Capital Region Climate Priorities Plan.

Brianna Moland and Raef Porter, Transportation and Climate Change Division, gave a presentation on Climate Pollution Reduction Grants Overview and Phase II Grant Application. Kristen Wraithwell, Yolo County, and Garrett Ballard-Rosa, Sacramento Area Council of Governments also assisted in presenting this item.

Resolution No. 2024-010

Public Comment was received by the following:

**Mike Costa, Principal Transportation Planner, Placer County Transportation Planning Agency
Kerry Loux, Sustainability Manager, City of Davis**

ACTION:

Sarah Aquino Moved /Caity Maple Seconded

Ayes: Sarah Aquino, Bret Desmond, Sue Frost, Patrick Hume, Patrick Kennedy, Caity Maple, Kevin Papineau, Sergio Robles, Phil Serna, and Donald Terry.

Absent: Bret Daniels, Eric Guerra, Karina Talamantes, and Mai Vang.

BOARD IDEAS, COMMENTS AND AB 1234 REPORTS

Director Serna requested additional information on greenfield development to be presented at a future meeting.

PUBLIC COMMENT

ADJOURN

RESOLUTION NO. 2024 – 005

Adopted by the Sacramento Metropolitan Air Quality Management District
Board of Directors

Conflict of Interest Code Amendment

BACKGROUND:

- A. As required by the Political Reform Act (Gov. Code, § 81000 et seq.), the District has adopted a Conflict of Interest Code (Code), which designates positions required to file a Statement of Economic Interests Form 700 and assigns disclosure categories specifying the types of interests to be reported.
- B. The District is required to submit a notice, when there is a change of the Code, to the Clerk of the Board of Sacramento County Supervisors indicating whether an amendment to the Code is needed, which was done in February 2024 providing notice of intent to amend the Code.
- C. On January 25, 2024, The Board of Directors approved the title change of Division Manager to Director.
- D. The Stationary Sources Division is now known as Engineering and Compliance Division and the Program Coordination Division is now known as Monitoring, Planning and Rules Division.
- E. The Transportation and Climate Change Division is incorrectly listed as Technology and Climate Change.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE BOARD OF DIRECTORS RESOLVES AS FOLLOWS:

- Section 1. The District's Conflict of Interest Code, attached as Exhibit 1, is approved, as amended, reflecting the changes indicated in item C-E above.
- Section 2. The amended Conflict of Interest Code will be submitted for review and final approval to the Sacramento County Board of Supervisors, the code reviewing body for the District, and will become effective upon the date of their approval.
- Section 3. The attached Exhibit 1 is part of this resolution.

ON A MOTION by Director Caity Maple, seconded by Director Phil Serna, the foregoing resolution was passed and adopted by the Board of Directors of the Sacramento Metropolitan Air Quality Management District on March 28, 2024, by the following vote:

Ayes: Sarah Aquino, Rich Desmond, Sue Frost, Patrick Hume, Patrick Kennedy, Caity Maple, Kevin Papineau, Sergio Robles, Phil Serna, and Donald Terry.

Noes:

Abstain:

Absent: Bret Daniels, Eric Guerra, Karina Talamantes, and Mai Vang.

ATTEST: **Salina Martinez**
Digitally signed by: Salina Martinez
DN: CN = Salina Martinez email =
smartinez@airquality.org C = AD O = Sac
Metro Air District
Date: 2024.03.28 14:58:10 -07'00'

Clerk, Board of Directors
Sacramento Metropolitan Air Quality Management District

Sacramento Metropolitan Air Quality Management District
Conflict of Interest Code
(Amended March 28, 2024)

Exhibit 1

The Political Reform Act (California Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the disclosure categories and designated positions below shall constitute the Conflict of Interest Code of the Sacramento Metropolitan Air Quality Management District (District).

Individuals holding designated positions shall file their statements of economic interests with the Clerk of the County of Sacramento Board of Supervisors, which will make the statements available for public inspection and reproduction.

DISCLOSURE CATEGORIES

Employees must complete ALL applicable schedules of Form 700. This may include reporting interests in real property and/or interests, investments, sources of income (including receipt of loans, gifts, and travel payments), and positions held in business entities (including businesses, governmental and non-profit agencies).

In general, employees are exempt from reporting their primary residence and their position with the District. However, employees should refer to the instructions for Form 700 to ensure full compliance with reporting requirements.

1. Full Disclosure (Elected Officials, Management)

All investments, business positions in business entities, and sources of income (including receipt of gifts, loans, and travel payments) and real property located in or within two miles of Sacramento County, California, e.g., rental property income >\$2,000.

2. Regulatory/Permits

Investments and business positions in business entities and sources of income (including receipt of gifts, loans, and travel payments) if the business entity or source is subject to the District's regulatory, permit, or enforcement authority; and real property located in or within two miles of Sacramento County, California, e.g., rental property income >\$2,000.

3. Grant Funding

Investments and business positions in business entities and sources of income (including receipt of gifts, loans, and travel payments) if the business entity or source is of the type to receive grants or other funding from or through the District.

4. Procurement Decisions - Agency-Wide Authority

Investments and business positions in business entities and sources of income (including receipt of gifts, loans, and travel payments) if the business entity or source provides services, e.g., leased facilities, products, equipment, vehicles, machinery, training or consulting, of the *type utilized by the District*.

5. Procurement Decisions - Limited Authority

Investments and business positions in business entities and sources of income (including receipt of gifts, loans, and travel payments) if the business entity or source provides services, e.g., leased facilities, products, equipment, vehicles, machinery, training or consulting, of the *type utilized by the position's Division/Section*.

DESIGNATED POSITIONS

The positions listed below make or participate in the making of, decisions that may foreseeably have a material effect on financial interests. The employees and officers filling these positions will disclose interests and investments in the disclosure categories identified below.

POSITION TITLE	DISCLOSURE CATEGORY				
	1	2	3	4	5
	Full Disclosure	Regulatory / Permits	Grant Funding	Procurement Agency Wide	Procurement Limited
ELECTED OFFICIALS					
Director, Board of Directors	X				
Officer, Hearing Board	X				
EXECUTIVE OFFICE, DISTRICT COUNSEL & MANAGEMENT					
Executive Director / Air Pollution Control	X				
District Counsel	X				
Director	X				
Program Manager	X				
Administrative Services Program Manager				X	
Controller			X	X	
Information Systems Manager				X	
ADMINISTRATIVE SERVICES DIVISION					
Program Supervisor					X
Human Resources Officer					X
Administrative Supervisor / Clerk of the Board					X
Communications and Marketing Specialist					X
TRANSPORTATION & CLIMATE CHANGE DIVISION					
Program Supervisor			X		X
Air Quality Engineer			X		
Air Quality Planner/Analyst			X		
ENGINEERING & COMPLIANCE DIVISION					
Program Supervisor		X	X		X
Air Quality Engineer		X			
Air Quality Specialist		X			
MONITORING, PLANNING & RULES DIVISION					
Program Supervisor		X	X		X
Air Quality Engineer			X		
Air Quality Planner/Analyst			X		
Air Quality Specialist			X		
Statistician			X		
CONSULTANTS*					

**Consultants must disclose according to the broadest disclosure category in the code subject to the following limitations: The Air Pollution Control Officer may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to comply fully with the disclosure requirements described in this section. This determination will include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The Air Pollution Control Officer's determination is a public record and will be retained for public inspection in the same manner and location as this conflict-of-interest code.*

RESOLUTION NO. 2024 – 006

Adopted by the Sacramento Metropolitan Air Quality Management District
Board of Directors

AMEND FY2023-24 BUDGETED POSITIONS

BACKGROUND:

- A. On May 25, 2023, the Sacramento Metropolitan Air Quality Management District Board of Directors (Board) approved the Fiscal Year 2023/24 Budget.
- B. The Board authorizes a schedule of all regular and limited-term positions as part of the annual budget process; requests for additional positions or changes must be presented to the Board for approval.
- C. The District received a two-year grant with revenue totaling \$6.6M to develop the Community Emission Reduction Plan (CERP), which will require significant resources.
- D. In recent years, the Engineering and Compliance Division (ECD) program demands have grown while keeping staffing levels below historic norms for fiscal prudence, which has led to prioritizing urgent matters and new programs over essential obligations resulting in impacts such as increased backlogs and reductions in compliance inspections.
- E. The urgency for a mid-year budget amendment is driven by a need to have positions filled in time for new staff to 1) launch the CERP project timely, 2) restore critical service levels and meet Annual Reporting deadlines, and 3) participate in division-wide training in June for the July launch of the District's new permit operating system, AiriA.
- F. To address these program priorities, approval of the following FTEs is being requested to commence the recruitment process and onboard key resources in a timely manner:
 - a. One (1) new Communications and Marketing Specialist in the Administrative Services Division.
 - b. Two (2) new Air Quality Engineers, one (1) new Air Quality Specialist, and an increase of an existing Air Quality Specialist from 0.6 to 0.8 FTE in ECD.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE BOARD OF DIRECTORS RESOLVES AS FOLLOWS:

- Section 1. Effective with the adoption of this resolution, the Fiscal Year 2023/24 Sacramento Metropolitan Air Quality Management District Budget is amended to increase the authorized positions from 97.6 to 101.8 Full Time Equivalents.
- Section 2. The Positions by Classification and Positions by Operating Division schedules in Section 7 - Organizational Overview, of the Approved Fiscal Year 23/24 Budget (Exhibit 1) are hereby amended to reflect the changes indicated in Section 1 above.
- Section 3. Exhibit 1 is attached to and incorporated into this Resolution.

ON A MOTION by Director Caity Maple, seconded by Director Phil Serna, the foregoing resolution was passed and adopted by the Board of Directors of the Sacramento Metropolitan Air Quality Management District on March 28, 2024, by the following vote:

Ayes: Sarah Aquino, Rich Desmond, Sue Frost, Patrick Hume, Patrick Kennedy, Caity Maple, Kevin Papineau, Sergio Robles, Phil Serna, and Donald Terry.

Noes:

Abstain:

Absent: Bret Daniels, Eric Guerra, Karina Talamantes, and Mai Vang.

Salina Martinez

Digitally signed by: Salina Martinez
DN: CN = Salina Martinez email =
smartinez@airquality.org C = AD O = Sac Metro
Air District
Date: 2024.03.28 14:57:27 -07'00'

ATTEST:

Clerk, Board of Directors
Sacramento Metropolitan Air Quality Management District

Positions by Classification

Classification	FY22/23 Amended	FY23/24 Approved	Change	FY23/24 Amended
AUTHORIZED				
Regular				
Admin Supervisor/Clerk of Board	1.0	1.0		1.0
Administrative Specialist	4.0	4.0		4.0
Air Pollution Control Officer	1.0	1.0		1.0
Air Quality Engineer	19.0	19.0	2.0	21.0
Air Quality Instrument Specialist	3.0	3.0		3.0
Air Quality Planner/Analyst	10.0	10.0		10.0
Air Quality Specialist	21.6	21.6	1.2	22.8
Communication & Marketing Specialist	1.0	1.0	1.0	2.0
Controller	1.0	1.0		1.0
District Counsel	1.0	1.0		1.0
Division Manager	4.0	4.0		4.0
Financial Analyst	1.0	1.0		1.0
Human Resource Technician	1.0	1.0		1.0
Human Resources Officer	1.0	1.0		1.0
Information Systems Analyst	3.0	3.0		3.0
Information Systems Manager	1.0	1.0		1.0
Legal Assistant	1.0	1.0		1.0
Office Assistant	3.0	3.0		3.0
Program Manager	5.0	5.0		5.0
Program Supervisor	12.0	12.0		12.0
Senior Accountant	1.0	1.0		1.0
Statistician	1.0	1.0		1.0
Limited Term				
Air Quality Engineer/Specialist/Planner	1.0	1.0		1.0
Information Systems Analyst	-	0.0		-
AUTHORIZED Total	97.6	97.6	4.2	101.8

Positions by Division

Classification	ASD	DC	EXEC	MPR	ECD	TCC	Total FTE
AUTHORIZED							
Regular							
Admin Supervisor/Clerk of Board	1.0	-	-	-	-	-	1.0
Administrative Specialist	4.0	-	-	-	-	-	4.0
Air Pollution Control Officer	-	-	1.0	-	-	-	1.0
Air Quality Engineer	-	-	-	4.0	11.0	6.0	21.0
Air Quality Instrument Specialist	-	-	-	3.0	-	-	3.0
Air Quality Planner/Analyst	-	-	-	3.0	-	7.0	10.0
Air Quality Specialist	-	-	-	5.0	13.8	4.0	22.8
Communication & Marketing Specialist	2.0	-	-	-	-	-	2.0
Controller	1.0	-	-	-	-	-	1.0
District Counsel	-	1.0	-	-	-	-	1.0
Division Manager	1.0	-	-	1.0	1.0	1.0	4.0
Financial Analyst	1.0	-	-	-	-	-	1.0
Human Resource Technician	1.0	-	-	-	-	-	1.0
Human Resources Officer	1.0	-	-	-	-	-	1.0
Information Systems Analyst	3.0	-	-	-	-	-	3.0
Information Systems Manager	1.0	-	-	-	-	-	1.0
Legal Assistant	-	1.0	-	-	-	-	1.0
Office Assistant	3.0	-	-	-	-	-	3.0
Program Manager	1.0	-	-	1.0	2.0	1.0	5.0
Program Supervisor	1.0	-	-	3.0	5.0	3.0	12.0
Senior Accountant	1.0	-	-	-	-	-	1.0
Statistician	-	-	-	1.0	-	-	1.0
Limited Term							
Air Quality Engineer/Specialist/Planner	-	-	-	-	-	1.0	1.0
Information Systems Analyst	-	-	-	-	-	-	-
AUTHORIZED Total	22.0	2.0	1.0	21.0	32.8	23.0	101.8

RESOLUTION NO. 2024 – 007

Adopted by the Sacramento Metropolitan Air Quality Management District
Board of Directors

EMISSION REDUCTION CREDITS FROM THE COMMUNITY BANK FOR SACRAMENTO RENDERING COMPANY – LOAN NUMBER C24-1001

BACKGROUND:

- A. The Board of Directors of the Sacramento Metropolitan Air Quality Management District (Board) adopted Rule 205, COMMUNITY BANK AND PRIORITY RESERVE BANK.
- B. Pursuant to Rule 205, Section 203, the Community Bank is a depository of certified emission reduction credits (ERCs), which may be loaned for compliance with Rule 411, NOX FROM BOILERS, PROCESS HEATERS AND STEAM GENERATORS.
- C. Sacramento Rendering Company (SRC) is a rendering and recycling company that services the food handling, processing, farming, husbandry, and manufacturing industries, and uses boilers for its rendering and recycling process. The existing backup boiler does not meet the NOx emissions limits in Rule 411, NOX FROM BOILERS, PROCESS HEATERS AND STEAM GENERATORS.
- D. Since October 1, 2018, SRC has used the alternative compliance option, authorized by Rule 107, ALTERNATIVE COMPLIANCE, with ERCs from the Community Bank to offset the excess emissions from the boiler.
- E. SRC's original Loan Number C18-1001 from the Community Bank, with a term of five years, expired on September 30, 2023.
- F. SRC has requested a new, two-year ERC loan to continue using alternative compliance for the boiler.
- G. Rule 205, Section 310 requires loan applications to the Community Bank for amounts greater than 900 pounds per quarter or longer than five years to be approved by the Board prior to disbursement. Approval of the current request will extend the total loan life beyond five years.
- H. Pursuant to Rule 205, Section 310, the Board considered the impact of the loan on the health of the bank and the extent to which cleaner innovative technologies have been used to minimize the credits needed. The boiler, originally permitted in 1997, does not employ technology that could be used to meet the NOx emission limits of Rule 411. A two-year ERC loan will provide SRC with sufficient time to retrofit or replace the existing boiler to comply with Rule 411.
- I. The California Environmental Quality Act (CEQA) Guidelines, Section 15061(b)(3), provides that "where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA." In addition, CEQA Guidelines Section 15301, Existing Facilities, exempts from CEQA the "operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination."

J. Rule 205, Section 310.4, authorizes the loan to be active at the beginning of the next calendar quarter, April 1, 2024.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE BOARD OF DIRECTORS RESOLVES AS FOLLOWS:

Section 1. The approval of the loan is exempt from CEQA.

Section 2. The Board authorizes and directs the loan of the following NOx emission reduction credits from the Community Bank to Sacramento Rendering Company for two years:

Permit Number	Loan Number	Pollutant	ERCs from the Community Bank (lbs/qlr)			
			1 st qlr	2 nd qlr	3 rd qlr	4 th qlr
A/C 27605	C24-1001	NOx	899.7	899.7	899.7	899.7

Section 3. Loan number C24-1001 is effective as of April 1, 2024.

ON A MOTION by Director Caity Maple, seconded by Director Phil Serna, the foregoing resolution was passed and adopted by the Board of Directors of the Sacramento Metropolitan Air Quality Management District on March 28, 2024, by the following vote:

Ayes: Sarah Aquino, Rich Desmond, Sue Frost, Patrick Hume, Patrick Kennedy, Caity Maple, Kevin Papineau, Sergio Robles, Phil Serna, and Donald Terry.

Noes:

Abstain:

Absent: Bret Daniels, Eric Guerra, Karina Talamantes, and Mai Vang.

Salina Martinez

Digitally signed by: Salina Martinez
DN: CN = Salina Martinez email =
smartinez@airquality.org C = AD O = Sac
Metro Air District
Date: 2024.03.28 14:56:47 -07'00'

ATTEST:

Clerk, Board of Directors
Sacramento Metropolitan Air Quality Management District

RESOLUTION NO. 2024 – 008

Adopted by the Sacramento Metropolitan Air Quality Management District
Board of Directors

REVISION TO THE SIP TO INCORPORATE REASONABLY AVAILABLE CONTROL TECHNOLOGY FOR MAJOR SOURCES OF NO_x

BACKGROUND:

- A. Sections 182(b)(2)(C) and 182(f) of the federal Clean Air Act require states and districts in areas classified as “moderate” ozone nonattainment or worse to revise their State Implementation Plans to require Reasonably Available Control Technology (RACT) for all major stationary sources of nitrogen oxides (NO_x).
- B. The Sacramento Metropolitan Air Quality Management District (“District”) is within an area classified as a “severe” nonattainment area for both the 1997 and 2008 primary National Ambient Air Quality Standards (NAAQS) for ozone and “serious” nonattainment for the 2015 primary NAAQS for ozone.
- C. There are six major stationary sources of NO_x in the District operating boilers, gas turbines and gas fired ovens: Sacramento Municipal Utility District Financing Authority (SMUD FA) Campbell Power Plant; SMUD FA Carson Power Plant; SMUD FA Cosumnes Power Plant; SMUD FA Procter and Gamble Power Plant; Mitsubishi Chemical Carbon Fiber and Composites, Inc.; and UC Davis Medical Center.
- D. There are no limitations in the State Implementation Plan (SIP) for NO_x emissions during startup and shutdown for boilers, gas turbines and gas fired ovens.
- E. Local permits to operate for boilers, gas turbines and gas fired ovens at the major stationary sources of NO_x contain limits on the daily mass emissions of NO_x, including emissions during periods of startup and shutdown.
- F. The Board of Directors of the Sacramento Metropolitan Air Quality Management District (Board) has determined the District will meet the requirements of Clean Air Act Sections 182(b)(2)(C) and 182(f) by submitting to the U.S. Environmental Protection Agency (EPA) a revision to the SIP that includes conditions of the permits to operate that limit the daily NO_x mass emissions and the associated source testing, test methods, monitoring, reporting, and recordkeeping requirements for boilers, gas turbines and gas fired ovens at the six major stationary sources of NO_x.
- G. The District published a notice in accordance with federal Clean Air Act Section 111(l) and 40 CFR 51.102, providing a 30-day period to request a public hearing, inviting public comment on the proposed SIP revision, and providing a 30-day period to submit written comments.
- H. The Board conducted a public hearing and considered public comment on the proposed SIP revision.
- I. The Board evaluated the proposed SIP revision to determine whether it is exempt from the California Environmental Quality Act (CEQA) as an action by a regulatory agency for the protection of the environment (Class 8 Categorical Exemption, Section 15308, State CEQA Guidelines) and because it can be seen with certainty that there is no possibility that the

activity in question may have a significant effect on the environment (Section 15061(b)(3), State CEQA Guidelines).

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE BOARD OF DIRECTORS RESOLVES AS FOLLOWS:

- Section 1. The SIP revision is exempt from CEQA.
- Section 2. Approves the SIP revision, as shown in the attached Exhibit A.
- Section 3. Directs Staff to forward the SIP revision and all necessary supporting documents to the California Air Resources Board for submittal to U.S. EPA as a revision to the California State Implementation Plan.
- Section 4. Exhibit A is attached to and incorporated into this Resolution.

ON A MOTION by Director Caity Maple, seconded by Director Phil Serna, the foregoing resolution was passed and adopted by the Board of Directors of the Sacramento Metropolitan Air Quality Management District on March 28, 2024, by the following vote:

Ayes: Sarah Aquino, Rich Desmond, Sue Frost, Patrick Hume, Patrick Kennedy, Caity Maple, Kevin Papineau, Sergio Robles, Phil Serna, and Donald Terry.

Noes:

Abstain:

Absent: Bret Daniels, Eric Guerra, Karina Talamantes, and Mai Vang.

ATTEST:

Salina Martinez

Digitally signed by: Salina Martinez

DN: CN = Salina Martinez email =

smartinez@airquality.org C = AD O = Sac Metro

Air District

Date: 2024.03.28 14:55:06 -07'00'

Clerk, Board of Directors
Sacramento Metropolitan Air Quality Management District

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

STATEMENT OF REASONS

State Implementation Plan Submittal

**Reasonably Available Control Technology (RACT) Permits for Major Stationary Sources
of Nitrogen Oxides**

February 26, 2024

Prepared by: Pedro Vega
Air Quality Engineer

Reviewed by: Kevin J. Williams, Ph.D.
Program Supervisor

Janice Lam Snyder, M.S.
Program Manager

Approved by: Mark Loutzenhiser
Division Manager

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JUSTIFICATION FOR STATE IMPLEMENTATION PLAN SUBMITTAL

Introduction

Ground level ozone is a secondary pollutant formed from photochemical reactions of nitrogen oxides (NOx) and volatile organic compounds (VOC) in the presence of sunlight. Ozone is a strong irritant that adversely affects human health and damages crops and other environmental resources. As documented by the U.S. Environmental Protection Agency (EPA) in the most recent science assessment for ozone¹, both short-term and long-term exposure to ozone can irritate and damage the human respiratory system, resulting in:

- increased respiratory symptoms, such as irritation of the airways, coughing, or difficulty breathing;
- decreased lung function;
- aggravated asthma;
- development of chronic bronchitis;
- irregular heartbeat;
- nonfatal heart attacks,

¹ "Integrated Science Assessment (ISA) for Ozone and Related Photochemical Oxidants", U.S. EPA, April 2020.

- premature death in people with heart or lung disease; and
- increased risk of cardiovascular and cerebrovascular events in post-menopausal women.

The Sacramento Metropolitan Air Quality Management District (District) is the agency with primary responsibility for achieving and maintaining clean air standards in Sacramento County. The District is within the Sacramento Federal Ozone Nonattainment Area (SFNA), which is currently designated as nonattainment for the 1979 1-hour and 1997, 2008, and 2015 8-hour ozone National Ambient Air Quality Standards (NAAQS). For the 1997 and 2008 standards, the area is classified as severe nonattainment. For the 2015 standard, the area is currently classified as serious; however, the air districts of the SFNA have recently requested a voluntarily bump up to a severe nonattainment classification because additional time is needed to meet the standard. EPA is expected to take action to reclassify the SFNA in a final rule.

Reasonably Available Control Technology (RACT) Requirements for Ozone Nonattainment Areas

Federal Clean Air Act (CAA) sections 182(b)(2)(C) and 182(f) require states and districts in ozone nonattainment areas classified as “moderate” or worse to implement Reasonably Available Control Technology (RACT) for all major stationary sources of VOC and NOx. EPA defines RACT as “the lowest emission limitation that a particular source is capable of meeting by the application of control technology that is reasonably available considering technological and economic feasibility.”² RACT must be incorporated into the State Implementation Plan (SIP), either through an EPA-approved rule or through a source-specific RACT determination that is included on a permit and approved by EPA. The District submitted to EPA a document, known as the “RACT SIP,” in 2017. This document was required as part of the implementation of the 2008 ozone NAAQS, and its purpose was to demonstrate that District rules for certain emission categories and major stationary sources of VOC and NOx meet RACT standards.

EPA Action on the District’s RACT SIP for the 2008 Ozone NAAQS

On February 3, 2017, EPA found that multiple states and districts, including the Sacramento nonattainment area districts, failed to timely submit SIP revisions as required to satisfy federal requirements for the 2008 ozone NAAQS (Failure to Submit finding).³ This finding, effective March 6, 2017, triggered a 24-month deadline for EPA to receive and approve the required SIP submittals or to promulgate a Federal Implementation Plan (FIP). A FIP is an implementation plan developed for a state or district by EPA when a required SIP element is not submitted, or when EPA disapproves a SIP submittal and the affected area fails to timely cure the deficiencies. The District adopted its RACT SIP on March 23, 2017, and submitted it to EPA on May 5, 2017; however, EPA did not take action on the District’s RACT SIP (as well as those of several other states and districts) by the 24-month FIP deadline of March 6, 2019. Consequently, on June 7, 2022, a complaint was filed against EPA, which entered into a consent decree with the plaintiffs. On April 5, 2023, EPA promulgated notice of the proposed consent decree that established a new deadline for EPA to sign a notice of final rulemaking regarding NOx RACT for Major Sources in the District’s RACT SIP by September 29, 2024.⁴

² 44 Federal Register (FR) 53762, September 17, 1979.

³ 88 FR 9158, February 3, 2017.

⁴ 88 FR 20166, April 5, 2023.

After reviewing the District's RACT SIP submittal for the 2008 ozone NAAQS, EPA promulgated a final rule on June 30, 2023, which partially approved and partially disapproved the District's RACT SIP.⁵ The partial disapproval was based on EPA's finding that the District had failed to implement RACT for major sources of NOx because of startup and shutdown exemptions in three District rules: Rule 411, NOx from Boilers, Process Heaters, and Steam Generators; Rule 413, Stationary Gas Turbines; and Rule 419, NOx from Miscellaneous Combustion Units. Although Rules 411, 413, and 419 apply to both major and non-major sources, CAA RACT requirements apply only to major sources.

The final EPA rule became effective on July 31, 2023. Sanctions clocks have started but will be stopped if the District submits, and EPA approves, a SIP revision to correct the deficiencies. The first sanction, which would occur at 18 months, is an emission offset sanction that would increase the emission offset ratio to 2:1. The second sanction, a highway fund sanction, would occur at 24 months. If the highway fund sanction were to take effect, our region would lose funds for transportation projects that have not already been obligated by the Federal Highway Administration by the date the highway sanctions are imposed. Projects that have already received approval to proceed and had funds obligated may proceed. In addition, EPA must promulgate a FIP unless the SIP revisions are approved within 24 months.

Startup, Shutdown, and Malfunction (SSM) Exemption Guidance

Startup, Shutdown, and Malfunction (SSM) exemptions in regulations temporarily relieve sources from compliance with emissions limits during defined, temporary time periods in which equipment is not operating in a manner representing normal, steady state operation. Several lawsuits have challenged the legality of SSM exemptions in EPA regulations under the Clean Air Act. In 2008, the D.C. Circuit Court of Appeals granted a petition filed by the Sierra Club for judicial review of regulatory SSM provisions, and the court vacated SSM exemptions that were included in EPA regulations at the time.⁶ In response to this decision, EPA issued a Final Action rule (The "2015 Guidance"), which revised direction regarding emissions during SSM periods.⁷ EPA also initiated SIP calls, a rulemaking action requiring state and local air agencies to address any SSM-related deficiencies in their SIPs. The 2015 Guidance followed the recommendations from the Sierra Club petition and required the restrictions on emissions of major sources to be continuous.

The 2015 Guidance was challenged in the D.C. Circuit Court of Appeals over the subsequent SIP calls initiated by the action.⁸ In 2017, EPA requested that the pending litigation around the 2015 Guidance be held in abeyance to allow for comment and review from the incoming presidential administration. On October 9, 2020, EPA issued a guidance memorandum ("2020 Guidance") stating that SSM exemptions may be permissible in SIPs under certain circumstances, provided that the SIP meets the general requirements in CAA Section 110 to attain and maintain the NAAQS. However, on September 30, 2021, the 2020 Guidance was withdrawn, and the 2015 Guidance reinstated. The requirement to correct SSM-related deficiencies is again in effect.

EPA Action on Reporting Requirements in Colorado RACT Rules

On November 9, 2022, EPA proposed approval of RACT rules submitted by the state of Colorado

⁵ 88 FR 42248, June 30, 2023.

⁶ *Sierra Club v. Johnson*, 551 F.3d 1019 (D.C. Cir. 2008).

⁷ 80 FR 33839, June 12, 2015.

⁸ *Environ. Comm. Fl. Elec. Power v. EPA, et al.*, No. 15-1239 (D.C. Cir.), and consolidated cases.

for combustion equipment at major stationary sources of NOx.⁹ EPA received comments on the proposed action concerning the ability of citizens to enforce the rules, as required by the Clean Air Act. On May 9, 2023, EPA issued a final rule with limited approval/limited disapproval of the RACT rules.¹⁰ EPA's reasons for the limited disapproval are stated below.

[The rules] require facilities to maintain records necessary to establish compliance with these rules for a certain period of time and to make them available to the state on request. But if there is no requirement for these records to be submitted to the state absent a request, then unless the state requests the compliance records and then makes them publicly available, no parties other than the state or the EPA under its CAA section 114 authority will have practical access to the basic information necessary to determine compliance by the regulated entities under these rules. This undermines citizens' ability to participate in the enforcement of the SIP as allowed by CAA section 304.¹¹

To address the reporting requirements, all permits the District staff proposes to submit for SIP approval have conditions requiring the submission of reports of all required monitoring at least once every six months. The reports must also identify all instances of deviations. These reporting conditions mirror requirements that are already included in the sources' federal Title V permits.

Rule 411, NOx from Boilers, Process Heaters, and Steam Generators

Rule 411 limits NOx emissions from the operation of boilers, process heaters, and steam generators. The District's RACT SIP relied on this rule to implement RACT at major sources of NOx in the District. EPA found that although the emissions limits in Rule 411 meet RACT levels, startup and shutdown exemptions in section 501 of the rule were not consistent with the 2015 SSM guidance, which prevented the rule from fully implementing RACT for major stationary sources of NOx.

There are currently four major stationary sources of NOx in the District operating eight boilers subject to Rule 411. In addition to Rule 411, the District regulates these emission units through local Permits to Operate. To conform with the 2015 Guidance, staff is proposing to submit for SIP approval certain conditions of the local Permits to Operate that establish limits on the daily mass emissions of NOx, including emissions during periods of startup and shutdown. In addition, requirements for mandatory monitoring reports will be included. Upon approval by EPA, these permits will fulfill RACT requirements for the 2017 RACT SIP.

Rule 413, Stationary Gas Turbines

Rule 413 limits NOx emissions from the operation of stationary gas turbines. The District's RACT SIP relied on this rule to implement RACT at major sources of NOx in the District. Although Rule 413 contains NOx emission limits that meet RACT stringency requirements, EPA has determined that section 113 of the rule contains startup and shutdown exemptions that contravene the 2015 Guidance, which prevented the rule from fully implementing RACT for major stationary sources of NOx.

⁹ 87 FR 67617, November 9, 2022.

¹⁰ 88 FR 29827, May 9, 2023.

¹¹ Ibid.

Five major stationary sources of NOx in the District operate a total of nine gas turbines. Four of the turbines are equipped with duct burners, which fire natural gas into the turbine exhaust to produce additional steam in combined cycle operation. NOx from a gas turbine and its associated duct burners is emitted as a combined exhaust, so the NOx emissions limits apply to both. In addition to Rule 413, the District regulates these emission units through local Permits to Operate. To conform with the 2015 Guidance, staff is proposing to submit for SIP approval certain conditions of the local Permits to Operate that establish limits on the daily mass emissions of NOx, including emissions during periods of startup and shutdown. In addition, requirements for mandatory monitoring reports will be included. Upon approval by EPA, these permits will fulfill RACT requirements for the 2017 RACT SIP.

Rule 419, NOx from Miscellaneous Combustion Units

Rule 419 limits NOx emissions from the operation of Miscellaneous Combustion Units. Unlike Rules 411 and 413, which had previously been approved by EPA into the SIP, Rule 419 is a relatively new rule upon which EPA has not yet acted. The District's RACT SIP relied on this rule, when approved by EPA, to implement RACT at major sources of NOx in the District where miscellaneous combustion units are located. EPA determined that startup and shutdown exemptions in section 501 of the rule were not consistent with the 2015 SSM guidance, and EPA determined that approval of Rule 419 would not fully implement RACT.

One major stationary source in the District operates six natural gas-fired ovens covered by Rule 419. In addition to Rule 419, the District regulates these emission units through local Permits to Operate. To conform with the 2015 Guidance, staff is proposing to submit for SIP approval certain conditions of the local Permits to Operate that establish limits on the daily emissions of NOx, including emissions during periods of startup and shutdown. In addition, requirements for mandatory monitoring reports will be included. Upon approval by EPA, these permits will fulfill RACT requirements for the 2017 RACT SIP.

SUMMARY OF SIP SUBMITTAL

Permit Conditions Summary

Staff is proposing to submit for SIP approval the conditions of the local Permits to Operate that pertain to daily NOx mass emission limits (including emissions during periods of startup and shutdown), monitoring and reporting, source testing, and recordkeeping requirements. The establishment of NOx limits considers the different types of control methods employed by the related equipment. For example, large gas turbines with sophisticated combustions controls and selective catalytic reduction (SCR), a post-combustion control, may require a startup period of up to four hours for the system to stabilize before achieving its final steady-state NOx emission level.

All of the gas turbines included in this proposed SIP submittal are equipped with SCR. The daily NOx mass emission limits were established allowing for a single startup and a single shutdown period per day, with steady-state operation throughout the remainder of the operating day. This allows for the operation of the turbines within manufacturer specifications while allowing a reasonable compliance margin. Total daily NOx emissions must be monitored and reported by Continuous Emissions Monitoring Systems (CEMS).

The large boilers that utilize post-combustion controls and have CEMS also have daily NOx mass emissions limits that account for startup and shutdown emissions, with the total daily NOx emissions monitored and reported by CEMS. The small boilers and ovens that do not have post-combustion controls have daily NOx mass emissions limits based on maximum fuel input for 24 hours per day. Startup and shutdown periods for these units are relatively short and excess emissions during these periods are considered minimal. Compliance with NOx emissions limits for these units is determined through periodic source testing.

Below is a summary of the types of permit conditions included in the local permits that will be submitted to satisfy RACT. The specific permits and conditions for each rule are listed in Tables 1, 2, and 3.

- Operate and maintain equipment according to manufacturer's guidelines
- Limit daily mass emissions of NOx to specified levels, including emissions during periods of startup and shutdown
- For units that are equipped with CEMS, comply with EPA Performance Standards for CEMS
- Monitor the concentrations of NOx and O₂ if using a CEMS
- Perform periodic source testing for NOx and O₂
- Operate a non-resetting totalizing fuel meter, and record the daily or quarterly fuel usage
- Record the exhaust gas flowrate
- Record the daily mass emissions of NOx
- Create and maintain on-site records of daily mass emissions of NOx
- Certify and submit required monitoring reports at least every 6 months to the District's Air Pollution Control Officer (APCO)

Table 1: Boiler Permits to Operate

Company Name	Permit to Operate (PO) No.	Permit Conditions to be Included in SIP
SMUD Carson Power Plant	27154	1, 10 (Table 2), 15, 16, 17 (D), 18 (P, Q), 19, 24
SMUD Proctor & Gamble Power Plant	27140	1, 8, 13, 14, 15 (I), 16, 19 (D), 20 (A, C), 22
	27144	1, 10 (Table 1), 16, 17, 18 (D), 19 (A, C), 20 (J), 21, 24, 26
Mitsubishi Chemical Carbon Fiber & Composites	27338	2, 9 (B), 11, 16 (D), 17 (A, C), 24, 27
UC Davis Medical Center	20216	1, 9 (B), 15, 17 (D), 18, 20 (C), 23
	20217	
	20218	
	20219	

Table 2: Gas Turbine Permits to Operate

Company Name	Permit to Operate (PO) No.	Permit Conditions to be Included in SIP
UC Davis Medical Center	17549	1, 7 (C), 16 (A, B), 17, 18 (D), 19 (P), 20, 22
SMUD Cosumnes Power Plant	25800	1, 9, 16 (A, B), 17 (B), 18 (T), 19, 23 (D), 25
	25801	1, 9, 16 (A, B), 17 (B), 18 (T), 19, 23 (D), 25
SMUD Campbell Power Plant	27118 (27116 duct burner)	1, 10, 19 (A, B), 20 (C), 21 (M), 22, 27 (D), 29
SMUD Procter & Gamble Power Plant	27141 (27132 duct burner)	1, 9, 15 (A, B), 16 (C), 17 (M), 18, 21 (E), 23
	27142 (27133 duct burner)	1, 9, 15 (A, B), 16 (C), 17 (M), 18, 21 (E), 23
	27143	1, 9, 13 (A, B), 14 (B), 15 (L), 16, 19 (E), 21
SMUD Carson Power Plant	27151 (27153 duct burner)	1, 9, 20 (A, B), 22 (Q), 23, 24 (E), 28
	27156	1, 11, 20 (A, B), 22 (N), 23, 26 (E), 28

Table 3: Gas-Fired Oven Permits to Operate

Company Name	Permit to Operate (PO) No.	Permit Conditions to be Included in SIP
Mitsubishi Chemical Carbon Fiber & Composites	24611	2, 8 (A), 9 (B), 14 (D), 15 (A, C), 16 (B, C), 20, 23
	24613	2, 8 (A), 9 (B), 14 (D), 15 (A, C), 16 (B, C), 20, 23
	24614	2, 8 (A), 9 (B), 14 (D), 15 (A, C), 16 (B, C), 20, 23
	25925	2, 8 (A), 9 (B), 14 (D), 15 (A, C), 17 (B, C), 21, 24
	27336	2, 8 (A), 9 (B), 12 (D), 13 (A, C), 20, 23
	27337	2, 8 (A), 9 (B), 12 (D), 13 (A, C), 19, 22

ENVIRONMENTAL COMPLIANCE

California Public Resources Code Section 21159(a) requires the District to perform an environmental analysis of the reasonably foreseeable methods of compliance when adopting a performance standard. The proposed action will make existing RACT standards federally enforceable through the California SIP. Because each of the major stationary sources included in this action are already required to comply with the relevant conditions of the District Permits to

Operate for their equipment, the District is establishing no new requirements, and no change in equipment or operation will result from this action. Therefore, staff has concluded that no environmental impacts will be caused by compliance with the proposed action.

Staff finds that the proposed action to incorporate the Permits to Operate into the SIP is exempt from the California Environmental Quality Act as an action by a regulatory agency for the protection of the environment (Class 8 Categorical Exemption, Section 15308, State CEQA Guidelines) and because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment (Section 15061(b)(3), State CEQA Guidelines).

CONCLUSION

Staff is proposing to submit for SIP approval the conditions of the local Permits to Operate that pertain to NOx emission limits and the associated source testing, test methods, monitoring, reporting, and recordkeeping requirements. All the listed permits establish daily mass limits on NOx emissions from all operations, including emissions during periods of startup and shutdown. SIP approval of the relevant permit requirements will establish federally enforceable, continuous compliance requirements that meet requirements the RACT requirements Clean Air Act Sections 182(b)(2)(C) and 182(f) and conform with EPA's 2015 Guidance.

Before the Permits to Operate can be submitted for approval by EPA, the proposed action must go through the same public review requirements as any other SIP submittal and be approved by the District's Board of Directors.^{12,13} Once approved by EPA, the permits will become part of California's State Implementation Plan at Title 40 of the Code of Federal Regulations (CFR) Part 52, Section 52.220.

¹² Clean Air Act §110.

¹³ Title 40 Code of Federal Regulations §51.102.

APPENDIX A – BOILER PERMITS TO OPERATE

PO 27154 – (SMUD Financing Authority DBA Carson Power Plant)

SACRAMENTO METROPOLITAN



PERMIT TO OPERATE

**ISSUED TO: SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING
AUTHORITY DBA CARSON POWER PLANT**

EQUIPMENT LOCATION: 8580 LAGUNA STATION RD., ELK GROVE, CA 95758

PERMIT NO.	EQUIPMENT DESCRIPTION
27154	BOILER, MAKE: CLEAVER BROOKS, MODEL: LD-94-R,H, SERIAL NUMBER: W-3548, 100 MMBTU/HR CAPACITY WITH 4.9 MMBTU/HR PILOT BURNER, NATURAL GAS FIRED.

SUBJECT TO THE FOLLOWING CONDITIONS:

GENERAL

1. The equipment must be properly maintained and operated in accordance with the information submitted with the application and the manufacturer's recommendations at all times.
[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.1]
- 2.

DATE ISSUED: 04-29-2022
DATE REVISED: 02-23-2024
DATE EXPIRES: 11-01-2024 (UNLESS RENEWED)

ALBERTO AYALA, PH.D., M.S.E.
AIR POLLUTION CONTROL OFFICER

BY: Brian F Krebs

PAGE 1 OF 11 PAGES

PERMIT NO.: 27154

REVOCABLE AND NON-TRANSFERABLE

BLR-V0

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

3.

4.

5.

6.

7.

EMISSIONS LIMITATIONS

8.

9.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

10. The emissions from the boiler must not exceed the following limits:
[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.2]

Table 2

Pollutant	Daily Emission Limits (lb/day)
NOx	21.1

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

14.

15. The permittee must operate a continuous emission monitoring system (CEMS) that has been approved by the SMAQMD Air Pollution Control Officer, for the boiler emissions.

A. The CEMS must monitor and record concentrations of NO_x, _____ and oxygen.

B. The CEMS must comply with the U.S. EPA Performance Specifications (40 CFR 60, Appendix B, Performance Specifications 2, 3 and 4).

[Basis: SMAQMD Rule 201, Section 405 and Rule 202]

16. The permittee must operate a continuous parameter monitoring system that has been approved by the SMAQMD Air Pollution Control Officer that either measures, or calculates and records the following.

[Basis: SMAQMD Rule 201, Section 405 and Rule 202]

Parameter to be Monitored	Units
Fuel consumption of the boiler	MMCF/hr of natural gas

EMISSIONS TESTING

- [Basis: SMAQMD Rule 201, Section 405]**

[Basis: SMAQMD Rule 201, Section 405 and Rule 202]

Frequency	Information to be Recorded

SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT

Frequency	Information to be Recorded
Daily	P. The boiler's natural gas fuel consumption (MMCF/day) Q. Total daily NOx emissions from the boiler (including startups and shutdowns) (lb/day).

19. Submit to the SMAQMD Air Pollution Control Officer a written report which contains the following information.
[Basis: SMAQMD Rule 201, Section 405 and Rule 202]

Frequency	Information to be Submitted
Quarterly by: Jan 30, April 30, July 30, and Oct 30	A. Whenever the CEM system is inoperative except for zero and span checks. i. Date and time of non-operation of the CEM system. ii. Nature of the CEM system repairs or adjustments. B. Whenever an emission occurs as measured by the required CEM system that is in excess of any emission limitation. i. Magnitude of the emission which has been determined to be in excess. ii. Date and time of the commencement and completion of each period of excess emissions. iii. Periods of excess emissions due to start-up, shutdown and malfunction must be specifically identified. iv. The nature and cause of any malfunction (if known). v. The corrective action taken or preventive measures adopted. C. If there were no excess emissions during a reporting quarter. i. A report must be submitted indicating that there were no excess emissions.

20.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

21.

23.

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

24. MONITORING REPORTS

- A. The permittee shall submit to the SMAQMD Air Pollution Control Officer at least once every six months, unless required more frequently by an applicable requirement, reports of all required monitoring.
- B. The reporting periods for this permit shall be for the six month periods January 1 through June 30 and July 1 through December 31. The reports shall be submitted by July 30 and January 30 of each year respectively.
- C. All instances of deviations from Title V permit conditions must be clearly identified in such reports. All required reports must be certified by the responsible official and shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

[Basis: SMAQMD Rule 207 Section 501.1]

777 12TH STREET, STE. 300
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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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PERMIT NO.: 27154

REVOCABLE AND NON-TRANSFERABLE

BLR-V0

PO 27140 – (SMUD Financing Authority DBA Proctor & Gamble Power Plant)

SACRAMENTO METROPOLITAN



PERMIT TO OPERATE

**ISSUED TO: SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING
AUTHORITY DBA PROCTER AND GAMBLE POWER PLANT**

EQUIPMENT LOCATION: 5000 83rd St., SACRAMENTO, CA 95826

PERMIT NO.	EQUIPMENT DESCRIPTION
27140	BOILER, BABCOCK & WILCOX, MODEL FM103-88, 90,000 LB/HR STEAM, 108.7 MMBTU/HR, NATURAL GAS FIRED, WITH A TODD ULTRA LOW NOX RAPID MIX BURNER SYSTEM

SUBJECT TO THE FOLLOWING CONDITIONS:

GENERAL

1. The equipment must be properly maintained and operated in accordance with the information submitted with the application.
[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.1]

DATE ISSUED: 02-25-2022
DATE REVISED: 02-23-2024
DATE EXPIRES: 11-01-2024 (UNLESS RENEWED)

ALBERTO AYALA, PH.D., M.S.E.
AIR POLLUTION CONTROL OFFICER

BY: Brian F Krebs

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PERMIT NO.: 27140

REVOCABLE AND NON-TRANSFERABLE

SPL-V1

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

3.

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6.

EMISSIONS LIMITATIONS

7.

8. Emissions from the boiler must not exceed the following limits averaged over a three hour period.
[Basis: SMAQMD Rule 201 Section 405 and Rule 202 Section 408.2]

Pollutant	Maximum Allowable Emissions		
			Lb/day
NOx			27.6

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

9.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

10.

11.

12.

MONITORING SYSTEMS

13. The permittee must operate a continuous emission monitoring (CEM) system that has been approved by the SMAQMD Air Pollution Control Officer for the boiler.

A. The CEM system must monitor and record nitrogen oxides and oxygen.

B. The CEM system must comply with EPA performance specifications (Title 40 Code of Federal Regulations, Part 60 Appendix B, Performance Specifications 2, 3, and 4).

[Basis: SMAQMD Rule 201 Section 405 and 40 CFR Part 60]

14 The permittee must operate a continuous monitoring system that has been approved by the Air Pollution Control Officer that either measures or calculates and records the following.

[Basis: SMAQMD Rule 201, Section 405 and Rule 202]

Parameter to be monitored	Units
Fuel consumption of the boiler	MMBTU/hr of natural gas

RECORD KEEPING & REPORTING

15. The permittee must continuously maintain onsite the following records for the most recent five year period and must make such records available to the SMAQMD Air Pollution Control Officer upon request. Quarterly and yearly records as specified in the table below must be made available for inspection within 30 days of the end of the reporting period.

[Basis: SMAQMD Rules 201 and 202, and 40 CFR Part 60.334 (j)(1)(iii)(B), 60.334(j)(2)(iii), Part 60.334 (h)(1), Part 60.334(i)(3), Part 60.335(b)(10), 40 CFR Part 75.66(c), and Part 75 Appendix D]

Frequency	Information to be recorded

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

Frequency	Information to be recorded
Daily	I. The boiler NOx daily mass emissions (lb/day).

16. Submit to the SMAQMD Air Pollution Control Officer a written report which contains the following information.
[Basis: SMAQMD Rules 201 and 202, and 40 CFR Part 60.334 (j)(5)]

Frequency	Information to be Reported
Quarterly by: Jan 30, April 30, July 30, and Oct 30.	A. Whenever the continuous emissions monitoring system is inoperative except for zero and span checks: i. Date and time of non-operation of the continuous emission monitoring system. ii. Nature of the continuous emission monitoring system repairs or adjustments. B. Whenever an emission occurs as measured by the required continuous emissions monitoring system that is in excess of any emission limitation: i. Magnitude of the emission which has been determined to be in excess. ii. Date and time of the commencement and completion of each period of excess emissions. iii. Periods of excess emissions due to startup, shutdown and malfunction must be specifically identified. iv. The nature and cause of any malfunction (if known).

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

Frequency	Information to be Reported
	<p>v. The corrective action taken or preventive measures adopted.</p> <p>C. If there are no excess emissions or the continuous monitoring system has not been inoperative, repaired or adjusted for a calendar quarter, a report must be submitted stating such information.</p>

17.

18.

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

EMISSIONS TESTING

19. Emissions of nitrogen oxides oxygen and CEM must be tested once every calendar year to verify compliance with **Condition No. 8.**

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

- D. Submit the source test report to the Air Pollution Control Officer within 60 days from the completion of the test(s).

[Basis: SMAQMD Rule 201, Section 303.2 and Rule 411, Sections 404.1]

20. Emission testing must be performed in accordance with the following test methods:

- A. Oxides of Nitrogen – ARB Method 100 or EPA Method 7E.
- C. Stack Gas Oxygen – ARB Method 100 or EPA Method 3A.

[Basis: SMAQMD Rule 411, Section 501]

REPORTING

21.

22. Monitoring Reports

- A. The permit holder must submit to the SMAQMD Air Pollution Control Officer at least once every six months, unless required more frequently by an applicable requirement, reports of all required monitoring. All instances of deviations from Title V permit monitoring conditions must be clearly identified in such reports.
- B. The reporting periods for this permit are January 1 through June 30 and July 1 through December 31. The reports must be submitted by July 30 and January 30 following each reporting period respectively.
- C. All required reports must be certified by the responsible official and must state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

[SMAQMD Rule 207 Section 501.1]

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**SACRAMENTO METROPOLITAN
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PERMIT NO.: 27140

REVOCABLE AND NON-TRANSFERABLE

SPL-V1

PO 27144 – (SMUD Financing Authority DBA Proctor & Gamble Power Plant)



PERMIT TO OPERATE

**ISSUED TO: SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING
AUTHORITY DBA PROCTER AND GAMBLE POWER PLANT**

EQUIPMENT LOCATION: 5000 83RD STREET, SACRAMENTO, CA 95826

PERMIT NO.	EQUIPMENT DESCRIPTION
27144	BOILER UNIT 1B, MAKE: CLEAVER BROOKS, MODEL: LD-94-R,H, SERIAL NUMBER: W-3549, 108.7 MMBTU/HR CAPACITY WITH 4.9 MMBTU/HR PILOT BURNER, NATURAL GAS FIRED.

SUBJECT TO THE FOLLOWING CONDITIONS:

GENERAL

1. The equipment must be properly maintained and operated in accordance with the information submitted with the application and the manufacturer's recommendations at all times.

[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.1]

2.

DATE ISSUED: 02-25-2022
DATE REVISED: 02-23-2024
DATE EXPIRES: 11-01-2024 (UNLESS RENEWED)

ALBERTO AYALA, PH.D., M.S.E.
AIR POLLUTION CONTROL OFFICER

BY: Brian F Krebs

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PERMIT NO.: 27144

REVOCABLE AND NON-TRANSFERABLE

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

3.

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7.

EMISSIONS LIMITATIONS

8.

9.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

10. Emissions of NOx from the boiler, including startups and shutdowns,
must not exceed the following limits:
[Basis: SMAQMD Rule 201, Section 405 and Rule 202]

Table 1

Pollutant	Emission Limits (lb/day)
NOx	23.0

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

11.

12.

EQUIPMENT OPERATION

13.

14.

15.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

16. The permittee must operate a continuous emission monitoring system (CEMS) that has been approved by the SMAQMD Air Pollution Control Officer, for the boiler emissions.
- A. The CEM system must monitor and record concentrations of NO_x and oxygen.
- B. The CEM system must comply with the U.S. EPA Performance Specifications (40 CFR 60, Appendix B, Performance Specifications 2, 3 and 4).

[Basis: SMAQMD Rule 201, Section 405 and Rule 202]

17. The permittee must operate a continuous parameter monitoring system that has been approved by the SMAQMD Air Pollution Control Officer that either measures, or calculates and records the following.

[Basis: SMAQMD Rule 201, Section 405 and Rule 202]

Parameter to be Monitored	Units
Fuel consumption of the boiler	MMCF/hr of natural gas

EMISSIONS TESTING

18. Emissions of nitrogen oxides and oxygen and CEM accuracy must be tested once every calendar year to verify compliance.

- D. Submit the source test report to the Air Pollution Control Officer within 60 days from the completion of the test(s).

[Basis: SMAQMD Rule 201, Section 303.2 and Rule 411, Sections 404.1]

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

19. Emission testing must be performed in accordance with the following test methods:

A. Oxides of Nitrogen – ARB Method 100 or EPA Method 7E.

C. Stack Gas Oxygen – ARB Method 100 or EPA Method 3A.

[Basis: SMAQMD Rule 411, Section 501]

RECORDKEEPING & REPORTING

20. The following record must be continuously maintained on-site for the most recent five year period and must be made available to the SMAQMD Air Pollution Control Officer upon request. Quarterly and yearly records must be made available for inspection within 30 days of the end of the reporting period.

[Basis: SMAQMD Rule 201, Section 405 and Rule 202]

Frequency	Information to be Record		
Daily	J. Total daily	NOx	emissions from the boiler (lb/day).

21. Submit to the SMAQMD Air Pollution Control Officer a written report which contains the following information.

[Basis: SMAQMD Rule 201, Section 405 and Rule 202]

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

Frequency	Information to be Submitted
Quarterly by: Jan 30, April 30, July 30, and Oct 30.	<ul style="list-style-type: none">A. Whenever the CEM system is inoperative except for zero and span checks.<ul style="list-style-type: none">i. Date and time of non-operation of the CEM system.ii. Nature of the CEM system repairs or adjustments.B. Whenever an emission occurs as measured by the required CEM system that is in excess of any emission limitation.<ul style="list-style-type: none">i. Magnitude of the emission which has been determined to be in excess.ii. Date and time of the commencement and completion of each period of excess emissions.iii. Periods of excess emissions due to start-up, shutdown and malfunction must be specifically identified.iv. The nature and cause of any malfunction (if known).v. The corrective action taken or preventive measures adopted.C. If there were no excess emissions during a reporting quarter.<ul style="list-style-type: none">i. A report must be submitted indicating that there were no excess emissions.

22.

23.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

24. Emission test reports must be maintained on-site for a continuous 5-year period and must be made available to the Air Pollution Control Officer upon request.

[Basis: SMAQMD Rule 411, Section 502]

25.

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

26. Monitoring Reports

- A. The permit holder must submit to the SMAQMD Air Pollution Control Officer at least once every six months, unless required more frequently by an applicable requirement, reports of all required monitoring. All instances of deviations from Title V permit monitoring conditions must be clearly identified in such reports.
- B. The reporting periods for this permit are January 1 through June 30 and July 1 through December 31. The reports must be submitted by July 30 and January 30 following each reporting period respectively.
- C. All required reports must be certified by the responsible official and must state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

[SMAQMD Rule 207 Section 501.1]

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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PERMIT NO.: 27144

REVOCABLE AND NON-TRANSFERABLE

BLR-V0

PO 27338 – (Mitsubishi Chemical Carbon Fiber & Composites)

SACRAMENTO METROPOLITAN



PERMIT TO OPERATE

ISSUED TO: MITSUBISHI CHEMICAL CARBON FIBER AND COMPOSITES INC.

EQUIPMENT LOCATION: 5900 88TH STREET, SACRAMENTO, CA 95828

PERMIT NO.	EQUIPMENT DESCRIPTION
27338	BOILER, MAKE: CLEAVER BROOKS, MODEL: CBI 200-150-150, SERIAL NO.: OL103578, 6.124 MMBTU/HR CAPACITY, NATURAL GAS FIRED, SERVING INDUSTRIAL PROCESSES.

SUBJECT TO THE FOLLOWING CONDITIONS:

GENERAL

- 1.
2. The equipment must be properly maintained and operated in accordance with the information submitted with the application and the manufacturer's recommendations at all times.
[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.1]
- 3.

DATE ISSUED: 12-15-2023
DATE REVISED: 02-23-2024
DATE EXPIRES: 10-24-2024 (UNLESS RENEWED)

ALBERTO AYALA, PH.D., M.S.E.
AIR POLLUTION CONTROL OFFICER

BY: Brian F Krebs

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PERMIT NO.: 27338

REVOCABLE AND NON-TRANSFERABLE

BLR-V0

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

4.

5.

6.

EMISSIONS LIMITATIONS

7.

8.

9. The emissions from the boiler must not exceed the following limits:
[Basis: SMAQMD Rule 201, Section 405; Rule 202, Section 408; and Rule 214, Section 408]

Pollutant		Emission Limits (B)		
		(lb/day)		
NOx		1.6		

SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT

(B) Emissions are based on the boiler operating at maximum capacity at 0.006124 MMcf/hour, 24 hours/day

EQUIPMENT OPERATION

10.

11. The boiler must be equipped with a non-resetting totalizing fuel meter to ensure compliance with Condition No . 9 . The totalizing function of the meter must have the ability to read up to at least 100 million cubic feet before the indicator rolls over.

[Basis: SMAQMD Rule 201, Section 405]

12.

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14.

15.

EMISSIONS TESTING

16. Emissions of nitrogen oxides and oxygen must be tested in 2018 and biennially thereafter to verify compliance

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

D. Submit the source test report to the Air Pollution Control Officer within 60 days from the completion of the test(s.)

[Basis: SMAQMD Rule 411, Section 403 and 404 and Rule 201, Section 303.2]

17. Emission testing must be performed in accordance with the following test methods:

A. Oxides of Nitrogen – ARB Method 100 or EPA Method 7E.

C. Stack Gas Oxygen – ARB Method 100 or EPA Method 3A.

[Basis: SMAQMD Rule 411, Section 501]

18.

19.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

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21

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

22.

23.

RECORDKEEPING

24. The following records must be continuously maintained on-site for the most recent five year period and must be made available to the Air Pollution Control Officer upon request. Records, as specified below, must be made available for inspection within 30 days from the end of the quarter.

[Basis: SMAQMD Rule 201, Section 405]

Frequency	Information to be Recorded
Quarterly	Total amount of fuel usage for the boiler (cubic feet/quarter)

25.

26.

GENERAL REPORTING

27. A. The permit holder must submit to the SMAQMD Air Pollution Control Officer at least once every six months, unless required more frequently by an applicable requirement, reports of all required monitoring. All instances of deviations from Title V permit monitoring conditions must be clearly identified in such reports.

B. The reporting periods for this permit are January 1 through June 30 and July 1 through December 31. The reports must be submitted by July 30 and January 30 of each year respectively.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

- C. All required reports must be certified by the responsible official and must state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

[Basis: SMAQMD Rule 207, Section 501.1]

POs 20216, 20217, 20218, 20219 – (UC Davis Medical Center)



PERMIT TO OPERATE

ISSUED TO: UCD MEDICAL CENTER

EQUIPMENT LOCATION: 4840 SECOND AVENUE, SACRAMENTO, CA 95817

PERMIT NO.	EQUIPMENT DESCRIPTION
20216	BOILER NO. 1, MAKE: JOHNSTON BOILER COMPANY, MODEL: PFTA750-4LG-150S, SERIAL NO.: 9357-04, RATED HEAT INPUT: 31.5 MMBTU/HR, PRIMARY FUEL: NATURAL GAS, EMERGENCY USE FUEL: DIESEL NO. 2, EQUIPPED WITH INDUSTRIAL COMBUSTION NT ULTRA LOW-NO _x BURNER, APPLICATION: SPACE HEATING.
20217	BOILER NO. 2, MAKE: JOHNSTON BOILER COMPANY, MODEL: PFTA750-4LG-150S, SERIAL NO.: 9357-03, RATED HEAT INPUT: 31.5 MMBTU/HR, PRIMARY FUEL: NATURAL GAS, EMERGENCY USE FUEL: DIESEL NO.2, EQUIPPED WITH INDUSTRIAL COMBUSTION NT ULTRA LOW-NO _x BURNER, APPLICATION: SPACE HEATING.
20218	BOILER NO. 3, MAKE: JOHNSTON BOILER COMPANY, MODEL: PFTA750-4LG-150S, SERIAL NO.: 9357-02, RATED HEAT INPUT: 31.5 MMBTU/HR, PRIMARY FUEL: NATURAL GAS, EMERGENCY USE FUEL: DIESEL NO.2, EQUIPPED WITH INDUSTRIAL COMBUSTION NT ULTRA LOW-NO _x BURNER, APPLICATION: SPACE HEATING.
20219	BOILER NO. 4, MAKE: JOHNSTON BOILER COMPANY, MODEL: PFTA750-4LG-150S, SERIAL NO.: 9357-01, RATED HEAT INPUT: 31.5 MMBTU/HR, PRIMARY FUEL: NATURAL GAS, EMERGENCY USE FUEL: DIESEL NO.2, EQUIPPED WITH INDUSTRIAL COMBUSTION NT ULTRA LOW-NO _x BURNER, APPLICATION: SPACE HEATING.

SUBJECT TO THE FOLLOWING CONDITIONS:

GENERAL

1. The equipment must be properly maintained and operated in accordance with the information submitted with the application and the manufacturer's recommendations at all times.

[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.1]

DATE ISSUED: 04-09-2008

ALBERTO AYALA, PH.D., M.S.E.

DATE REVISED: 02-23-2024

AIR POLLUTION CONTROL OFFICER

DATE EXPIRES: 01-16-2025 (UNLESS RENEWED)

BY: Brian F Krebs

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PERMIT NO.: 20216, 20217, 20218, & 20219

REVOCABLE AND NON-TRANSFERABLE

BLR-V0

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

2.

3.

4.

5.

EMISSIONS LIMITATIONS

6.

7.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

8.

9. The emissions from each boiler, when combusting natural gas fuel, must not exceed the following limits:
[Basis: SMAQMD Rule 201, Section 405 and Rule 411, Section 301]

Pollutant		Emission Limits (B)		
		lb/day		
NOx		8.2		

(B) Emissions are based on operating at a maximum capacity of 31.5 MMBtu/hr, 24 hours/day

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

10.

11.

12.

13.

14.

SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT

15. A continuous monitoring system that either measures or calculates the fuel consumption of the boilers (fuel usage of all four boilers combined) must be operational whenever the boilers are combusting fuel.

[Basis: SMAQMD Rule 201, Section 405]

16.

EMISSIONS TESTING

17. For each boiler firing on natural gas only, emissions of nitrogen oxides must be tested once every calendar year beginning in 2008 to verify compliance The test must conform to the following test conditions and time schedule:

- D. Submit the source test report to the Air Pollution Control Officer within 60 days from the completion of the test(s).

[Basis: SMAQMD Rule 201, Section 303.2 and Rule 411, Sections 404.1]

18. Emission testing must be performed in accordance with the following test methods:

A. Oxides of Nitrogen – ARB Method 100 or EPA Method 7E.

C. Stack Gas Oxygen – ARB Method 100 or EPA Method 3A.

[Basis: SMAQMD Rule 411, Section 501]

RECORD KEEPING & REPORTING

19.

20. The following records must be continuously maintained on-site for the most recent five-year period and must be made available to the Air Pollution Control Officer upon request. Annual records as specified in the table below must be made available for inspection within 30 days following the end of the year.

[Basis: SMAQMD Rule 201, Section 405]

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

Frequency	Information to be Recorded
Daily	C. Total amount of natural gas fuel used by all four boilers combined. (MMBtu/hour)

21.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

22.

GENERAL REPORTING

23. A. The permit holder must submit to the SMAQMD Air Pollution Control Officer at least once every six months, unless required more frequently by an applicable requirement, reports of all required monitoring. All instances of deviations from Title V permit monitoring conditions must be clearly identified in such reports.
- B. The reporting periods for this permit are January 1 through June 30 and July 1 through December 31. The reports must be submitted by July 30 and January 30 of each year respectively.
- C. All required reports must be certified by the responsible official and must state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

[Basis: SMAQMD Rule 207, Section 501.1]

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

APPENDIX B – GAS TURBINE PERMITS TO OPERATE

PO 17549 – (UC Davis Medical Center)

SACRAMENTO METROPOLITAN



PERMIT TO OPERATE

ISSUED TO: UCD MEDICAL CENTER

EQUIPMENT LOCATION: 4840 SECOND AVENUE, SACRAMENTO, CA 95817

PERMIT NO.	EQUIPMENT DESCRIPTION
17549	GAS TURBINE, 24 MW GENERAL ELECTRIC LM 2500 COMBINED CYCLE TYPE WITH WATER INJECTION, 260 MM BTU/HR RATED HEAT CAPACITY, 82,000 LBS/HR STEAM OUTPUT, EQUIPPED WITH COOLING TOWERS (4), TOWER ENGINEERING, 9,500 GPM/CELL

SUBJECT TO THE FOLLOWING CONDITIONS:

GENERAL

1. The equipment must be properly maintained and operated in accordance with the information submitted with the application and the manufacturer's recommendations at all times.

[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.1]

2.

DATE ISSUED: 01-26-2006 (P/O 17549)

DATE ISSUED: 11-04-1999 (P/O 10909 & 10910)

DATE REVISED: 02-23-2024

DATE EXPIRES: 01-16-2025 (UNLESS RENEWED)

ALBERTO AYALA, PH.D., M.S.E.

AIR POLLUTION CONTROL OFFICER

BY: Brian F Krebs

PAGE 1 OF 7 PAGES

PERMIT NO.: 17549

REVOCABLE AND NON-TRANSFERABLE

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

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EMISSIONS LIMITATIONS

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7. Emissions from the gas turbine must not exceed the following limits:
[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 301]

Pollutant	Emission Limits				
			Daily (C) (lb/day)		
NOx			115.2		

(C) Based on operating at 260 mmbtu/hr maximum capacity and 24 hours/day.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

15.

MONITORING SYSTEMS

16. UCDMC shall maintain an Air Pollution Control Officer approved in-stack continuous emission monitoring system (CEMS) in the exhaust of the gas turbine.

- A. The CEMS shall monitor and record nitrogen oxides, _____ and either oxygen or carbon dioxide concentrations. UCDMC shall demonstrate that compliance with the applicable emission concentrations can be achieved through the monitoring of carbon dioxide to the satisfaction of the Air Pollution Control Officer before monitoring of carbon dioxide can be used in this capacity.
- B. The CEMS shall comply with the EPA performance specifications (Title 40, Code of Federal Regulations, Part 60, Appendix B, Performance Specifications 2, 3, and 4.)

[Basis: 40 CFR 60, Subpart GG and 40 CFR 60, Appendix B]

17. UCDMC shall operate continuous monitoring systems that have been approved by the Air Pollution Control Officer that either measure or calculate and record the following.

[Basis: SMAQMD Rule 201, Section 405]

Parameter to be Monitored	Units
Exhaust gas flowrate of the gas turbine	sdcfm

COMPLIANCE TESTING REQUIREMENTS

18. A NO_x _____ source test of the gas turbine shall be performed each calendar year.

- D. The source test results shall be submitted to the Air Pollution Control Officer within 60 days from the completion of the source test(s).

[Basis: SMAQMD Rule 201, Section 405]

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

RECORD KEEPING & REPORTING

19. The following records must be continuously maintained on-site for the most recent five-year period and must be made available to the Air Pollution Control Officer upon request. Hourly and daily records shall be made available the following day.

[Basis: SMAQMD Rule 201, Section 405 and 40 CFR 60, Subpart GG]

Frequency	Information to be Recorded
Daily	P. Total NOx emissions as described in Condition 8

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

20. Submit to the Air Pollution Control Officer by the following dates a written report that contains the following information.

[Basis: 40 CFR 60, Subpart GG]

Frequency	Information to be Submitted
Quarterly by January 30 April 30 July 30 September 30 For the previous calendar quarter	Whenever the continuous emission monitoring system (CEMS) is inoperative except for zero and span checks: A. Date and time of non-operation of the CEMS. B. Nature of the CEMS repairs, adjustments, or periodic maintenance.
	Whenever an emission occurs as measured by the required continuous monitoring equipment that is in excess of any emission limitation: A. Magnitude of the emission which has been determined to be in excess. B. Date and time of the commencement and completion of each period of excess emissions C. Periods of excess emissions due to start-up, shutdown, and malfunction shall be specifically identified. D. The nature and cause of any malfunction (if known). E. The corrective action taken or preventive measures adopted.
	If there were no excess emissions for a quarter, a report shall be submitted indicating that there were no excess emissions.

21.

22. A. The permit holder must submit to the SMAQMD Air Pollution Control Officer at least once every six months, unless required more frequently by an applicable requirement, reports of all required monitoring. All instances of deviations from Title V permit monitoring conditions must be clearly identified in such reports.
- B. The reporting periods for this permit are January 1 through June 30 and July 1 through December 31. The reports must be submitted by July 30 and January 30 of each year respectively.
- C. All required reports must be certified by the responsible official and must state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

[Basis: SMAQMD Rule 207, Section 501.1]

777 12TH STREET, STE. 300
SACRAMENTO, CA 95814-1908

(279) 207-1122
(800) 880-9025

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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PERMIT NO.: 17549

REVOCABLE AND NON-TRANSFERABLE

PO 25800 – (SMUD Financing Authority DBA Cosumnes Power Plant)

SACRAMENTO METROPOLITAN



PERMIT TO OPERATE

**ISSUED TO: SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING
AUTHORITY (SFA) – COSUMNES POWER PLANT**

EQUIPMENT LOCATION: 14295A CLAY EAST RD. HERALD, CA 95638

PERMIT NO.	EQUIPMENT DESCRIPTION
25800	GAS TURBINE, NO. 3, GENERAL ELECTRIC, MODEL 7FA, COMBINED CYCLE, 2,200 MMBTU/HR. FUELED BY NATURAL GAS/DIGESTER GAS

SUBJECT TO THE FOLLOWING CONDITIONS:

GENERAL

1. The equipment must be properly maintained and operated in accordance with the information submitted with the application and the manufacturer's recommendations at all times.
[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.1]

2.

DATE ISSUED: 07-19-2019
DATE REVISED: 02-23-2024
DATE EXPIRES: 02-13-2025 (UNLESS RENEWED)

ALBERTO AYALA, PH.D., M.S.E.
AIR POLLUTION CONTROL OFFICER

BY: Brian F Krebs

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PERMIT NO.: 25800

REVOCABLE AND NON-TRANSFERABLE

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

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EMISSION LIMITATIONS

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

7.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

8.

9. Emissions from the following equipment must not exceed the following emission limits, **including** periods containing startups, shutdowns or short term excursions

[Basis: SMAQMD Rule 202, Section 408.2, Section 408.2]

Pollutant	Maximum Allowable Emissions lb/day				
		Gas Turbine No. 3			
NOx		580.4			

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

15.

MONITORING REQUIREMENTS

16. The owner/operator must operate a continuous emission monitoring (CEM) system for the turbine's emissions that has been approved by the SMAQMD Air Pollution Control Officer.
- A. The CEM system must monitor and record nitrogen oxides (NO_x) and oxygen (O₂).
- B. For NO_x and O₂, the CEMS must comply with U.S. EPA Performance Specifications in 40 CFR 75 Appendix A

[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.2]

17. The owner/operator must operate a continuous parameter monitoring system that has been approved by the SMAQMD Air Pollution Control Officer that either measures or calculates and records the following:
[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.2, Rule 413, Section 303.3]

Parameter to be Monitored	Units
B. Exhaust gas flow rate of turbine	kscfh or lb/hr

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

RECORDKEEPING AND REPORTING REQUIREMENTS

18. The following records must be continuously maintained on site for the most recent five-year period and must be made available to the SMAQMD Air Pollution Control Officer upon request. Quarterly records must be made available for inspection within 30 days of the end of the reporting period.

[Basis: SMAQMD Rules Rule 201, Section 405, 40 CFR Part 75.66(c), and Part 75 Appendix D]

Frequency	Information to be Recorded

SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT

Frequency	Information to be Recorded
Daily	T. Total NOx daily mass emissions.

19. A written report which contains the following information for each calendar quarter must be submitted to the SMAQMD Air Pollution Control Officer.

[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.2, and 40 CFR Part 60.4375 , and 40 CFR Part 60.4380]

Frequency	Information to be Submitted
Quarterly Submit the report by: January 30 April 30 July 30 October 30 for the previous calendar quarter.	<p>A. All CEMS downtime (i.e., whenever inoperative excluding periods of monitor zero and span checks):</p> <ul style="list-style-type: none"> i. Date and time of non-operation of the continuous emission monitoring system. ii. Nature of the continuous emission monitoring system repairs or adjustments. <p>B. Whenever an emission occurs as measured by the required continuous monitoring equipment that is in excess of any emission limitation:</p> <ul style="list-style-type: none"> i. Magnitude of the emission which has been determined to be in excess. ii. Date and time of the commencement and completion of each period of excess emissions. iii. Periods of excess emissions due to start-up, shut-down, short-term excursion and malfunction must be specifically identified. iv. The nature and cause of any malfunction (if known). v. The corrective action taken or preventive measures adopted. <p>C. If there were no excess emissions for a calendar quarter:</p> <ul style="list-style-type: none"> i. A report must be submitted indicating that there were no excess emissions.

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

EMISSION TESTING REQUIREMENTS

23. The permittee must perform a NO_x source test and CEM accuracy (RATA) test of the gas turbine once each calendar year (no more than 14 calendar months following the previous performance test).

D. Submit the source test report to the SMAQMD Air Pollution Control Officer within 60 days after the completion of the source test(s).

[Basis: SMAQMD Rule 201, Section 405,40 CFR Part 60.4400, 40 CFR Part 60.4415, and 40 CFR Part 60.4375]

24.

25. Monitoring Reports

A. The permittee shall submit to the SMAQMD Air Pollution Control Officer at least once every six months, unless required more frequently by an applicable requirement, reports of all required monitoring.
i. All instances of deviations from Title V permit monitoring conditions must be clearly identified in such reports.

B. The reporting periods for this permit shall be January 01 through June 30 and July 01 through December 31. The reports shall be submitted by July 30 and January 30 following each reporting period respectively.

C. All required reports must be certified by the responsible official and shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

[Basis: SMAQMD Rule 207 Section 501.1]

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

PO 25801 – (SMUD Financing Authority DBA Cosumnes Power Plant)

SACRAMENTO METROPOLITAN



AIR QUALITY
MANAGEMENT DISTRICT

PERMIT TO OPERATE

ISSUED TO: **SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING
AUTHORITY (SFA) – COSUMNES POWER PLANT**

EQUIPMENT LOCATION: 14295A CLAY EAST RD. HERALD, CA 95638

PERMIT NO.	EQUIPMENT DESCRIPTION
25801	GAS TURBINE, NO. 2, GENERAL ELECTRIC, MODEL 7FA, COMBINED CYCLE, 2,200 MMBTU/HR. FUELED BY NATURAL GAS/DIGESTER GAS

SUBJECT TO THE FOLLOWING CONDITIONS:

GENERAL

1. The equipment must be properly maintained and operated in accordance with the information submitted with the application and the manufacturer's recommendations at all times.
[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.1]

2.

DATE ISSUED: 07-19-2019
DATE REVISED: 02-23-2024
DATE EXPIRES: 02-13-2025 (UNLESS RENEWED)

ALBERTO AYALA, PH.D., M.S.E.
AIR POLLUTION CONTROL OFFICER

BY: Brian F Krebs

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PERMIT NO.: 25801

REVOCABLE AND NON-TRANSFERABLE

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

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EMISSION LIMITATIONS

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

8.

9. Emissions from the following equipment must not exceed the following emission limits, **including** periods containing startups, shutdowns or short term excursions

[Basis: SMAQMD Rule 202, Section 408.2, Section 408.2]

Pollutant	Maximum Allowable Emissions lb/day				
	Gas Turbine No. 2				
NOx	580.4				

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

15.

MONITORING REQUIREMENTS

16. The owner/operator must operate a continuous emission monitoring (CEM) system for the turbine's emissions that has been approved by the SMAQMD Air Pollution Control Officer.
- A. The CEM system must monitor and record nitrogen oxides (NO_x) and oxygen (O₂).
- B. For NO_x and O₂, the CEMS must comply with U.S. EPA Performance Specifications in 40 CFR 75 Appendix A

[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.2]

17. The owner/operator must operate a continuous parameter monitoring system that has been approved by the SMAQMD Air Pollution Control Officer that either measures or calculates and records the following:
[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.2, Rule 413, Section 303.3]

Parameter to be Monitored	Units
B. Exhaust gas flow rate of turbine	kscfh or lb/hr

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

RECORDKEEPING AND REPORTING REQUIREMENTS

18. The following records must be continuously maintained on site for the most recent five-year period and must be made available to the SMAQMD Air Pollution Control Officer upon request. Quarterly records must be made available for inspection within 30 days of the end of the reporting period.

[Basis: SMAQMD Rules Rule 201, Section 405, 40 CFR Part 75.66(c), and Part 75 Appendix D]

Frequency	Information to be Recorded

SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT

Frequency	Information to be Recorded
	emissions from the combustion turbine.
Daily	T. Total NOx daily mass emissions.

19. A written report which contains the following information for each calendar quarter must be submitted to the SMAQMD Air Pollution Control Officer.

[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.2, and 40 CFR Part 60.4375 , and 40 CFR Part 60.4380]

Frequency	Information to be Submitted
Quarterly Submit the report by: January 30 April 30 July 30 October 30 for the previous calendar quarter.	<p>A. All CEMS downtime (i.e., whenever inoperative excluding periods of monitor zero and span checks):</p> <ul style="list-style-type: none"> i. Date and time of non-operation of the continuous emission monitoring system. ii. Nature of the continuous emission monitoring system repairs or adjustments. <p>B. Whenever an emission occurs as measured by the required continuous monitoring equipment that is in excess of any emission limitation:</p> <ul style="list-style-type: none"> i. Magnitude of the emission which has been determined to be in excess. ii. Date and time of the commencement and completion of each period of excess emissions. iii. Periods of excess emissions due to start-up, shut-down, short-term excursion and malfunction must be specifically identified. iv. The nature and cause of any malfunction (if known). v. The corrective action taken or preventive measures adopted. <p>C. If there were no excess emissions for a calendar quarter:</p> <ul style="list-style-type: none"> i. A report must be submitted indicating that there were no excess emissions.

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

EMISSION TESTING REQUIREMENTS

23. The permittee must perform a NO_x source test and CEM accuracy (RATA) test of the gas turbine once each calendar year (no more than 14 calendar months following the previous performance test).

D. Submit the source test report to the SMAQMD Air Pollution Control Officer within 60 days after the completion of the source test(s).

[Basis: SMAQMD Rule 201, Section 405, 40 CFR Part 60.4400, 40 CFR Part 60.4415, and 40 CFR Part 60.4375]

24.

25. Monitoring Reports

A. The permittee shall submit to the SMAQMD Air Pollution Control Officer at least once every six months, unless required more frequently by an applicable requirement, reports of all required monitoring.
i. All instances of deviations from Title V permit monitoring conditions must be clearly identified in such reports.

B. The reporting periods for this permit shall be January 01 through June 30 and July 01 through December 31. The reports shall be submitted by July 30 and January 30 following each reporting period respectively.

C. All required reports must be certified by the responsible official and shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

[Basis: SMAQMD Rule 207 Section 501.1]

777 12TH STREET, 3RD FLOOR
SACRAMENTO, CA 95814-1908

(916) 874-4800
FAX (916) 874-4899

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

POs 27118, 27116 – (SMUD Financing Authority DBA Campbell Power Plant)



PERMIT TO OPERATE

**ISSUED TO: SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING
AUTHORITY DBA CAMPBELL POWER PLANT**

EQUIPMENT LOCATION: 3215 47TH AVE., SACRAMENTO, CA 95825

PERMIT NO.	EQUIPMENT DESCRIPTION
27118	GAS TURBINE, SIEMENS, MODEL V84.2, COMBINED CYCLE, 1,410 MMBTU/HOUR, NATURAL GAS FUELED WITH A WET COMPRESSION INJECTION SYSTEM.
27116	DUCT BURNER, 200 MMBTU/HOUR, NATURAL GAS FUELED.

SUBJECT TO THE FOLLOWING CONDITIONS:

GENERAL

1. The equipment must be properly maintained and operated in accordance with the information submitted with the application and the manufacturer's recommendations at all times.
[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.1]
- 2.

DATE ISSUED: 01-14-2022
DATE REVISED: 02-23-2024
DATE EXPIRES: 11-01-2024 (UNLESS RENEWED)

ALBERTO AYALA, PH.D., M.S.E.
AIR POLLUTION CONTROL OFFICER

BY: Brian F Krebs

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PERMIT NO.: 27116, 27118

REVOCABLE AND NON-TRANSFERABLE

SPL-V1

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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EMISSIONS LIMITATIONS

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

10. Emissions from the following equipment must not exceed the following limits, including periods containing start-ups, shutdowns and short term excursions
[Basis: SMAQMD Rule 202]

Pollutant	Maximum Allowable Emissions		
	Gas Turbine and Duct Burner lb/day		
NOx	384.5		

11.

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

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MONITORING REQUIREMENTS

19. The permittee must operate a continuous emission monitoring system that has been approved by the SMAQMD Air Pollution Control Officer for the gas turbine and duct burner.
- A. The continuous emission monitoring (CEM) system must monitor and record nitrogen oxides and oxygen.
 - B. For NO_x and O₂, the CEM system must comply with U.S. EPA Performance Specifications in 40 CFR 75 Appendix A.

[Basis: SMAQMD Rule 201 Section 405]

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

20. The permittee must operate a continuous parameter monitoring system that has been approved by the SMAQMD Air Pollution Control Officer that either measures or calculates and records the following:

[Basis: SMAQMD Rule 201, Rule 202 Rule 413, Section 303.3 and 40 CFR Part 60.334(i)(2)(i)]

Parameter to be Monitored	Units
C. Exhaust gas flow rate of the combined cycle gas turbine and the duct burner.	kscfh or lb/hr

RECORDKEEPING AND REPORTING REQUIREMENTS

21. The permittee must continuously maintain onsite the following records for the most recent five year period and must make such records available to the SMAQMD Air Pollution Control Officer upon request. Quarterly records as specified in the table below must be made available for inspection within 30 days of the end of the quarter.

[Basis: SMAQMD Rules 201 and 202, and 40 CFR Part 60.334 (j)(1)(iii)(B), 60.334(j)(2)(iii), Part 60.334 (h)(1), Part 60.334(i)(3), Part 60.335(b)(10), 40 CFR Part 75.66(c), and Part 75 Appendix D]

Frequency	Information to be recorded

SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT

Frequency	Information to be recorded
Daily	<p>M. NOx daily mass emissions from all equipment <u>separately</u> (lb/day):</p> <p>i. gas turbine and duct burner (for separate reporting the gas turbine and duct burner emission are combined).</p>

22. Submit to the SMAQMD Air Pollution Control Officer a written report which contains the following information.
[Basis: SMAQMD Rules 201 and 202, and 40 CFR Part 60.334 (j)(5)]

Frequency	Information to be Reported
<p>Quarterly</p> <p>Submitted by:</p> <p>Jan 30</p> <p>Apr 30</p> <p>Jul 30</p> <p>Oct 30</p> <p>for the previous calendar quarter</p>	<p>A. Whenever the continuous emissions monitoring system is inoperative except for zero and span checks:</p> <p>i. Date and time of non-operation of the continuous emission monitoring system.</p> <p>ii. Nature of the continuous emission monitoring system repairs or adjustments.</p> <p>B. Whenever an emission occurs as measured by the required continuous emissions monitoring system that is in excess of any emission limitation:</p> <p>i. Magnitude of the emission which has been determined to be in excess.</p> <p>ii. Date and time of the commencement and completion of each period of excess emissions.</p> <p>iii. Periods of excess emissions due to startup, shutdown and malfunction must be specifically identified.</p> <p>iv. The nature and cause of any malfunction (if known).</p> <p>v. The corrective action taken or preventive measures adopted.</p> <p>C. If there are no excess emissions or the continuous monitoring system has not been inoperative, repaired or adjusted for a calendar quarter, a report must be submitted stating such information.</p>

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

26.

EMISSION TESTING REQUIREMENTS

27. The permittee must perform a NO_x source test and CEM accuracy (RATA) test of the gas turbine and duct burner once each calendar year.

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

- D. Submit the Source Test Report to the SMAQMD Air Pollution Control Officer within 60 days after the completion of the source test(s).

[Basis: SMAQMD Rule 201, Section 405]

REPORTING

28.

29. Monitoring Reports

- A. The permittee shall submit to the SMAQMD Air Pollution Control Officer at least once every six months, unless required more frequently by an applicable requirement, reports of all required monitoring.
- i. All instances of deviations from Title V permit monitoring conditions must be clearly identified in such reports.
- B. The reporting periods for this permit shall be January 01 through June 30 and July 01 through December 31. The reports shall be submitted by July 30 and January 30 following each reporting period respectively.
- C. All required reports must be certified by the responsible official and shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

[SMAQMD Rule No. 207 Section 501.1]

777 12TH STREET, STE 300
SACRAMENTO, CA 95814-1908

(279) 207-1122
(800) 880-9025

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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PERMIT NO.: 27116, 27118

REVOCABLE AND NON-TRANSFERABLE

SPL-V1

POs 27141, 27132 – (SMUD Financing Authority DBA Proctor & Gamble Power Plant)



PERMIT TO OPERATE

**ISSUED TO: SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING
AUTHORITY DBA PROCTER AND GAMBLE POWER PLANT**

EQUIPMENT LOCATION: 5000 83RD STREET, SACRAMENTO, CA 95826

PERMIT NO.	EQUIPMENT DESCRIPTION
27141	GAS TURBINE, UNIT 1A, COMBINED CYCLE, GENERAL ELECTRIC, LM6000PC SPRINT/EFS, 500 MMBTU/HR, NOMINAL 50 MW OUTPUT, NATURAL GAS FIRED.
27132	DUCT BURNER UNIT 1A, HEAT RECOVERY STEAM GENERATOR, 83.2 MMBTU/HR, NATURAL GAS FIRED.

SUBJECT TO THE FOLLOWING CONDITIONS:

GENERAL

1. The equipment must be properly maintained and operated in accordance with the information submitted with the application.

[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.1]

DATE ISSUED: 02-25-2022
DATE REVISED: 02-23-2024
DATE EXPIRES: 11-01-2024 (UNLESS RENEWED)

ALBERTO AYALA, PH.D., M.S.E.
AIR POLLUTION CONTROL OFFICER

BY: Brian F Krebs

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PERMIT NO.: 27132, 27141

REVOCABLE AND NON-TRANSFERABLE

SPL-V1

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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EMISSIONS LIMITATIONS

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

8.

9. The combined emissions from the turbine and duct burner, including start-ups and shutdowns, must not exceed the following limits:
[Basis: SMAQMD Rule 202, Section 405]

Pollutant	Maximum Allowable Emissions Turbine and Duct Burner Combined
	Lb/day
NOx	144.9

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

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MONITORING REQUIREMENTS

15. The permittee must operate a continuous emission monitoring system (CEMS) that has been approved by the SMAQMD Air Pollution Control Officer for the turbine and duct burner.
- A. The CEMS must monitor and record nitrogen oxides and oxygen
 - B. For NO_x and O₂, the CEMS must comply with US EPA performance specifications in 40 CFR 75 Appendix A.

[Basis: SMAQMD Rule 201 Section 405 and 40 CFR Part 60]

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

16. The permittee must operate a continuous parameter monitoring system that has been approved by the SMAQMD Air Pollution Control Officer that either measures or calculates and records the following:

[Basis: SMAQMD Rule 201, Rule 202, Rule 413, Section 303.3 and 40 CFR Part 60.334(i)(2)(i)]

Parameter to be Monitored	Units
C. Exhaust gas flow rate of the turbine and duct burner.	KSCFH or lb/hr

RECORDKEEPING AND REPORTING REQUIREMENTS

17. The permittee must continuously maintain onsite the following records for the most recent five year period and must make such records available to the SMAQMD Air Pollution Control Officer upon request. Quarterly and yearly records as specified in the table below must be made available for inspection within 30 days of the end of the reporting period.

[Basis: SMAQMD Rules 201 and 202, and 40 CFR Part 60.334 (j)(1)(iii)(B), 60.334(j)(2)(iii), Part 60.334 (h)(1), Part 60.334(i)(3), Part 60.335(b)(10), 40 CFR Part 75.66(c), and Part 75 Appendix D]

Frequency	Information to be recorded
Daily	M. Turbine and Duct Burner's NOx daily mass emissions (lb/day).

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

18. Submit to the SMAQMD Air Pollution Control Officer a written report which contains the following information.
[Basis: SMAQMD Rules 201 and 202, and 40 CFR Part 60.334 (j)(5)]

Frequency	Information to be Reported
Quarterly by: Jan 30, April 30, July 30, and Oct 30.	<p>A. Whenever the continuous emissions monitoring system is inoperative except for zero and span checks:</p> <ul style="list-style-type: none">i. Date and time of non-operation of the continuous emission monitoring system.ii. Nature of the continuous emission monitoring system repairs or adjustments. <p>B. Whenever an emission occurs as measured by the required continuous emissions monitoring system that is in excess of any emission limitation:</p> <ul style="list-style-type: none">i. Magnitude of the emission which has been determined to be in excess.ii. Date and time of the commencement and completion of each period of excess emissions.iii. Periods of excess emissions due to startup, shutdown and malfunction must be specifically identified.iv. The nature and cause of any malfunction (if known).v. The corrective action taken or preventive measures adopted. <p>C. If there are no excess emissions or the continuous monitoring system has not been inoperative, repaired or adjusted for a calendar quarter, a report must be submitted stating such information.</p>

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

19.

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

- E. Submit the Source Test Report to the SMAQMD Air Pollution Control Officer within 60 days after the completion of the source test(s).

[Basis: SMAQMD Rule 201, Section 405]

REPORTING

22.

23. Monitoring Reports

- A. The permit holder must submit to the SMAQMD Air Pollution Control Officer at least once every six months, unless required more frequently by an applicable requirement, reports of all required monitoring. All instances of deviations from Title V permit monitoring conditions must be clearly identified in such reports.
- B. The reporting periods for this permit are January 1 through June 30 and July 1 through December 31. The reports must be submitted by July 30 and January 30 following each reporting period respectively.
- C. All required reports must be certified by the responsible official and must state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

[SMAQMD Rule 207 Section 501.1]

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

POs 27142, 27133 – (SMUD Financing Authority DBA Proctor & Gamble Power Plant)



PERMIT TO OPERATE

**ISSUED TO: SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING
AUTHORITY DBA PROCTER AND GAMBLE POWER PLANT**

EQUIPMENT LOCATION: 5000 83RD STREET, SACRAMENTO, CA 95826

PERMIT NO.	EQUIPMENT DESCRIPTION
27142	GAS TURBINE, UNIT 1B, COMBINED CYCLE, GENERAL ELECTRIC, LM6000PC SPRINT/EFS, 500 MMBTU/HR, NOMINAL 50 MW OUTPUT, NATURAL GAS FIRED.
27133	DUCT BURNER UNIT 1B, HEAT RECOVERY STEAM GENERATOR, 83.2 MMBTU/HR, NATURAL GAS FIRED.

SUBJECT TO THE FOLLOWING CONDITIONS:

GENERAL

1. The equipment must be properly maintained and operated in accordance with the information submitted with the application.

[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.1]

DATE ISSUED: 02-25-2022
DATE REVISED: 02-23-2024
DATE EXPIRES: 11-01-2024 (UNLESS RENEWED)

ALBERTO AYALA, PH.D., M.S.E.
AIR POLLUTION CONTROL OFFICER

BY: Brian F Krebs

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PERMIT NO.: 27133, 27142

REVOCABLE AND NON-TRANSFERABLE

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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EMISSIONS LIMITATIONS

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

8.

9. The combined emissions from the turbine and duct burner, including start-ups and shutdowns, must not exceed the following limits:

Pollutant	Maximum Allowable Emissions Turbine and Duct Burner Combined
	Lb/day
NOx	144.9

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

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MONITORING REQUIREMENTS

15. The permittee must operate a continuous emission monitoring system that has been approved by the SMAQMD Air Pollution Control Officer for the turbine and duct burner.
- A. The continuous emission monitoring (CEM) system must monitor and record nitrogen oxides and oxygen
 - B. For NO_x and O₂, the CEMS must comply with US EPA performance specifications in 40 CFR 75 Appendix A.

[Basis: SMAQMD Rule 201 Section 405 and 40 CFR Part 60]

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

16. The permittee must operate a continuous parameter monitoring system that has been approved by the SMAQMD Air Pollution Control Officer that either measures or calculates and records the following:

[Basis: SMAQMD Rule 201, Rule 202, Rule 413, Section 303.3 and 40 CFR Part 60.334(i)(2)(i)]

Parameter to be Monitored	Units
C. Exhaust gas flow rate of the turbine and duct burner.	KSCFH or lb/hr

RECORDKEEPING AND REPORTING REQUIREMENTS

17. The permittee must continuously maintain onsite the following records for the most recent five year period and must make such records available to the SMAQMD Air Pollution Control Officer upon request. Monthly, quarterly and yearly records as specified in the table below must be made available for inspection within 30 days of the end of the reporting period.

[Basis: SMAQMD Rules 201 and 202, and 40 CFR Part 60.334 (j)(1)(iii)(B), 60.334(j)(2)(iii), Part 60.334 (h)(1), Part 60.334(i)(3), Part 60.335(b)(10), 40 CFR Part 75.66(c), and Part 75 Appendix D]

Frequency	Information to be recorded
Daily	M. Turbine and Duct Burner's NOx daily mass emissions (lb/day).

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

18. Submit to the SMAQMD Air Pollution Control Officer a written report which contains the following information.
[Basis: SMAQMD Rules 201 and 202, and 40 CFR Part 60.334 (j)(5)]

Frequency	Information to be Reported
Quarterly by: Jan 30, April 30, July 30, and Oct 30.	<p>A. Whenever the continuous emissions monitoring system is inoperative except for zero and span checks:</p> <ul style="list-style-type: none">i. Date and time of non-operation of the continuous emission monitoring system.ii. Nature of the continuous emission monitoring system repairs or adjustments. <p>B. Whenever an emission occurs as measured by the required continuous emissions monitoring system that is in excess of any emission limitation:</p> <ul style="list-style-type: none">i. Magnitude of the emission which has been determined to be in excess.ii. Date and time of the commencement and completion of each period of excess emissions.iii. Periods of excess emissions due to startup, shutdown and malfunction must be specifically identified.iv. The nature and cause of any malfunction (if known).v. The corrective action taken or preventive measures adopted. <p>C. If there are no excess emissions or the continuous monitoring system has not been inoperative, repaired or adjusted for a calendar quarter, a report must be submitted stating such information.</p>

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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PERMIT NO.: 27133,

27142

REVOCABLE AND NON-TRANSFERABLE

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

EMISSION TESTING REQUIREMENTS

21. The permittee must perform a NO_x source test and CEM accuracy
(RATA) test of the turbine once each calendar year.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

- E. Submit the Source Test Report to the SMAQMD Air Pollution Control Officer within 60 days after the completion of the source test(s).

[Basis: SMAQMD Rule 201, Section 405]

REPORTING

22.

23. Monitoring Reports

- A. The permit holder must submit to the SMAQMD Air Pollution Control Officer at least once every six months, unless required more frequently by an applicable requirement, reports of all required monitoring. All instances of deviations from Title V permit monitoring conditions must be clearly identified in such reports.
- B. The reporting periods for this permit are January 1 through June 30 and July 1 through December 31. The reports must be submitted by July 30 and January 30 following each reporting period respectively.
- C. All required reports must be certified by the responsible official and must state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

[SMAQMD Rule 207 Section 501.1]

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

PO 27143 – (SMUD Financing Authority DBA Proctor & Gamble Power Plant)



PERMIT TO OPERATE

**ISSUED TO: SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING
AUTHORITY DBA PROCTER AND GAMBLE POWER PLANT**

EQUIPMENT LOCATION: 5000 83RD STREET, SACRAMENTO, CA 95826

PERMIT NO.	EQUIPMENT DESCRIPTION
27143	GAS TURBINE, UNIT 1C, SIMPLE CYCLE, GENERAL ELECTRIC, LM6000PC SPRINT/EFS, 500 MMBTU/HR, NOMINAL 50 MW OUTPUT, NATURAL GAS FIRED.

SUBJECT TO THE FOLLOWING CONDITIONS:

GENERAL

1. The equipment must be properly maintained and operated in accordance with the information submitted with the application.
[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.1]

2.

DATE ISSUED: 02-25-2022
DATE REVISED: 02-23-2024
DATE EXPIRES: 11-01-2024 (UNLESS RENEWED)

ALBERTO AYALA, PH.D., M.S.E.
AIR POLLUTION CONTROL OFFICER

BY: Brian F Krebs

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PERMIT NO.: 27143

REVOCABLE AND NON-TRANSFERABLE

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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EMISSIONS LIMITATIONS

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8.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

9. The emissions from the turbine including start-ups and shutdowns, must not exceed the following limits:

Pollutant	Maximum Allowable Emissions Turbine Lb/day
NOx	120.3

10.

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

MONITORING REQUIREMENTS

13. The permittee must operate a continuous emission monitoring system (CEMS) that has been approved by the SMAQMD Air Pollution Control Officer for the turbine.
- A. The CEMS must monitor and record nitrogen oxides and oxygen
- B. For NO_x and O₂, the CEMS must meet with US EPA performance specifications in 40 CFR 75 Appendix A.

[Basis: SMAQMD Rule 201 Section 405 and 40 CFR Part 60]

14. The permittee must operate a continuous parameter monitoring system that has been approved by the SMAQMD Air Pollution Control Officer that either measures or calculates and records the following:

[Basis: SMAQMD Rule 201, Rule 202 Rule 413, Section 303.3 and 40 CFR Part 60.334(i)(2)(i)]

Parameter to be Monitored	Units
B. Exhaust flow rate of the turbine	KSCFH OR lb/hr

RECORDKEEPING AND REPORTING REQUIREMENTS

15. The permittee must continuously maintain onsite the following records for the most recent five year period and must make such records available to the SMAQMD Air Pollution Control Officer upon request. Quarterly records as specified in the table below must be made available for inspection within 30 days of the end of the reporting period.

[Basis: SMAQMD Rules 201 and 202, and 40 CFR Part 60.334 (j)(1)(iii)(B), 60.334(j)(2)(iii), Part 60.334 (h)(1), Part 60.334(i)(3), Part 60.335(b)(10), 40 CFR Part 75.66(c), and Part 75 Appendix D]

Frequency	Information to be recorded

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

Frequency	Information to be recorded
Daily	L. Turbine's NOx and CO daily mass emissions (lb/day).

16. Submit to the SMAQMD Air Pollution Control Officer a written report which contains the following information.
[Basis: SMAQMD Rules 201 and 202, and 40 CFR Part 60.334 (j)(5)]

Frequency	Information to be Reported
Quarterly by: Jan 30, April 30, July 30, and Oct 30.	<p>A. Whenever the continuous emissions monitoring system is inoperative except for zero and span checks:</p> <ul style="list-style-type: none">i. Date and time of non-operation of the continuous emission monitoring system.ii. Nature of the continuous emission monitoring system repairs or adjustments. <p>B. Whenever an emission occurs as measured by the required continuous emissions monitoring system that is in excess of any emission limitation:</p> <ul style="list-style-type: none">i. Magnitude of the emission which has been determined to be in excess.ii. Date and time of the commencement and completion of each period of excess emissions.iii. Periods of excess emissions due to startup, shutdown and malfunction must be specifically identified.iv. The nature and cause of any malfunction (if known).v. The corrective action taken or preventive measures adopted. <p>C. If there are no excess emissions or the continuous monitoring system has not been inoperative, repaired or adjusted for a calendar quarter, a report must be submitted stating such information.</p>

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

Board of Directors Regular Meeting - April 25, 2024 - 165

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

- E. Submit the Source Test Report to the SMAQMD Air Pollution Control Officer within 60 days after the completion of the source test(s).

[Basis: SMAQMD Rule 201, Section 405]

REPORTING

20.

21. Monitoring Reports

- A. The permit holder must submit to the SMAQMD Air Pollution Control Officer at least once every six months, unless required more frequently by an applicable requirement, reports of all required monitoring. All instances of deviations from Title V permit monitoring conditions must be clearly identified in such reports.
- B. The reporting periods for this permit are January 1 through June 30 and July 1 through December 31. The reports must be submitted by July 30 and January 30 following each reporting period respectively.
- C. All required reports must be certified by the responsible official and must state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

[SMAQMD Rule 207 Section 501.1]

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

POs 27151, 27153 – (SMUD Financing Authority DBA Carson Power Plant)



PERMIT TO OPERATE

**ISSUED TO: SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING
AUTHORITY DBA CARSON POWER PLANT**

EQUIPMENT LOCATION: 8580 LAGUNA STATION RD., ELK GROVE, CA 95758

PERMIT NO.	EQUIPMENT DESCRIPTION
27151	GAS TURBINE, BASE LOAD, GENERAL ELECTRIC, LM6000PC SPRINT/EFS, 500 MMBTU/HR, COMBINED CYCLE, NOMINAL 50 MW OUTPUT, NATURAL GAS AND DIGESTER GAS FIRED.
27153	DUCT BURNER, HEAT RECOVERY STEAM GENERATOR, 99.9 MMBTU/HR NATURAL GAS AND DIGESTER GAS FIRED.

SUBJECT TO THE FOLLOWING CONDITIONS:

GENERAL

1. The equipment must be properly maintained and operated in accordance with the manufacturer's recommendations at all times.
[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.1]
- 2.

DATE ISSUED: 04-29-2022
DATE REVISED: 02-23-2024
DATE EXPIRES: 11-01-2024 (UNLESS RENEWED)

ALBERTO AYALA, PH.D., M.S.E.
AIR POLLUTION CONTROL OFFICER

BY: Brian F Krebs

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PERMIT NO.: 27151 27153

REVOCABLE AND NON-TRANSFERABLE

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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EMISSIONS LIMITATIONS

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

9. Emissions from the following equipment must not exceed the following limits.
[Basis: SMAQMD Rule 201 Section 405 and 202 Section 301]

POLLUTANT	Emission Limits			
		Combined Cycle Gas Turbine And Duct Burner lb/day		
NOx		134.8		

10.

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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MONITORING REQUIREMENTS

20. The permittee must operate a continuous emission monitoring system (CEMS) that has been approved by the SMAQMD Air Pollution Control Officer for the turbine.
- A. The CEMS must monitor and record nitrogen oxides and oxygen.
 - B. For NO_x and O₂, the CEMS must comply with US EPA performance specifications in 40 CFR 75 Appendix A.

[Basis: SMAQMD Rule 201 Section 405]

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

21.

RECORDKEEPING AND REPORTING REQUIREMENTS

22. The permittee must continuously maintain onsite the following records for the most recent five year period and must make such records available to the SMAQMD Air Pollution Control Officer upon request. Monthly, quarterly and yearly records as specified in the table below must be made available for inspection within 30 days of the end of the reporting period.
[Basis: SMAQMD Rules 201 and 202, and 40 CFR Part 60.334 (j)(1)(iii)(B), 60.334(j)(2)(iii), Part 60.334 (h)(1), Part 60.334(i)(3), Part 60.335(b)(10), 40 CFR Part 75.66(c), and Part 75 Appendix D]

Frequency	Information to be recorded

SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT

Frequency	Information to be recorded
Daily	Q. NOx daily mass emissions of the combined cycle gas turbine and duct burner to verify compliance with Condition No. 9 .

23. Submit to the SMAQMD Air Pollution Control Officer a written report which contains the following information.
[Basis: **SMAQMD Rules 201 and 202, and 40 CFR Part 60.334 (j)(5)**]

Frequency	Information to be Reported
Quarterly by: Jan 30, April 30, July 30, and Oct 30	A. Whenever the continuous emissions monitoring system is inoperative except for zero and span checks: i. Date and time of non-operation of the continuous emission monitoring system. ii. Nature of the continuous emission monitoring system repairs or adjustments. B. Whenever an emission occurs as measured by the required continuous emissions monitoring system that is in excess of any emission limitation:

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

Frequency	Information to be Reported
	<ul style="list-style-type: none">i. Magnitude of the emission which has been determined to be in excess.ii. Date and time of the commencement and completion of each period of excess emissions.iii. Periods of excess emissions due to startup, shutdown and malfunction must be specifically identified.iv. The nature and cause of any malfunction (if known).v. The corrective action taken or preventive measures adopted. <p>C. If there are no excess emissions or the continuous monitoring system has not been inoperative, repaired or adjusted for a calendar quarter, a report must be submitted stating such information.</p>

EMISSION TESTING REQUIREMENTS

24. The permittee must perform a NO_x source test and CEM accuracy (RATA) test of the combined cycle turbine and duct burner once each calendar year.

E. Submit the Source Test Report to the SMAQMD Air Pollution Control Officer within 60 days after the completion of the source test(s).

[Basis: SMAQMD Rule 201, Section 405]

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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PERMIT NO.: 27151 27153

REVOCABLE AND NON-TRANSFERABLE

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

27.

28. MONITORING REPORTS

- A. The permittee shall submit to the SMAQMD Air Pollution Control Officer at least once every six months, unless required more frequently by an applicable requirement, reports of all required monitoring.
- B. The reporting periods for this permit shall be for the six month periods January 1 through June 30 and July 1 through December 31. The reports shall be submitted by July 30 and January 30 of each year respectively.
- C. All instances of deviations from Title V permit conditions must be clearly identified in such reports. All required reports must be certified by the responsible official and shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

[Basis: SMAQMD Rule 207 Section 501.1]

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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PERMIT NO.: 27151 27153

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PO 27156 – (SMUD Financing Authority DBA Carson Power Plant)



PERMIT TO OPERATE

**ISSUED TO: SACRAMENTO MUNICIPAL UTILITY DISTRICT FINANCING
AUTHORITY DBA CARSON POWER PLANT**

EQUIPMENT LOCATION: 8580 LAGUNA STATION RD., ELK GROVE, CA 95758

PERMIT NO.	EQUIPMENT DESCRIPTION
27156	GAS TURBINE, GENERAL ELECTRIC, LM6000, 450 MMBTU/HR, SIMPLE CYLCE, NATURAL & DIGESTER GAS FIRED.

SUBJECT TO THE FOLLOWING CONDITIONS:

1. The equipment must be properly maintained and operated in accordance with the information submitted with the application.

[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.1]

2.

DATE ISSUED: 04-29-2022
DATE REVISED: 02-23-2024
DATE EXPIRES: 11-01-2024 (UNLESS RENEWED)

ALBERTO AYALA, PH.D., M.S.E.
AIR POLLUTION CONTROL OFFICER

BY: Brian F Krebs

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PERMIT NO.: 27156

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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EMISSIONS LIMITATIONS

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

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11. Emissions from the following equipment must not exceed the following limits.
[Basis: SMAQMD Rule 201 Section 405 and 202 Section 301]

POLLUTANT	Emission Limits			
	Simple Cycle Gas Turbine lb/day			
NOx	175.8			

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

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MONITORING REQUIREMENTS

20. The permittee must operate a continuous emission monitoring system (CEMS) that has been approved by the SMAQMD Air Pollution Control Officer for the turbine.
- A. The CEMS must monitor and record nitrogen oxides and oxygen.
 - B. For NO_x and O₂, the CEMS must comply with US EPA performance specifications in 40 CFR 75 Appendix A.

[Basis: SMAQMD Rule 201 Section 405]

21.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

RECORDKEEPING AND REPORTING REQUIREMENTS

22. The permittee must continuously maintain onsite the following records for the most recent five year period and must make such records available to the SMAQMD Air Pollution Control Officer upon request. Monthly, quarterly, and yearly records as specified in the table below must be made available for inspection within 30 days of the end of the reporting period.
[Basis: SMAQMD Rules 201 and 202, and 40 CFR Part 60.334 (j)(1)(iii)(B), 60.334(j)(2)(iii), Part 60.334 (h)(1), Part 60.334(i)(3), Part 60.335(b)(10), 40 CFR Part 75.66(c), and Part 75 Appendix D]

Frequency	Information to be recorded
Daily	N. Turbine's NOx daily mass emissions (lb/day).

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

23. Submit to the SMAQMD Air Pollution Control Officer a written report which contains the following information.
[Basis: SMAQMD Rules 201 and 202, and 40 CFR Part 60.334 (j)(5)]

Frequency	Information to be Reported
Quarterly by: Jan 30, April 30, July 30, and Oct 30	<p>A. Whenever the continuous emissions monitoring system is inoperative except for zero and span checks:</p> <ul style="list-style-type: none">i. Date and time of non-operation of the continuous emission monitoring system.ii. Nature of the continuous emission monitoring system repairs or adjustments. <p>B. Whenever an emission occurs as measured by the required continuous emissions monitoring system that is in excess of any emission limitation:</p> <ul style="list-style-type: none">i. Magnitude of the emission which has been determined to be in excess.ii. Date and time of the commencement and completion of each period of excess emissions.iii. Periods of excess emissions due to startup, shutdown and malfunction must be specifically identified.iv. The nature and cause of any malfunction (if known).v. The corrective action taken or preventive measures adopted. <p>C. If there are no excess emissions or the continuous monitoring system has not been inoperative, repaired or adjusted for a calendar quarter, a report must be submitted stating such information.</p>

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

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PERMIT NO.:

27156

REVOCABLE AND NON-TRANSFERABLE

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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

EMISSION TESTING REQUIREMENTS

26. The permittee must perform a NO_x source test and CEM accuracy (RATA) test of the turbine once each calendar year.

E. Submit the Source Test Report to the SMAQMD Air Pollution Control Officer within 60 days after the completion of the source test(s).

[Basis: SMAQMD Rule 201, Section 405]

REPORTING

27.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

28. MONITORING REPORTS

- A. The permittee shall submit to the SMAQMD Air Pollution Control Officer at least once every six months, unless required more frequently by an applicable requirement, reports of all required monitoring.
- B. The reporting periods for this permit shall be for the six month periods January 1 through June 30 and July 1 through December 31. The reports shall be submitted by July 30 and January 30 of each year respectively.
- C. All instances of deviations from Title V permit conditions must be clearly identified in such reports. All required reports must be certified by the responsible official and shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

[Basis: SMAQMD Rule 207 Section 501.1]

APPENDIX C – GAS-FIRED OVEN PERMITS TO OPERATE

PO 24611 – (Mitsubishi Chemical Carbon Fiber & Composites)

SACRAMENTO METROPOLITAN



PERMIT TO OPERATE

ISSUED TO: MITSUBISHI CHEMICAL CARBON FIBER & COMPOSITES, INC.

EQUIPMENT LOCATION: 5900 88TH STREET, SACRAMENTO, CA 95828

PERMIT NO.	EQUIPMENT DESCRIPTION
24611	OXIDATION OVEN (OVEN #1), MAKE: EISENMANN, BURNER MODEL: WMG10/2-A, ZM-3LN, BURNER SERIAL NOS.: 40283428 AND 40283426, 2.39 MMBTU/HR CAPACITY, NATURAL GAS FIRED, SERVING CARBON FIBER MANUFACTURING PROCESS LINE 33 (P/O 24518), PROCESS AREA VENTED TO APC REGENERATIVE THERMAL OXIDIZER (P/O 24520 OR P/O 24521).

SUBJECT TO THE FOLLOWING CONDITIONS:

GENERAL

- 1.
2. The equipment must be properly maintained and operated in accordance with the information submitted with the application and the manufacturer's recommendations at all times.
[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.1]

DATE ISSUED: 08-07-2019
DATE REVISED: 02-23-2024
DATE EXPIRES: 10-24-2024 (UNLESS RENEWED)

ALBERTO AYALA, PH.D., M.S.E.
AIR POLLUTION CONTROL OFFICER

BY: Brian F Krebs

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

3.

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6.

EMISSIONS LIMITATIONS

7.

8. The burner of the oxidation oven, when burning natural gas, must meet the following emission standards:
[Basis: SMAQMD Rule 202, Section 408 and Rule 419, Section 301]

Pollutant	Emission Standard and Work Practice
NOx	30 ppmvd corrected to 3% oxygen (A)

(A) Based on SMAQMD BACT standard for this equipment category.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

9. Emissions from the oxidation oven must not exceed the following limits:
[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408]

Pollutant		Emission Limits (B)		
		(lb/day)		
NOx		2.1		

(B) Emissions are based on 2.39 MMbtu/hr, 24 hours/day, 365 days/year

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

12.

13.

EMISSIONS TESTING

14. Emissions of Nitrogen Oxides and Oxygen must be tested for the oxidation oven annually to verify compliance with Condition No. 8.

D. Submit the source test report to the Air Pollution Control Officer within 60 days from the completion of the test(s.)

[Basis: SMAQMD Rule 419, Section 403 and Rule 201, Section 303.2]

15. Emission testing methods must be the following:

A. Oxides of Nitrogen – ARB Method 100 or EPA Method 7E.

C. Stack gas Oxygen – ARB Method 100 or EPA Method 3A.

[Basis: SMAQMD Rule 419, Section 501]

16. In lieu of the test methods required by Condition No. 15, emission testing of the burners may be performed using a hand-held portable analyzer every other year starting in 2018 provided compliance with the following:

B. Notwithstanding the non-applicability of Rule 411 to the equipment, test equipment must comply with Rule 411, Attachment B. Emission readings must either be averaged over a 15 minute test period or 5 evenly spaced readings may be taken over a 15 minute test interval.

C. If the results from the portable analyzer test show that NO_x emissions exceed the limits specified in Condition No. 8, the burner must be source tested no later than 60 days from the date of discovery of the exceedance.

[Basis: SMAQMD Rule 201, Section 405]

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

18.

19.

RECORDKEEPING

20. Emission test reports must be maintained on-site for the most recent five year period and must be made available to the Air Pollution Control Officer upon request.

[Basis: SMAQMD Rule 419, Section 502.4 and Rule 201, Section 405]

21

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

22.

GENERAL REPORTING

23. A. The permit holder must submit to the SMAQMD Air Pollution Control Officer at least once every six months, unless required more frequently by an applicable requirement, reports of all required monitoring. All instances of deviations from Title V permit monitoring conditions must be clearly identified in such reports.
- B. The reporting periods for this permit are January 1 through June 30 and July 1 through December 31. The reports must be submitted by July 30 and January 30 of each year respectively.
- C. All required reports must be certified by the responsible official and must state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

[Basis: SMAQMD Rule 207, Section 501.1]

777 12TH STREET, STE. 300
SACRAMENTO, CA 95814-1908

(279) 207-1122
(800) 880-9025

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

PO 24613 – (Mitsubishi Chemical Carbon Fiber & Composites)

SACRAMENTO METROPOLITAN



PERMIT TO OPERATE

ISSUED TO: MITSUBISHI CHEMICAL CARBON FIBER & COMPOSITES, INC.

EQUIPMENT LOCATION: 5900 88TH STREET, SACRAMENTO, CA 95828

PERMIT NO.	EQUIPMENT DESCRIPTION
24613	OXIDATION OVEN (OVEN #3), MAKE: EISENMANN, BURNER MODEL: WMG10/2-A, ZM-3LN, BURNER SERIAL NOS.: 40283425 AND 40283432, 2.39 MMBTU/HR CAPACITY, NATURAL GAS FIRED, SERVING CARBON FIBER MANUFACTURING PROCESS LINE 33 (P/O 24518), PROCESS AREA VENTED TO APC REGENERATIVE THERMAL OXIDIZER (P/O 24520 OR P/O 24521).

SUBJECT TO THE FOLLOWING CONDITIONS:

GENERAL

- 1.
2. The equipment must be properly maintained and operated in accordance with the information submitted with the application and the manufacturer's recommendations at all times.
[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.1]

DATE ISSUED: 10-25-2019
DATE REVISED: 02-23-2024
DATE EXPIRES: 10-24-2024 (UNLESS RENEWED)

ALBERTO AYALA, PH.D., M.S.E.
AIR POLLUTION CONTROL OFFICER

BY: Brian F Krebs

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

3.

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6.

EMISSIONS LIMITATIONS

7.

8. The burner of the oxidation oven must meet the following emission standards:
[Basis: SMAQMD Rule 202, Section 408 and Rule 419, Section 301]

Pollutant	Emission Standard and Work Practice
NOx	30 ppmvd corrected to 3% oxygen (A)

(A) Based on SMAQMD BACT standard for this equipment category.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

9. The emissions from the oxidation oven must not exceed the following limits:
[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408]

Pollutant		Emission Limits (B)		
		(lb/day)		
NOx		2.1		

(B) Emissions are based on 2.39 MMbtu/hr, 24 hours/day, 365 days/year

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

12.

13.

EMISSIONS TESTING

14. Emissions of Nitrogen Oxides and Oxygen must be tested for the oxidation oven annually to verify compliance with Condition No. 8.

D. Submit the source test report to the Air Pollution Control Officer within 60 days from the completion of the test(s.)

[Basis: SMAQMD Rule 419, Section 403 and Rule 201, Section 303.2]

15. Emission testing methods must be the following:

A. Oxides of Nitrogen – ARB Method 100 or EPA Method 7E.

C. Stack gas Oxygen – ARB Method 100 or EPA Method 3A.

[Basis: SMAQMD Rule 419, Section 501]

16. In lieu of the test methods required by Condition No. 15, emission testing of the burners may be performed using a hand-held portable analyzer every other year starting in 2018 provided compliance with the following:

B. Notwithstanding the non-applicability of Rule 411 to the equipment, test equipment must comply with Rule 411, Attachment B. Emission readings must either be averaged over a 15 minute test period or 5 evenly spaced readings may be taken over a 15 minute test interval.

C. If the results from the portable analyzer test show that NO_x emissions exceed the limits specified in Condition No. 8, the burner must be source tested no later than 60 days from the date of discovery of the exceedance.

[Basis: SMAQMD Rule 201, Section 405]

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

18.

19.

RECORDKEEPING

20. Emission test reports must be maintained on-site for the most recent five year period and must be made available to the Air Pollution Control Officer upon request.

[Basis: SMAQMD Rule 419, Section 502.4]

21.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

22.

GENERAL REPORTING

23. A. The permit holder must submit to the SMAQMD Air Pollution Control Officer at least once every six months, unless required more frequently by an applicable requirement, reports of all required monitoring. All instances of deviations from Title V permit monitoring conditions must be clearly identified in such reports.
- B. The reporting periods for this permit are January 1 through June 30 and July 1 through December 31. The reports must be submitted by July 30 and January 30 of each year respectively.
- C. All required reports must be certified by the responsible official and must state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

[Basis: SMAQMD Rule 207, Section 501.1]

777 12TH STREET, STE. 300
SACRAMENTO, CA 95814-1908

(279) 207-1122
(800) 880-9025

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

PO 24614 – (Mitsubishi Chemical Carbon Fiber & Composites)

SACRAMENTO METROPOLITAN



PERMIT TO OPERATE

ISSUED TO: MITSUBISHI CHEMICAL CARBON FIBER & COMPOSITES, INC.

EQUIPMENT LOCATION: 5900 88TH STREET, SACRAMENTO, CA 95828

PERMIT NO.	EQUIPMENT DESCRIPTION
24614	OXIDATION OVEN (OVEN #4), MAKE: EISENMANN, BURNER MODEL: WMG10/2-A, ZM-3LN, BURNER SERIAL NOS.: 40283429 AND 40283431, 2.39 MMBTU/HR CAPACITY, NATURAL GAS FIRED, SERVING CARBON FIBER MANUFACTURING PROCESS LINE 33 (P/O 24518), PROCESS AREA VENTED TO APC REGENERATIVE THERMAL OXIDIZER (P/O 24520 OR P/O 24521).

SUBJECT TO THE FOLLOWING CONDITIONS:

GENERAL

- 1.
2. The equipment must be properly maintained and operated in accordance with the information submitted with the application and the manufacturer's recommendations at all times.
[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.1]

DATE ISSUED: 10-25-2019
DATE REVISED: 02-23-2024
DATE EXPIRES: 10-24-2024 (UNLESS RENEWED)

ALBERTO AYALA, PH.D., M.S.E.
AIR POLLUTION CONTROL OFFICER

BY: Brian F Krebs

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

3.

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6.

EMISSIONS LIMITATIONS

7.

8. The burner of the oxidation oven must meet the following emission standards:
[Basis: SMAQMD Rule 202, Section 408 and Rule 419, Section 301]

Pollutant	Emission Standard and Work Practice
NOx	30 ppmvd corrected to 3% oxygen (A)

(A) Based on SMAQMD BACT standard for this equipment category.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

9. The emissions from the oxidation oven must not exceed the following limits:
[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408]

Pollutant		Emission Limits (B)		
		(lb/day)		
NOx		2.1		

(B) Emissions are based on 2.39 MMbtu/hr, 24 hours/day, 365 days/year

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11.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

12.

13.

EMISSIONS TESTING

14. Emissions of Nitrogen Oxides and Oxygen must be tested for the oxidation oven annually to verify compliance with Condition No. 8.

D. Submit the source test report to the Air Pollution Control Officer within 60 days from the completion of the test(s.)

[Basis: SMAQMD Rule 419, Section 403 and Rule 201, Section 303.2]

15. Emission testing methods must be the following:

A. Oxides of Nitrogen – ARB Method 100 or EPA Method 7E.

C. Stack gas Oxygen – ARB Method 100 or EPA Method 3A.

[Basis: SMAQMD Rule 419, Section 501]

16. In lieu of the test methods required by Condition No. 15, emission testing of the burners may be performed using a hand-held portable analyzer every other year starting in 2018 provided compliance with the following:

B. Notwithstanding the non-applicability of Rule 411 to the equipment, test equipment must comply with Rule 411, Attachment B. Emission readings must either be averaged over a 15 minute test period or 5 evenly spaced readings may be taken over a 15 minute test interval.

C. If the results from the portable analyzer test show that NO_x emissions exceed the limits specified in Condition No. 8, the burner must be source tested no later than 60 days from the date of discovery of the exceedance.

[Basis: SMAQMD Rule 201, Section 405]

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

18.

19.

RECORDKEEPING

20. Emission test reports must be maintained on-site for the most recent five year period and must be made available to the Air Pollution Control Officer upon request.

[Basis: SMAQMD Rule 419, Section 502.4]

21.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

22.

GENERAL REPORTING

23. A. The permit holder must submit to the SMAQMD Air Pollution Control Officer at least once every six months, unless required more frequently by an applicable requirement, reports of all required monitoring. All instances of deviations from Title V permit monitoring conditions must be clearly identified in such reports.
- B. The reporting periods for this permit are January 1 through June 30 and July 1 through December 31. The reports must be submitted by July 30 and January 30 of each year respectively.
- C. All required reports must be certified by the responsible official and must state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

[Basis: SMAQMD Rule 207, Section 501.1]

777 12TH STREET, STE. 300
SACRAMENTO, CA 95814-1908

(279) 207-1122
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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

PO 25925 – (Mitsubishi Chemical Carbon Fiber & Composites)



PERMIT TO OPERATE

ISSUED TO: MITSUBISHI CHEMICAL CARBON FIBER & COMPOSITES, INC.

EQUIPMENT LOCATION: 5900 88TH STREET, SACRAMENTO, CA 95828

PERMIT NO.	EQUIPMENT DESCRIPTION
25925	OXIDATION OVEN (OVEN #2), MAKE: MAXON, BURNER MODEL: OPLE10SUNSC11HAS, BURNER SERIAL NOS.: 18479862-1 AND 18479862-2, 2.0 MMBTU/HR CAPACITY (EACH), NATURAL GAS FIRED, SERVING CARBON FIBER MANUFACTURING PROCESS LINE 33 (P/O 25918), PROCESS AREA VENTED TO APC REGENERATIVE THERMAL OXIDIZER (P/O 24520 OR P/O 24521).

SUBJECT TO THE FOLLOWING CONDITIONS:

GENERAL

- 1.
2. The equipment must be properly maintained and operated in accordance with the information submitted with the application and the manufacturer's recommendations at all times.
[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.1]

DATE ISSUED: 10-29-2021
DATE REVISED: 02-23-2024
DATE EXPIRES: 10-24-2024 (UNLESS RENEWED)

ALBERTO AYALA, PH.D., M.S.E.
AIR POLLUTION CONTROL OFFICER

BY: Brian F Krebs

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

3.

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6.

EMISSIONS LIMITATIONS

7.

8. The burner of the oxidation oven must meet the following emission standards:
[Basis: SMAQMD Rule 202, Section 408 and Rule 419, Section 301]

Pollutant	Emission Standard and Work Practice
NOx	30 ppmvd corrected to 3% oxygen (A)

(A) Based on Rule 419 and the SMAQMD BACT standard for this equipment category.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

9. The emissions from the oxidation oven must not exceed the following limits:
[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408]

Pollutant		Emission Limits (B)		
		(lb/day)		
NOx		1.7		

(B) Emissions are based on 2.0 MMbtu/hr, 24 hours/day, 365 days/year

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

12.

13.

EMISSIONS TESTING

14. Emissions of nitrogen oxides (NO_x) and oxygen must be tested for the oxidation oven annually to verify compliance with Condition No. 8.

- D. Submit the source test report to the Air Pollution Control Officer within 60 days from the completion of the test(s.)

[Basis: SMAQMD Rule 419, Section 403 and Rule 201, Section 303.2]

15. Emission testing methods must be the following:

A. Oxides of Nitrogen – ARB Method 100 or EPA Method 7E.

C. Stack gas Oxygen – ARB Method 100 or EPA Method 3A.

[Basis: SMAQMD Rule 419, Section 501]

16.

17. In lieu of the test methods required by Condition No. 15, emission testing of the burners may be performed using a hand-held portable analyzer every other year starting in 2018 provided compliance with the following:

- B. Notwithstanding the non-applicability of Rule 411 to the equipment, test equipment must comply with Rule 411, Attachment B. Emission readings must either be averaged over a 15 minute test period or 5 evenly spaced readings may be taken over a 15 minute test interval.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

- C. If the results from the portable analyzer test show that NO_x emissions exceed the limits specified in Condition No. 8, the burner must be source tested no later than 60 days from the date of discovery of the exceedance.

[Basis: SMAQMD Rule 201, Section 405]

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

RECORDKEEPING

21. Emission test reports must be maintained on-site for the most recent five year period and must be made available to the Air Pollution Control Officer upon request.

[Basis: SMAQMD Rule 419, Section 502.4]

22.

23.

GENERAL REPORTING

24. A. The permit holder must submit to the SMAQMD Air Pollution Control Officer at least once every six months, unless required more frequently by an applicable requirement, reports of all required monitoring. All instances of deviations from Title V permit monitoring conditions must be clearly identified in such reports.

B. The reporting periods for this permit are January 1 through June 30 and July 1 through December 31. The reports must be submitted by July 30 and January 30 of each year respectively.

C. All required reports must be certified by the responsible official and must state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

[Basis: SMAQMD Rule 207, Section 501.1]

777 12TH STREET, STE. 300
SACRAMENTO, CA 95814-1908

(279) 207-1122
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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

PO 27336 – (Mitsubishi Chemical Carbon Fiber & Composites)

SACRAMENTO METROPOLITAN



PERMIT TO OPERATE

ISSUED TO: MITSUBISHI CHEMICAL CARBON FIBER AND COMPOSITES INC.

EQUIPMENT LOCATION: 5900 88TH STREET, SACRAMENTO, CA 95828

PERMIT NO.	EQUIPMENT DESCRIPTION
27336	OXIDATION OVEN, MAKE: DESPATCH, 2.5 MMBTU/HR CAPACITY, NATURAL GAS FIRED, SERVING CARBON FIBER MANUFACTURING LINE 31 (P/O 27754), VENTED TO APC REGENERATIVE THERMAL OXIDIZER (P/O 24204).

SUBJECT TO THE FOLLOWING CONDITIONS:

GENERAL

- 1.
2. The equipment must be properly maintained and operated in accordance with the information submitted with the application and the manufacturer's recommendations at all times.
[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.1]
- 3.

DATE ISSUED: 12-15-2023
DATE REVISED: 02-23-2024
DATE EXPIRES: 10-24-2024 (UNLESS RENEWED)

ALBERTO AYALA, PH.D., M.S.E.
AIR POLLUTION CONTROL OFFICER

BY: Brian F Krebs

PAGE 1 OF 7 PAGES

PERMIT NO.: 27336

REVOCABLE AND NON-TRANSFERABLE

BLR-V0

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

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6.

EMISSIONS LIMITATIONS

7.

8. The burner of the oxidation oven must meet the following emission standards:
[Basis: SMAQMD Rule 201, Section 405; Rule 214, Section 408; and Rule 419, Section 301]

Pollutant	Emission Standard and Work Practice
NOx	30 ppmvd corrected to 3% oxygen (A)

(A) Based on SMAQMD BACT standard for this equipment category.

9. The emissions from the oxidation oven burner must not exceed the following limits:
[Basis: SMAQMD Rule 201, Section 405; Rule 202, Section 408; and Rule 214, Section 408]

Pollutant		Emission Limits (B)					
		(lb/day)					
NOx		2.2					

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

(B) Emissions are based on 2,500 cf/hour; 24 hours/day

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11.

EMISSIONS TESTING

12. Emissions of nitrogen oxides and oxygen must be tested for the oxidation oven every second year starting in 2018 to verify compliance with Condition No. 8.

D. Submit the source test report to the Air Pollution Control Officer within 60 days from the completion of the test(s).

[Basis: SMAQMD Rule 419, Section 403 and Rule 201, Section 303.2]

13. Emission testing must be performed in accordance with the following test methods:

A. Oxides of Nitrogen – ARB Method 100 or EPA Method 7E.

C. Stack Gas Oxygen – ARB Method 100 or EPA Method 3A.

[Basis: SMAQMD Rule 419, Section 501]

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

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SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

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RECORDKEEPING

20. Emission test reports must be maintained on-site for a continuous five-year period and must be made available to the Air Pollution Control Officer upon request.

[Basis: SMAQMD Rule 419, Section 502.4]

21.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

22.

GENERAL REPORTING

23. A. The permit holder must submit to the SMAQMD Air Pollution Control Officer at least once every six months, unless required more frequently by an applicable requirement, reports of all required monitoring. All instances of deviations from Title V permit monitoring conditions must be clearly identified in such reports.
- B. The reporting periods for this permit are January 1 through June 30 and July 1 through December 31. The reports must be submitted by July 30 and January 30 of each year respectively.
- C. All required reports must be certified by the responsible official and must state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

[Basis: SMAQMD Rule 207, Section 501.1]

777 12TH STREET, STE. 300
SACRAMENTO, CA 95814-1908

(279) 207-1122
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**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

PAGE 7 OF 7 PAGES

PERMIT NO.: 27336

REVOCABLE AND NON-TRANSFERABLE

BLR-V0

PO 27337 – (Mitsubishi Chemical Carbon Fiber & Composites)

SACRAMENTO METROPOLITAN



AIR QUALITY
MANAGEMENT DISTRICT

PERMIT TO OPERATE

ISSUED TO: MITSUBISHI CHEMICAL CARBON FIBER AND COMPOSITES INC.

EQUIPMENT LOCATION: 5900 88TH STREET, SACRAMENTO, CA 95828

PERMIT NO.	EQUIPMENT DESCRIPTION
27337	OXIDATION OVEN, MAKE: DESPATCH, 2.5 MMBTU/HR CAPACITY, NATURAL GAS FIRED, SERVING CARBON FIBER MANUFACTURING LINE 31 (P/O 27754), VENTED TO APC REGENERATIVE THERMAL OXIDIZER (P/O 24204).

SUBJECT TO THE FOLLOWING CONDITIONS:

GENERAL

- 1.
2. The equipment must be properly maintained and operated in accordance with the information submitted with the application and the manufacturer's recommendations at all times.
[Basis: SMAQMD Rule 201, Section 405 and Rule 202, Section 408.1]
- 3.

DATE ISSUED: 12-15-2023
DATE REVISED: 02-23-2024
DATE EXPIRES: 10-24-2024 (UNLESS RENEWED)

ALBERTO AYALA, PH.D., M.S.E.
AIR POLLUTION CONTROL OFFICER

BY: Brian F Krebs

PAGE 1 OF 6 PAGES

PERMIT NO.: 27337

REVOCABLE AND NON-TRANSFERABLE

BLR-V0

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

4.

5.

6.

EMISSIONS LIMITATIONS

7.

8. The burner of the oxidation oven must meet the following emission standards:
[Basis: SMAQMD Rule 201, Section 405; Rule 214, Section 408; and Rule 419, Section 301]

Pollutant	Emission Standard and Work Practice
NOx	30 ppmvd corrected to 3% oxygen (A)

(A) Based on SMAQMD BACT standard for this equipment category.

9. The emissions from the oxidation oven burner must not exceed the following limits:
[Basis: SMAQMD Rule 201, Section 405; Rule 202, Section 408; and Rule 214, Section 408]

Pollutant		Emission Limits (B)					
		(lb/day)					
NOx		2.2					

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

(B) Emissions are based on 2,500 cf/hour; 24 hours/day

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11.

EMISSIONS TESTING

12. Emissions of nitrogen oxides and oxygen must be tested for the oxidation oven every second year starting in 2018 to verify compliance with Condition No. 8.

D. Submit the source test report to the Air Pollution Control Officer within 60 days from the completion of the test(s).

[Basis: SMAQMD Rule 419, Section 403 and Rule 201, Section 303.2]

13. Emission testing must be performed in accordance with the following test methods:

A. Oxides of Nitrogen – ARB Method 100 or EPA Method 7E.

C. Stack Gas Oxygen – ARB Method 100 or EPA Method 3A.

[Basis: SMAQMD Rule 419, Section 501]

**SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT**

14.

15.

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

16.

17.

18.

RECORDKEEPING

19. Emission test reports must be maintained on-site for a continuous five-year period and must be made available to the Air Pollution Control Officer upon request.

[Basis: SMAQMD Rule 419, Section 502.4]

20.

21.

GENERAL REPORTING

22. A. The permit holder must submit to the SMAQMD Air Pollution Control Officer at least once every six months, unless required more frequently by an applicable requirement, reports of all required monitoring. All instances of deviations from Title V permit monitoring conditions must be clearly identified in such reports.

B. The reporting periods for this permit are January 1 through June 30 and July 1 through December 31. The reports must be submitted by July 30 and January 30 of each year respectively.

PAGE 5 OF 6 PAGES

PERMIT NO.: 27337

REVOCABLE AND NON-TRANSFERABLE

BLR-V0

SACRAMENTO METROPOLITAN
AIR QUALITY MANAGEMENT DISTRICT

- C. All required reports must be certified by the responsible official and must state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

[Basis: SMAQMD Rule 207, Section 501.1]

RESOLUTION NO. 2024 – 009

Adopted by the Sacramento Metropolitan Air Quality Management District
Board of Directors

AUTHORIZATION FOR 180-DAY WAIT PERIOD EXCEPTION FOR CALPERS RETIREE GOVERNMENT CODE SECTIONS 7522.56 & 21224

BACKGROUND:

- A. In compliance with Government Code section (G.C. §) 7522.56 of the Public Employees' Retirement Law, the Sacramento Metropolitan Air Quality Management District Board of Directors (Board) must provide CalPERS this certification resolution when hiring a retiree before 180 days have passed since their retirement date.
- B. Jamille Moens, CalPERS ID #2613332835, retired from the Sacramento Metropolitan Air Quality Management District (District) in the position of Director of Administrative Services, effective February 24, 2024.
- C. G.C. § 7522.56 requires that post-retirement employment commence no earlier than 180 days after the retirement date, which is August 24, 2024, without this certification resolution.
- D. G.C. § 7522.56 provides that this exception to the 180-day wait period will not apply if the retiree accepts any retirement-related incentive.
- E. The Board, District, and Jamille Moens certify that Jamille Moens has not and will not receive a Golden Handshake or any other retirement-related incentive.
- F. An appointment under G.C. § 21224 states the retiree may be appointed on an extra help basis.
- G. The Board of Directors hereby appoints Jamille Moens as an extra help retired annuitant to transition operations to the newly appointed Director of Administrative Services for the District under G.C. § 21224, effective April 1, 2024.
- H. This extra help appointment will end no later than May 31, 2024.
- I. The entire employment agreement, contract, or appointment document between Jamille Moens and the District has been reviewed by this body and is attached as Exhibit A.
- J. No matters, issues, terms, or conditions related to this employment and appointment have been or will be placed on a consent calendar.
- K. Employment, as a retired annuitant, will be limited to 960 hours per fiscal year.
- L. The compensation paid to retirees cannot be less than the minimum nor exceed the maximum monthly base salary paid to other employees performing comparable duties, divided by 173.333 to equal the hourly rate.

M. The minimum base salary for this position is \$12,144.96 (hourly equivalent is \$69.80) and the maximum is \$16,274.93 (hourly equivalent is \$93.53).

N. The hourly rate paid to Jamille Moens will be \$93.53.

O. Jamille Moens has not and will not receive any other benefit, incentive, compensation in lieu of benefit or other form of compensation in addition to this hourly pay rate.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE BOARD OF DIRECTORS RESOLVES AS FOLLOWS:

Section 1. The Board of Directors hereby certifies the nature of the employment of Jamille Moens as described herein and detailed in the attached offer letter, and that this extra-help appointment is deemed essential to facilitate a seamless transition for the new Director of Administrative Services and ensure continued progress toward key projects and initiatives, as it requires specialized skills, expertise, and advanced knowledge.

Section 2. Exhibit A is attached to and part of this resolution.

ON A MOTION by Director Sarah Aquino, seconded by Director Sue Frost, the foregoing resolution was passed and adopted by the Board of Directors of the Sacramento Metropolitan Air Quality Management District on March 28, 2024, by the following vote:

Ayes: Sarah Aquino, Rich Desmond, Sue Frost, Patrick Hume, Patrick Kennedy, Caity Maple, Kevin Papineau, Sergio Robles, Phil Serna, and Donald Terry.

Noes:

Abstain:

Absent: Bret Daniels, Eric Guerra, Karina Talamantes, and Mai Vang.

ATTEST: **Salina Martinez** Digitally signed by: Salina Martinez
DN: CN = Salina Martinez email = smartinez@airquality.org C = AD O = Sac Metro Air District
Date: 2024.03.28 14:54:16 -07'00'

Clerk, Board of Directors

Sacramento Metropolitan Air Quality Management District



Sent via email
jmoens@airquality.org

March 28, 2024

Jamille Moens
Sac Metro Air District
777 12th Street, Ste 300
Sacramento CA 95814

RE: Extra Help Employment Offer

Dear Jamille,

The Sacramento Metropolitan Air Quality Management District is offering you a temporary position of extra help to transition administrative operations to the newly appointed Director of Administrative Services, as a retired annuitant.

Extra help employees do not receive any District benefits, including commute pay. This does not include any benefit mandated by state or federal law.

As a retired annuitant you are permitted to work up to 960 hours per fiscal year. Please refer to "A Guide to CalPERS Employment After Retirement" for additional requirements and details, located here:
<https://www.calpers.ca.gov/docs/forms-publications/employment-after-retirement.pdf>

The rate of pay being offered to you is \$93.53 per hour. The effective date of your employment is April 1, 2024, or the date on which CalPERS certifies the appointment, whichever is later, and will end no later than May 31, 2024.

Feel free to contact me if you have any questions.

Thank you,

Denise Booth
Human Resources Officer

By signing below, I accept this offer of employment, certify that I have not received unemployment insurance payments for prior retired annuitant work for any CalPERS employer within twelve (12) months prior to this appointment date, and agree to comply with the CalPERS requirements related to post-retirement employment.

Jamille Moens

Date

777 12th Street, Ste. 300 • Sacramento, CA 95814

Tel: 279-207-1122 • Toll Free: 800-880-9025

AirQuality.org

RESOLUTION NO. 2024 – 010

Adopted by the Sacramento Metropolitan Air Quality Management District
Board of Directors

Climate Pollution Reduction Grants Program Phase II Implementation Grant

BACKGROUND:

- A. On July 19, 2023, the Sac Metro Air District entered into an agreement with the US Environmental Protection Agency (EPA) to be the lead agency for the Climate Pollution Reduction Grants (CPRG) program for the seven-county Sacramento region, requiring the submission of a priority climate action plan, a comprehensive climate action plan, and a status report.
- B. On March 1, 2024, the *Capital Region Climate Priorities Plan*, which outlined three major reduction categories and twenty-four emission reduction measures was submitted to EPA.
- C. Measures within this plan are eligible to compete for funding from the EPA's CPRG Implementation Grants program.
- D. The Sac Metro Air District, in partnership with the regional CPRG steering committee and implementing agencies, drafted *Going Beyond Green: Cultivating Community, Connections, and Crops*, a three-pronged implementation plan focusing on mobility hubs, infill development, and sustainable farming practices that sequester carbon.
- E. The plan protects agricultural lands on the regional periphery, reduces sprawl and vehicle miles traveled, and increases zero-emission mode share in locally nominated areas with strong redevelopment potential.
- F. The plan would ensure locally appropriate and tangible climate action in the region's seven counties, leveraging the expertise of agencies with proven track records in these areas.
- G. For Phase II of the CPRG, the United States Environmental Protection Agency (EPA) is providing the opportunity to compete for a portion of \$4.6 billion in new climate funding.
- H. The Sac Metro Air District would apply as a lead applicant for the seven-county Sacramento region to implement key measures of the Capital Region Climate Priorities Plan (plan) and would rely on the expertise of SACOG and Yolo County by entering agreements with both as subrecipients to implement certain elements of the plan.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE BOARD OF DIRECTORS RESOLVES AS FOLLOWS:

- Section 1. The Executive Director/Air Pollution Control Officer, in consultation with District Counsel, is authorized to submit an application on behalf of the Sac Metro Air District to the CPRG Implementation Grants program in an amount not to exceed \$100 million.
- Section 2. The Executive Director/Air Pollution Control Officer, in consultation with District Counsel, is authorized to execute agreements with SACOG and Yolo County as subrecipients of the grant to aid in the implementation of the Built Environment and Natural and Working Lands measures, respectively.
- Section 3. The Executive Director/Air Pollution Control Officer, in consultation with District Counsel, is authorized to approve any subsequent minor changes to the

agreement with SACOG and Yolo County that may be required during the performance of the agreement.

ON A MOTION by Director Sarah Aquino, seconded by Director Caity Maple, the foregoing resolution was passed and adopted by the Board of Directors of the Sacramento Metropolitan Air Quality Management District on March 28, 2024, by the following vote:

Ayes: Sarah Aquino, Rich Desmond, Sue Frost, Patrick Hume, Patrick Kennedy, Caity Maple, Kevin Papineau, Sergio Robles, Phil Serna, and Donald Terry.

Noes:

Abstain:

Absent: Bret Daniels, Eric Guerra, Karina Talamantes, and Mai Vang.

ATTEST: **Salina Martinez**
Digitally signed by: Salina Martinez
DN: CN = Salina Martinez email = smartinez@airquality.org C = AD O = Sac Metro Air District
Date: 2024.03.28 14:53:32 -07'00'

Clerk, Board of Directors
Sacramento Metropolitan Air Quality Management District

Meeting Date: 4/25/2024
Report Type: CONSENT CALENDAR
Report ID: 2024-0425-3.



Title: March 28, 2024 Budget & Personnel Committee Meeting Minutes

Recommendation: Approve the March 28, 2024 Budget & Personnel Committee Meeting Minutes.

Rationale for Recommendation: Minutes serve as the official record of the actions that occurred at board or committee meetings. It is the Board of Directors practice to approve the meeting minutes at subsequent Board meeting. The minutes are included as Attachment A.

Contact: Salina Martinez, Administrative Supervisor/ Clerk of the Board, 279-207-1164

Presentation: No

ATTACHMENTS:

Attachment A: March 28, 2024 Budget & Personnel Committee Meeting Minutes

Approvals/Acknowledgements

Executive Director or Designee: Alberto Ayala, Report Approved 4/16/2024

District Counsel or Designee: Kathrine Pittard, Approved as to Form 4/8/2024



MINUTES

BOARD OF DIRECTORS
BUDGET AND PERSONNEL COMMITTEE
700 H Street - Suite 1487
Sacramento, California 95814

Thursday

March 28, 2024

10:30 AM

DIRECTORS

Chair
Patrick Kennedy

Vice-Chair
Sarah Aquino

Donald Terry

Eric Guerra

Sergio Robles

ANNOUNCEMENTS

Members of the public may participate in the meeting in-person, by video conference via Zoom, conference line, and by submitting written comments electronically by email at boardclerk@airquality.org.

Comments submitted will be delivered to the Board of Directors by staff. Public comments regarding matters under the jurisdiction of the Board of Directors will be acknowledged by the Chairperson during the meeting. Public comments will be accepted live until the adjournment of the meeting, distributed to the Board of Directors, and included in the record.

Submit public comments via email to: boardclerk@airquality.org

Zoom Meeting Link:

<https://us06web.zoom.us/j/87314130035?pwd=pTxA45BE35JssyS9bsq2AAvu2Zgaab.1>

Meeting ID: 873 1413 0035

Passcode: 101299

Call In Number

(669) 900-6833

(408) 638-0968

Teleconference Locations:

7333 North Fresno Street, Fresno, CA 93720

CALL TO ORDER/ROLL CALL

Meeting was called to order.

Directors Present: Sarah Aquino, Patrick Kennedy, Sergio Robles, and Donald Terry.

Directors Absent: Eric Guerra

BROWN ACT

DISCUSSION CALENDAR

1. **Fiscal Year 2024/25 Preliminary Budget and Fee Schedule Review**

Recommendation: Provide guidance and feedback on the FY 2024/25 preliminary budget strategy and fee schedule, and direct staff to present the FY 2024/25 Proposed Budget and Fee Schedule at a public hearing to the full Board of Directors on April 25, 2024.

Patty Kepner, Administrative Services Division, gave a presentation on the FY 2024/25 Preliminary Budget & Fee Schedule Review. There are a couple minor edits to the PowerPoint presentation on slides four and nine. Attached is the PowerPoint that was presented during the meeting.

The Committee provided guidance and feedback, and directed staff to present the FY2024/25 Proposed Budget and Fee Schedule at the public hearing to the full Board of Directors on April 25, 2024.

2. **Update on District Headquarter Relocation**

Recommendation: Receive and file a status update on the relocation of the District's Headquarters.

Patrick Smith, Administrative Services Division, gave a presentation on the District Headquarters Relocation. Attached is the PowerPoint that was presented during the meeting.

Received and filed

PUBLIC COMMENT

BOARD IDEAS AND COMMENTS

ADJOURN

FY2024/25 Preliminary Budget & Fee Schedule Review

Budget and Personnel Committee

March 28, 2024

Presenter: Patty Kepner, Controller

Presentation Outline

- FY24/25 Goals, Priorities and Staffing Strategy
- FY24/25 Proposed Budget
 - General Fund – Notable Changes from FY23/24
 - Building Fund
 - Special Revenue Fund
 - Fund Balance Trends
- FY24/25 Proposed Fee Schedule
- Committee Direction and Feedback

FY24/25 Proposed Budget

District Goals

- Meeting and Maintaining Federal Air Quality Standards and State and National Climate Targets
- AB 617 Community Air Protection Program and Environmental Justice
- Core Programs: Permitting, Enforcement, Air Monitoring, Land Use CEQA Review and Low-carbon Transportation Initiatives (e.g., Mobility, EV, Light/Heavy Duty Equipment)
- Regional Partnerships
- Operational Efficiencies

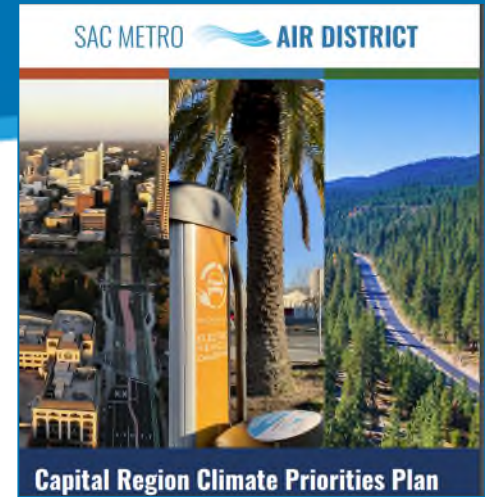


SACRAMENTO METROPOLITAN



FY24/25 Proposed Budget Budget Priorities

- Expand AB617 scope to include the Community Emissions Reduction Plan (CERP)
- Obtain implementation grant under the federal Climate Pollution Reduction Grant (CPRG)
- Distribute increased number of incentives for Clean Cars for All grant
- Finish renovation of Del Paso air monitoring facility
- Complete implementation of AiriA software solution
- Relocate the District headquarters



FY24/25 Proposed Staffing Strategy

- Increase Full-Time Equivalents (FTE) to 105.8 – increase of 4.0 FTE from FY23/24 amended FTE to support increased grant activities

	FY23/24 Approved	FY23/24 Amended (March 24)	FY24/25 Proposed
FTE	97.6	101.8	105.8
Classifications		Comms Specialist AQ Specialist (2.2) AQ Engineer	Office Assistant (2) AQ Engineer (-1) AQ Specialist/Planner (2) Accountant <i>AQ Engineer (LT to REG) – no FTE impact</i>

FY24/25 Proposed Budget

All Funds

FUND	Revenues	Expenditures	Fund Balance Source/(Use)	Fund Balance at 6/30/25
General	\$26,942,104	\$30,020,199	\$(3,078,095) ¹	\$24,362,314
Proprietary (Covell Building)	1,075,834	1,075,834	-	5,575,402
Special Revenue (Incentives)	31,022,194	36,501,422	(5,479,228) ¹	86,082,245
Total	\$59,040,132	\$67,597,455	\$(8,557,323)	\$116,019,961

¹Use of reserves to balance the General and Special Revenue Funds for FY23/24

General Fund Notable Changes

FY23/24 Approved to FY24/25 Proposed

REVENUES

- Increases: Federal & State grants, Stationary Sources fees
- Decreases: Fines/Penalties

EXPENDITURES

- Increases: FTE increase, 3.6% COLA, retirement and group insurance contributions, federal grant distributions, professional services for grant support (CERP, CC4A, CPRG)
- Decreases: IS Software as a Service, capital expenditures (lab equipment)

FY23/24 Proposed Budget General Fund

GENERAL FUND	FY23/24 Approved	FY23/24 Projected	FY24/25 Proposed	Budget-to-Budget Change
Revenue	\$ 25,097,233	\$ 33,564,814	\$ 26,942,104	\$ 1,844,871
Expenditures	27,824,832	27,019,909	30,020,199	2,195,367
Surplus /(Deficit)	\$ (2,727,599)	\$ 6,544,905	\$ (3,078,095)	\$ (350,496)
Ending Fund Balance*	\$ 18,167,905	\$ 27,440,409	\$ 24,362,314	\$ 6,194,409

* Audited ending fund balance as of 6/30/23: \$20.9 million

Proprietary (Building) Fund Notable Changes FY23/24 Approved to FY24/25 Proposed

Building is currently for sale and FY24/25 budget is break even

REVENUES

- Decrease: Tenant lease income (lease expired); District lease revenue is slightly less in FY24/25 due to the reduction in building expenditures

EXPENDITURES

- Decrease: FY23/24 budget assumed renovation of building; with building held for sale no renovations are planned for FY 24/25

FY24/25 Proposed Budget Proprietary (Building) Fund

PROPRIETARY FUND	FY23/24 Approved	FY23/24 Projected	FY24/25 Proposed	Budget-to- Budget Change
Revenue	\$ 1,170,002	\$ 1,317,199	\$ 1,075,834	\$ (94,168)
Expense	1,870,002	1,044,406	1,075,834	(794,168)
Surplus /(Deficit)	\$ (700,000)	\$ 272,793	\$ -	\$ (700,000)
Ending Fund Balance*	\$ 4,602, 609	\$ 5,575,402	\$ 5,575,402	\$ 972,793

* Audited ending fund balance as of 6/30/23: \$5.3 million

Special Revenue Fund Notable Changes

FY23/24 Approved to FY24/25 Proposed

Grant revenues and expenditures fluctuate based on incentive activity

REVENUES

- Increase: State (CAP, Clean Cars for All, FARMER, Moyer)
- Decrease: Federal (SECAT)
- No Change: DMV\$2

EXPENDITURES

- Increases: Timing of incentive activity (Moyer, Clean Cars for All, Cal STA)

FY24/25 Proposed Budget

Special Revenue Fund

SPECIAL REVENUE FUND	FY23/24 Approved	FY23/24 Projected	FY24/25 Proposed	Budget-to-Budget Change
Revenue	\$ 30,840,382	\$ 58,964,635	\$ 31,022,194	\$ 181,812
Expenditures	29,032,269	23,267,141	36,501,422	7,469,153
Surplus /(Deficit)	\$ 1,808,113	\$ 35,697,494	\$ (5,479,228)	\$ (7,287,341)
Ending Fund Balance*	\$ 57,672,092	\$ 91,561,473	\$ 86,082,245	\$ 28,410,153

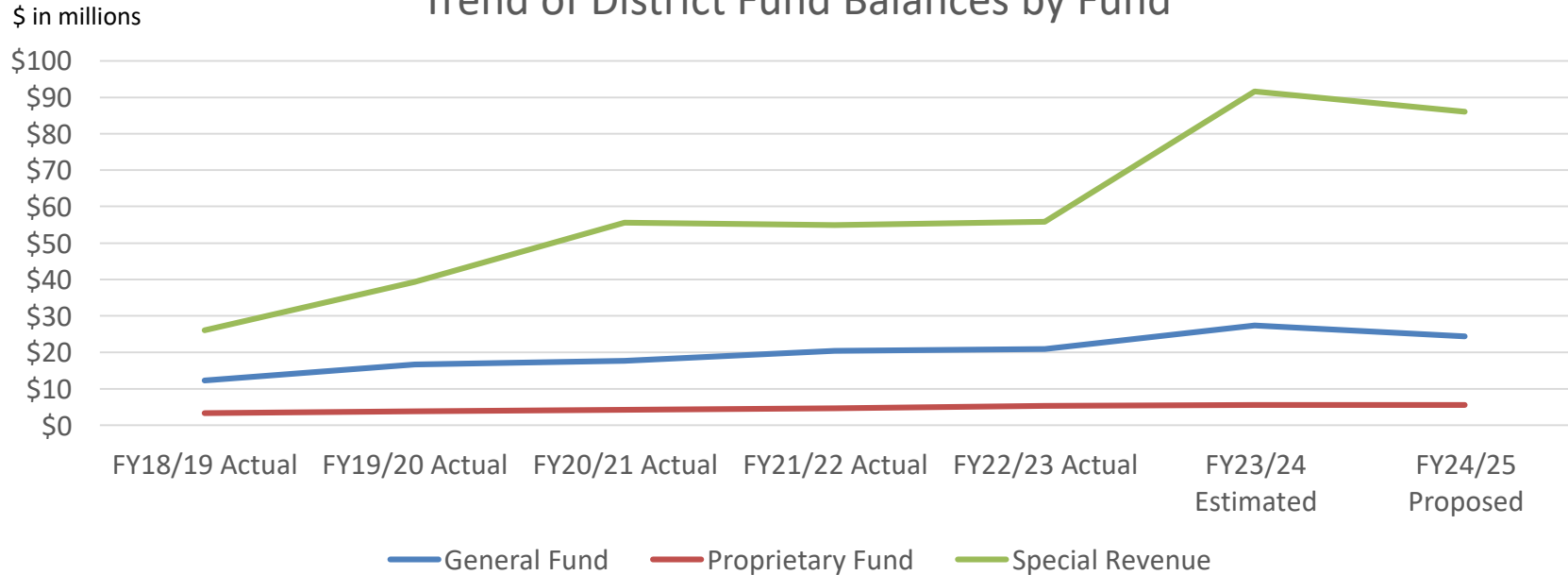
* Audited ending fund balance as of 6/30/23: \$55.9 million

FY24/25 Proposed Budget Fee Schedule

- CPI adjustment to various fees allowed by Rules
- Adjusted based on California CPI, All Urban Consumers
- Proposed FY24/25 increase of 4.17% effective July 1, 2024

Fund Balance Trends *

Trend of District Fund Balances by Fund



- Proposed General Fund Balance complies with the District's policy of an Operating Reserve equivalent to a minimum of 120 days of expenditures

Next Steps

- Request Budget and Personnel Committee to provide:
 - Guidance and feedback on the preliminary budget strategy and fee schedule
 - Direction to present the FY2024/25 Proposed Budget and Fee Schedule at a public hearing of the full Board of Directors on April 25, 2024

Thank You

Headquarters Update

March 28, 2024

Patrick Smith
Program Manager
Administrative Services

Purchase Offer

- Letter of Intent Exercised between Sac Metro Air District and Community Healthworks, a California nonprofit public benefit corporation
- Purchase and Sale Agreement (PSA) is being drafted
- Terms of the agreement include a provision for a limited leaseback period by the District of the third floor for up to 120 days following the close of escrow
- The search for a future home is ongoing

Estimated Timeline (contingent on execution of PSA)	
April 15	Execution of PSA
April 15 to June 14	Buyer's Due Diligence / Contingency Period
June 15	Buyer Waiver of Contingencies
July 1	Close of Escrow
July 1	Deadline for AQMD to Vacate Second Floor
July 1 to October 31	Leaseback Period – Third Floor
November 1	Deadline for AQMD to Vacate Building

Meeting Date: 4/25/2024
Report Type: CONSENT CALENDAR
Report ID: 2024-0425-4.



Title: April 3, 2024 Administrative Headquarters Facility Ad Hoc Committee Meeting Minutes

Recommendation: Approve the April 3, 2024 Administrative Headquarters Facility Ad Hoc Committee Meeting Minutes.

Rationale for Recommendation: Minutes serve as the official record of the actions that occurred at board or committee meetings. It is the Board of Directors practice to approve the meeting minutes at subsequent Board meeting. The minutes are included as Attachment A.

Contact: Salina Martinez, Administrative Supervisor/ Clerk of the Board, 279-207-1164

Presentation: No

ATTACHMENTS:

Attachment A: April 3, 2024 Administrative Headquarters Facility Ad Hoc Committee Meeting Minutes

Approvals/Acknowledgements

Executive Director or Designee: Alberto Ayala, Report Approved 4/16/2024

District Counsel or Designee: Kathrine Pittard, Approved as to Form 4/8/2024



MINUTES

ADMINISTRATIVE HEADQUARTERS FACILITY AD HOC COMMITTEE
Sacramento Metropolitan Air Quality Management District
777 12th Street, 3rd Floor
Sacramento, California

Wednesday

April 3, 2024

9:00 AM

DIRECTORS

Chair

Patrick Kennedy

Sarah Aquino Caity Maple Mai Vang

ANNOUNCEMENTS

This meeting will be held remotely over Zoom.

Join Zoom Meeting

<https://us06web.zoom.us/j/85386094927?pwd=SIU7R5peJAsJOKdRHfQ0lpv9gvrmdf.1>

Meeting ID: 853 8609 4927

Passcode: 592818

Call In Number

(669) 900-6833

(408) 638-0968

CALL TO ORDER/ROLL CALL

Meeting was called to order.

Directors Present: Sarah Aquino, Patrick Kennedy, and Mai Vang.

Directors Absent: Caity Maple

DISCUSSION CALENDAR

1. District Headquarters Relocation Status Update

Recommendation: Receive and file an update on the District's Headquarters Relocation Project.

Patrick Smith, Administrative Services Division, gave a presentation on the District Headquarter Relocation. Attached is the PowerPoint that was presented during the meeting.

Received and filed

PUBLIC COMMENT

BOARD IDEAS AND COMMENTS ADJOURN

Headquarters Update

April 3, 2024

Patrick Smith
Program Manager
Administrative Services

Purchase Offer

- Letter of Intent Exercised between Sac Metro Air District and Community Healthworks, a California nonprofit public benefit corporation
- Purchase and Sale Agreement (PSA) is being drafted
- Terms of the agreement include a provision for a limited leaseback period by the District of the third floor for up to 120 days following the close of escrow
- The search for a future home is ongoing

Estimated Timeline (contingent on execution of PSA)	
April 15	Execution of PSA
April 15 to June 14	Buyer's Due Diligence / Contingency Period
June 15	Buyer Waiver of Contingencies
July 1	Close of Escrow
July 1	Deadline for AQMD to Vacate Second Floor
July 1 to October 31	Leaseback Period – Third Floor
November 1	Deadline for AQMD to Vacate Building

Meeting Date: 4/25/2024
Report Type: CONSENT CALENDAR
Report ID: 2024-0425-5.



Title: Quarterly Contracts Report (January 2024 – March 2024)

Recommendation: Receive and file a report on certain contracts executed by the Air Pollution Control Officer under the Non-Incentive Purchasing Authority for the quarter January 2024 – March 2024.

Rationale for Recommendation: The District provides quarterly reports in compliance with the District's Purchasing Policies, which requires it to report on all non-incentive purchases for more than \$50,000 and less than \$200,000. Contracts in excess of \$200,000 require Board approval.

The attached report includes executed contracts or contract amendments covering January 1, 2024 through March 31, 2024. All budget authorization is included in the FY 23/24 Approved Budget or occurred at the time of contract/contract amendment approvals.

Contact: Megan Shepard, Director of Administrative Services (279) 207-1143

Presentation: No

ATTACHMENTS:

2024 1st Quarter Report

Approvals/Acknowledgements

Executive Director or Designee: Alberto Ayala, Report Approved 4/16/2024

District Counsel or Designee: Kathrine Pittard, Approved as to Form 4/12/2024

ATTACHMENT 1 – 2024 1st QUARTER REPORT

This is a quarterly report covering January 2024 through March 2024. The contracts for the 1st Quarter are listed below.

2024 1st Quarter Report – Certain contracts under the Non-Incentive Purchasing Authority

Contractor	Type of Agreement	Services	Amount	Term
Placer County Air Pollution Control District (Placer APCD) (2021-00000022-A)	MOU Amendment	Receive annual CMAQ local match of \$11,760.84/year from Placer County APCD for the 2025 – 2029 regional Spare The Air Program. Term extension of five years and funding increase of \$58,804.20.	\$94,086.72	8 years Terminates: 6/30/2029
Yolo Solano Air Quality Management District (Yolo Solano AQMD) (2021-00000023-A)	MOU Amendment	Receive annual CMAQ local match of \$11,470/year from Yolo Solano AQMD for the 2025 – 2029 regional Spare The Air Program. Term extension of five years and funding increase of \$57,350.	\$91,760.00	8 years Terminates: 6/30/2029
Kearns and West (2023-00000003-A)	Amendment	Facilitation services. Term extension of one year and funding increase of \$50,000.	\$100,000	2 years Terminates: 1/31/2025
Greater Sacramento Regional Clean Air Coalition dba Sacramento Clean Cities (2023-00000071)	New	Education and outreach support for Del Paso Mobility Hub.	\$173,950.00	2 years Terminates: 6/30/2025

Meeting Date: 4/25/2024
Report Type: CONSENT CALENDAR
Report ID: 2024-0425-6.

Title: Appointment of Two Hearing Board Members; Attorney and Public Member

Recommendation: Pass a motion appointing Darrel Woo as the Hearing Board attorney member (assuming the current attorney member term effective 4/25/2024 through 1/27/2025) and appointing Jonathan Ellison as the Hearing Board public member (assuming the current public member term effective 4/25/2024 through 7/24/2025).

Rationale for Recommendation: California Health and Safety Code §40800 requires that the Board of Directors establish and maintain a Hearing Board. The Hearing Board consists of five members: one attorney, one professional engineer, one member of the medical profession, and two members of the general public. Each member is appointed by the Board of Directors for a three-year term.

As discussed below, due to the technical disqualification of the attorney member, staff is recommending that the board appoint the current public member to the attorney position and simultaneously appoint the prior attorney member to the public member position.

Contact: Kathrine Pittard, District Counsel 279-207-1144

Presentation: No

ATTACHMENTS:

Attachment A: Hearing Board Detail

Approvals/Acknowledgements

Executive Director or Designee: Alberto Ayala, Report Approved 4/16/2024

District Counsel or Designee: Kathrine Pittard, Approved as to Form 4/12/2024

Discussion / Justification: The Board of Directors previously appointed Darrell Woo as one of two public members on the Hearing Board and appointed Jonathan Ellis as the attorney member. California Health & Safety Code §40801 specifies that the Hearing Board attorney member must be admitted to the practice of law in California. Mr. Ellison has decided to place his bar membership in inactive status, which disqualifies him from the attorney member position. Darrel Woo, one of two public members on the Hearing Board, is also an attorney and has agreed to accept an appointment to the attorney member position, while Jonathan Ellis has agreed to accept an appointment to the public member position -- essentially swapping positions.

Accordingly, staff is recommending that the Board of Directors appoint Darrel Woo and Jonathan Ellison as the attorney and public member, respectively. These recommendations are based on both their professional experience and background and their exceptional service as Hearing Board members. Each member will retain their original term expiration dates.



Sac Metro Air District Hearing Board

Excerpt from 7/25/2019 Board of Directors Meeting

Section 40800 of the California Health and Safety Code requires that the Board of Directors establish and maintain a hearing board. The Hearing board consists of five members: one attorney, one professional engineer, one medical professional, and two members of the general public. Each member is appointed by the Board of Directors for a three-year term.

The Hearing Board meets monthly or on an as needed basis, to hear and decide petitions for variances from District rules, regulations, and permit requirements. This Board also hears petitions for abatement orders and appeals of permitting decisions and emission reduction credit determinations made by the Air Pollution Control Officer. Below is a description of common Hearing Board actions.

Variances

To grant a permit variance, the Hearing Board must make 6 findings. These include findings that:

1. Due to conditions beyond the facility's control, requiring compliance would result in an arbitrary or unreasonable taking of property, or the practical closing or elimination of a business;
2. The closing or taking would be without a corresponding air quality benefit; and
3. The facility has given consideration to curtailing operations in lieu of a variance.

The Hearing Board may impose conditions on the variance that are in addition to the requirements imposed by law or regulation, so long as the conditions are not more onerous than the applicable requirements. Conditions are generally aimed at reducing excess emissions during the variance period. Any variances that will be in effect for more than a year must include increments of progress detailing the steps to be taken to achieve compliance. Variances, except for emergency variances, must be publicly noticed, and the variance hearing is open to the public, which can offer comments and oppose the petition. Emergency variances may be heard by the Board Chair or designee, and may be granted "for good cause." The District regulations restrict emergency variances to breakdowns of pollution control equipment and related equipment.

The District must forward the permit variance Findings and Orders to the Air Resources Board (ARB), which may revoke or modify the variance if it determines the variance does not meet the terms of the Health and Safety Code. ARB must hold a public hearing before revoking or modifying the Variance Findings and Orders.

The Hearing Board is also authorized to issue product variances for manufacturers of products that cannot meet regulatory requirements. The findings and process are similar to those for permit variances, but there is no requirement to forward the Findings and Orders to the ARB.

Abatement Petitions

In contrast to variances, which are filed by facilities seeking penalty relief, abatement petitions are enforcement actions filed by the District, seeking to limit or eliminate operations at a facility violating one or more legal requirements. The District and source may also stipulate to the issuance of an abatement order. In a stipulated proceeding, the source does not admit to the existence of a violation, but agrees to change its operations in the manner requested by staff. The Hearing Board must provide 30-days public notice prior to holding a hearing on the Abatement Petition.

There is no requirement to submit the Abatement Order to the ARB. If a source against whom an Order has been issued wishes to challenge the Order, they must file an action in the Sacramento County Superior Court.

The Health and Safety Code was amended in 2018 to authorize the Air Pollution Control Officer to issue an Interim Order if a facility's activities pose an imminent and substantial endangerment to public health, welfare, or the environment. Interim Orders are effective upon notice to the facility, but if the facility challenges the Order, the APCO must hold a public hearing before the Hearing Board as soon as possible and no later than 30 days after receipt of the challenge. District staff previously summarized these new provisions for the Board of Directors in October 2018, shortly after they were adopted by the legislature.

Permit and Emission Reduction Credit Appeals

Permit and emission reduction credit appeals are rare. Staff works hard with permit applicants to craft conditions that implement required standards without unduly impinging on operations or adding to project costs. Members of the public can also file appeals to the issuance of a permit if they believe the permit does not adequately protect the public.

Facilities may apply to the District for emission reduction credits if they shut down an emission source or reduce emissions below required levels. Credits may be used to offset emissions from new sources of air pollution or changes in operation. If the District refuses to issue emission reduction credits, or approves fewer credits than an applicant requested, the decision can be appealed to the Hearing Board. The District will only issue credits for actual emission reductions that are "surplus," meaning that the applicant has reduced emissions beyond the level required by existing regulations, and that the credits are real, enforceable, quantifiable, and permanent.

Meeting Date: 4/25/2024
Report Type: PUBLIC HEARINGS
Report ID: 2024-0425-7.

Title: Fiscal Year 2024/2025 Proposed Budget and Fee Schedule

Recommendation: Conduct a public hearing on the Fiscal Year 2024/2025 (FY24/25) Proposed Budget and Fee Schedule; provide direction to staff regarding development of the final budget; and pass a motion to set the public hearing for the adoption of the FY24/25 Proposed Budget and Fee Schedule for May 23, 2024.

Rationale for Recommendation: This report transmits the FY24/25 Proposed Budget (Attachment 2) in accordance with California Health and Safety Code Section 40131, which requires that the District notice and hold a public hearing for the exclusive purpose of reviewing its budget and of providing the public with the opportunity to comment upon the District's Proposed Budget. A summary of the Proposed Budget is included as Attachment 1.

In addition, as allowed by adopted rules, staff is proposing a Consumer Price Index (CPI) increase of 4.17% to fees established for Rules 205, 301, 304, 310, 311, and 350 as shown in the attached FY24/25 Proposed Fee Schedule (Attachment 3). A comparison of the FY23/24 and FY24/25 fee schedules is included as Attachment 4.

Staff presented the FY24/25 Proposed Budget and Fee Schedule to the Board of Directors' Budget and Personnel Committee meeting on March 25, 2024. A quorum was present and the Committee provided guidance and feedback and directed staff to present the FY24/25 Proposed Budget and Fee Schedule at the public hearing to the full Board of Directors on April 25, 2024.

Contact: Patricia Kepner, Controller, 279-207-1134

Presentation: Yes

ATTACHMENTS:

Attachment 1 - FY24/25 Proposed Budget Summary
Attachment 2 - FY24/25 Proposed Budget
Attachment 3 - FY24/25 Proposed Fee Schedule
Attachment 4 - FY24/25 Proposed Fee Schedule Comparison
Presentation - FY24/25 Proposed Budget and Fee Schedule

Approvals/Acknowledgements

Executive Director or Designee: Alberto Ayala, Report Approved 4/19/2024

District Counsel or Designee: Kathrine Pittard, Approved as to Form 4/19/2024

FY24/25 Proposed Budget

Board of Directors Meeting
April 25, 2024

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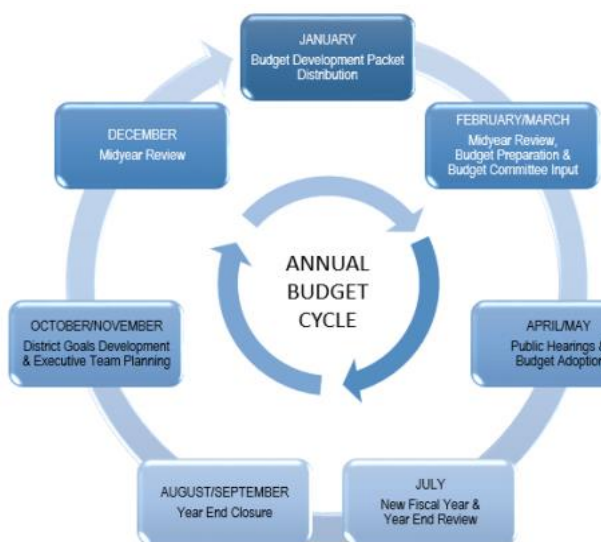
Budget and Personnel Committee Role

The Budget and Personnel Committee hears matters related to District finances and human resources including contract negotiations, District budgets, and personnel matters. As a regular practice, District staff meets with the Committee to discuss the preliminary budget and fee schedule for the next fiscal year and obtain guidance and feedback related to budget development. Following its review, the Committee generally directs staff to present the Proposed Budget and Fee Schedule at a public hearing to the full Board of Directors (Board).

Budget Practices and Strategies

- Board authorizes a schedule of funded regular and limited-term positions
- Board approval is obtained for all expenditures, including capital expenses
- Board approval is required to amend the budget once it is adopted

FY24/25 Budget Timeline



- Budget development November – March
- Budget & Personnel Committee Meeting – March
- Two Public Hearings – April and May
- Budget Adoption – Scheduled for May
- Budget Effective – July 1, 2024

FY24/25 Proposed Budget

Details of the FY24/25 Proposed Budget are included in the tables and narratives below.

TABLE 1 – District Fund Descriptions

Fund	Name	Purpose	Primary Funding Source
100	General	Records all inflows and outflows, not associated with special-purpose funds, for core administrative and operational activities	Permit fees, DMV, Measure A, Federal & State Grants, Incentive Implementation Allocation
400	Proprietary	Accounts for District business-like activities (Covell Administrative Building)	Covell Building rental income
500	Special Revenue	Records revenue sources for which fund usage is restricted (Incentive Programs)	Emission-Reduction Technology and Community Air Protection Federal & State Grants

TABLE 2 – General Fund 100

Classification Account	FY22/23 Actuals	FY23/24 Approved	FY23/24 Projection	FY24/25 Proposed	Variance FY25 Proposed/ FY24 Approved
Revenues					
Federal	\$ 2,088,436	\$ 5,461,056	\$ 6,885,552	\$ 6,468,833	\$ 1,007,777
Fees & Licenses	9,788,585	9,379,397	9,721,015	9,953,047	573,650
Fines/Forfeits/Penalties	269,966	350,000	250,000	250,000	(100,000)
Interest	349,456	191,865	390,000	250,000	58,135
Local Government	274,569	36,533	131,533	121,851	85,318
Other	19,237	17,524	24,683	18,524	1,000
Sales/Use Tax	2,569,539	2,590,825	2,590,825	2,584,321	(6,504)
State	5,522,435	7,070,033	13,571,206	7,295,528	225,495
Revenues Total	\$ 20,882,224	\$ 25,097,233	\$ 33,564,814	\$ 26,942,104	\$ 1,844,871
Expenses					
Salaries and Wages	\$ 11,492,484	\$ 12,822,050	\$ 12,473,038	\$ 13,642,460	\$ 820,410
Employee Benefits	4,832,575	5,589,552	5,451,886	6,175,562	586,010
Services and Supplies	5,435,105	10,290,233	10,405,058	11,180,818	890,585
Capital Expense	209,243	1,238,500	729,066	1,168,000	(70,500)
Interfund Charges	(909,730)	(2,115,503)	(2,039,139)	(2,146,641)	(31,138)
Expenses Total	\$ 21,059,677	\$ 27,824,832	\$ 27,019,909	\$ 30,020,199	\$ 2,195,367
Source / (Use) Fund Balance	\$ (177,454)	\$ (2,727,599)	\$ 6,544,905	\$ (3,078,095)	

FY24/25 Proposed General Fund Budget Highlights/Assumptions:

REVENUES

Revenues are projected to increase by \$1.8 million from FY23/24 to FY24/25.

Federal: Revenues will increase by \$1.0 million mainly due to the Environmental Protection Agency Targeted Air Shed grants (TAG) that the District administers on behalf of neighboring air districts. These grants fund the Heavy Duty Electrification of school buses, the replacement of off-road agriculture equipment with newer, cleaner equipment, and the replacement of residential non-certified wood-burning appliances in our neighboring districts. Revenues are also projected to increase by \$368,000 for the Climate Pollution Reduction Grant (CPRG) as it moves into Phase 2 of the planning grant.

Fees: FY24/25 Stationary Sources and Mitigation fees are planned to increase by a total of \$574,000 over the FY23/24 budget due in part (approximately \$200,000) to a proposed Rule 301 fee increase of 4.17%. The remaining increase for Rule 301 revenue is due to an understatement in the FY23/24 budget; the current year's revenue estimates exceed the budget for the year. The FY22/23 actual Rule 301 fee revenue exceeded the current FY23/24 fee revenue budget by \$409,000. This was due to the FY22/23 fee revenue estimate being understated because of an increase in permit activity post-pandemic during the second half of FY22/23, with actual FY22/23 fee revenue coming in higher than the estimate by approximately \$877,000. The FY23/24 Budget was developed based on the understated FY22/23 estimate.

The increase in the Rule 301 revenue is offset by Mitigation and Asbestos fees, which are planned to decrease in the FY24/25 Proposed Budget since the estimate for the current year is expected to be below the budget based on current trends and normal variation in construction project activity.

Fines and Penalties: Penalties are budgeted to decline by \$100,000. In FY23/24, there was a significant one-time penalty that is not expected to recur in FY24/25.

Sales/Use Tax and Local Government: Changes in revenues for Measure A and local grants are expected to be nominal in FY23/24.

State: The increase in the FY23/24 estimate over the budget is mainly due to the advance receipt of a multiyear operating grant of approximately \$6.5 million in AB617 funds to support current and expanded AB617 programs. Other FY24/25 state revenues, including DMV registration fees and state grants, are expected to be consistent with prior years.

EXPENDITURES

Expenditures are increasing by \$2.2 million from FY23/24 to FY24/25 primarily in Employee Services (Salaries/Wages and Employee Benefits), and Services and Supplies (mainly program distributions for federal grants).

Employee Services: Employee Services (salaries/wages, fringe benefits) will increase by \$1.4 million. The proposed COLA, in accordance with the board-approved employee labor agreements, is 3.6%. Proposed full-time equivalent (FTE) funded positions for FY24/25 total 105.8, an increase of 4 FTE over the FY23/24 amended approved headcount.

The Board amended the FY23/24 position budget, adding 4.2 FTE for a total of 101.8, to initiate the recruitment process of critical resources; however, additional funding for the positions was not allocated at that time as salary savings were leveraged. Funding for all 8.2 FTE is reflected in the FY24/25 Proposed Budget.

The positions approved in the FY23/24 Amended FTE Budget will support the Community Emission Reduction Plan (CERP) project and provide much-needed resources to address the Engineering and Compliance Division (ECD) workload challenges. The CERP is the next phase of the AB 617 community protection efforts focusing on the South Sacramento/Florin community. It is a two-year grant with revenue totaling \$6.6M to develop community-centered emission and pollution exposure reduction strategies.

ECD workload has also increased over the last several years and staffing levels have remained relatively flat over the past decade. The addition of new staff will provide ECD with the resources to support new programs and expanded duties such as Annual Reporting under the Criteria and Toxics Regulation, AB 617, and the agricultural burn program.

FTE positions approved for FY23/24 include:

- ASD - 1 FTE, Communications & Marketing Specialist (CERP)
- ECD –3.2 FTE, 2 Air Quality Engineers, 1.2 Air Quality Specialists

The Proposed FY24/25 Budget includes an increase in authorized positions from 101.8 to 105.8. The four FTEs will support expanded grant activities, mainly for the CERP and Clean Cars for All (CC4A) programs in the Transportation and Climate Change Division (TCC) and provide overall grant support in the Administrative Services Division (ASD). Funding for the TCC positions will

come from the CERP and CC4A grants; the ASD position will be funded by grants and other District revenues.

The proposed FY24/25 FTE changes are:

- TCC – Add (2) Air Quality Specialist/Planner (CERP)
- TCC – Add (2) Office Assistant II (CC4A)
- TCC – Delete (-1) Air Quality Engineer position (CC4A)
- TCC – Convert one limited-term Air Quality Engineer to a regular position – support of incentive grants (e.g., Moyer, etc.). No impact on overall approved FTE positions
- ASD – Add Accountant (1) – Provide support for expanded grant programs

Employee benefits in the Proposed Budget are increasing by \$586,000 or 10% which is a higher percentage increase than the salaries and wages increase of 6%. The larger increase in employee benefits is driven by higher group insurance premiums and retirement contribution rates.

Note: For FY24/25 planning purposes, the budget includes a vacancy offset of \$500,000 to better match historical performance. This allowance reflects salary savings during periods of recruitment when a position is vacant (e.g., retirements, etc.)

Services and Supplies: FY24/25 Budgeted Services and Supplies expenditures are \$5.7M higher than actual expenditures for FY22/23. Most of the variance (\$3.5M) is due to increased pass-through distributions under the federal TAG grants administered by the District for neighboring air districts. In addition, Professional Services expenditures increase by \$1.2M comparatively for those two years mainly from expanded grant activities (e.g., CC4A, CPRG, AB617).

FY24/25 budgeted services and supplies expenditures will increase by \$891,000 from the FY23/24 budget mainly due to higher program distributions of \$584,000 for the TAG program. In addition, Professional Services expenditures are planned to increase by \$546,000. This increase will support expanded grant activities (i.e., AB617, CC4A). IS Software as a Service expenditures are decreasing by about \$383,000 mainly related to the development of the District's AiriA software solution to replace legacy Permitting/Compliance and Transportation systems. In FY23/24, the entire cost of the AiriA project was included in the budget; however, this is a multiyear project and only a portion of the expenses were incurred in FY23/24. The costs of implementing the remaining modules are budgeted in FY24/25.

Note: In further efforts to enhance budget accuracy, the District has implemented a process to prioritize and fund essential professional services contracts, consolidating other potential contracts into a single line item in the budget detail. The single-line budget is expected to be sufficient to fund necessary contracts without duplicating resources for contracts that are often only executed under unique or extenuating circumstances.

Capital expenditures: FY23/24 capital expenditures are estimated to be \$509,000 less than the budget due to the timing of the renovation of an air monitoring structure. Initially planned to be completed in FY23/24, the structure is now budgeted to finish in FY24/25.

The FY24/25 budget for capital expenditures is expected to decrease by \$71,000 from the prior year's budget, with reduced outlays for lab equipment (lower by \$158,000) being offset by increases in expenditures for monitoring structures (+\$60,000) and replacement vehicles for the District fleet (+\$20,000).

The following additional *Detailed Budget Schedules* for General Fund 100 and the *District Position Schedule* are included at the end of this attachment:

- | | |
|-------------------------------------|--|
| ✓ Revenue (Exhibit 1) | ✓ Capital Expenditures (Exhibit 4) |
| ✓ Services and Supplies (Exhibit 2) | ✓ Position by Classification (Exhibit 5) |
| ✓ Professional Services (Exhibit 3) | |

TABLE 3 – General Fund 100: Fund Balance

GENERAL FUND 100	Actual FY20/21	Actual FY21/22	Actual FY22/23	Estimate FY23/24	Proposed FY24/25
Total	\$17,663,781	\$20,403,127	\$20,895,504	\$27,440,000	\$24,362,000

The Approved FY23/24 Budget indicated a use of the General Fund balance of \$2.7 million. However, the District now projects a \$6.5 million addition to the fund balance in FY23/24. The variance to the budgeted deficit is mainly due to the advance receipt of a multi-year operating grant of approximately \$6.5 million in AB617 funds in FY23/24, which will fund current and expanded AB617 activities in FY24/25 and FY25/26. This influx of grant revenue temporarily spikes the fund balance, however, roughly half of the \$6.5 million will be expended in FY24/25 and the other half in FY25/26, reducing the fund balance back down over the two-year timeframe.

The FY24/25 General Fund reserve balance is above the District's reserve policy, which is to maintain a General Fund balance equivalent to a minimum of 120 days of General Fund expenditures. As noted above, the fund balance is projected to come down significantly at the end of FY25/26.

TABLE 4 – Building Fund 400

Classification Account	FY22/23 Actuals	FY23/24 Approved	FY23/24 Projection	FY24/25 Proposed	Variance FY25 Proposed/ FY24 Approved
Revenues					
Interest	\$ 52,346	\$ 20,000	\$ 67,000	\$ 20,000	\$ -
Rents/Concessions/Royalties	1,349,721	1,150,002	1,250,199	1,055,834	(94,168)
Revenues Total	\$ 1,402,068	\$ 1,170,002	\$ 1,317,199	\$ 1,075,834	\$ (94,168)
Expenses					
Services and Supplies	\$ 496,965	\$ 506,901	\$ 496,306	\$ 512,234	\$ 5,335
Capital Expense	-	955,000	140,000	155,000	(800,000)
Debt Service	410,591	408,100	408,100	408,600	500
Expenses Total	\$ 907,556	\$ 1,870,001	\$ 1,044,406	\$ 1,075,834	\$ (794,165)
Fund Balance Source / (Use)	\$ 494,512	\$ (699,999)	\$ 272,793	\$ 0	

Fund 400 Budget Highlights and Assumptions:

- During FY23/24, the District evaluated several options for the headquarters facility. The Board indicated its support to sell the building and move to a smaller building (either leased or purchased) that would better meet the needs of the District. The building is listed for sale; however, the FY24/25 budget assumes a status quo scenario since a purchase agreement is not in place currently.
- Rent revenue is planned to decrease by \$94,000 due to the termination of a third-party tenant lease during FY23/24. The Proposed Budget does not assume any rent revenue for a new tenant. The rent revenue from the District decreases slightly in FY24/25 due to the reduction in capital expenses and a breakeven budget for the building fund.
- Services and Supplies increase slightly, and Capital expenses decrease by \$800,000. The FY23/24 budget assumed a renovation/update to the building for \$700,000 and included \$100,000 for the long-term capital assets reserve. Due to the plan to sell the building, the renovation did not occur, and major asset improvements are not anticipated and therefore, not included in the FY24/25 budget.
- Debt service for FY24/25 will total \$409,000; the bonds will be paid off at the time of the sale of the building or by the end of the debt payment schedule in 2027, whichever comes first.

TABLE 5 – Special Revenue Fund 500

Classification Account	FY22/23 Actuals	FY23/24 Approved	FY23/24 Projection	FY24/25 Proposed	Variance FY25 Proposed/ FY24 Approved
Revenues					
Federal	\$ 1,499,161	\$ 3,450,000	\$ 1,725,000	\$ 3,205,960	\$ (244,040)
Fines/Forfeits/Penalties	33,862	-	5,700	-	-
Interest	1,298,812	738,135	1,600,000	750,000	11,865
Other	64,374	66,438	81,438	66,438	-
State	15,164,301	26,585,809	55,552,497	26,999,796	413,987
Revenues Total	\$ 18,060,510	\$ 30,840,382	\$ 58,964,635	\$ 31,022,194	\$ 181,812
Expenses					
Interfund Charges	\$ 909,730	\$ 2,115,503	\$ 2,039,139	\$ 2,146,641	\$ 31,138
Services and Supplies	16,065,669	26,916,766	21,228,002	34,354,781	7,438,015
Expenses Total	\$ 16,975,398	\$ 29,032,269	\$ 23,267,141	\$ 36,501,422	\$ 7,469,153
Fund Balance Source / (Use)	\$ 1,085,111	\$ 1,808,113	\$ 35,697,494	\$ (5,479,228)	

Fund 500 Budget Highlights and Assumptions:

- The Special Revenue Fund serves to track restricted revenue sources, primarily various incentive programs, which include emission-reduction technology and community air protection grants. These are generally multi-year agreements with the grant funds received in one year and incentive disbursements made to project participants over several years. As a result, significant fluctuations may occur in year-over-year revenues and expenditures.
- FY24/25 proposed revenues are planned to be consistent with the FY23/24 budgeted revenues. FY23/24 estimated revenue is higher than the budget for that year by approximately \$29M. This increase is related to the timing of receipt of grant funds for the CAPP (\$7.2 million) and CC4A (\$6.5 million) programs and a \$15.6 million Cal STA grant for a hydrogen locomotive grant that was not included in the FY23/24 budget.
- Incentive disbursements are budgeted to increase by \$7.5 million to a total of \$36.5 million in the proposed budget. The increase in incentive payments is mainly in the state grant programs.

Stationary Sources Fee Increase

The FY24/25 proposed rate adjustment for fees, effective July 1, 2024, is 4.17% based on the California Consumer Price Index (CPI) and budgeted to increase fee revenue by approximately \$200,000. The fee adjustments approved for prior fiscal years are as follows:

Stationary Sources Fee Increase	Actual FY20/21*	Actual FY21/22*	Actual FY22/23*	Actual FY23/24	Proposed FY24/25
Total	0.0%	2.65%	5.65%	7.67	4.17%

*The CPI fee increase for FY20/21 of 3.3% was deferred by the Board and approved to be phased in as equal additions to the adjustments for FY21/22 and FY22/23.

Five-Year Forecast

The Five-Year Forecast is an informational section in the Proposed Budget and will be presented, along with key assumptions, at the April 25, 2024, Board Meeting.

General Fund (Fund 100) – Detailed Budget Schedules

Detailed General Fund (100) Revenue - Exhibit 1

Classification Account	FY22/23 Actuals	FY23/24 Approved	FY23/24 Projection	FY24/25 Proposed	Variance FY25 Proposed/ FY24 Approved
Revenues					
Federal					
EPA 103	\$ 42,895	\$ 78,800	\$ 128,000	\$ 128,000	\$ 49,200
EPA 105	1,138,908	1,150,000	1,199,943	1,199,943	49,943
Federal	149,539	3,461,836	4,687,189	4,440,890	979,054
FWW-CMAQ	757,093	770,420	870,420	700,000	(70,420)
Subtotal Federal	2,088,436	5,461,056	6,885,552	6,468,833	1,007,777
Fees & Licenses					
Ag Burn	24,995	22,000	28,000	12,000	(10,000)
Asbestos	418,273	356,000	214,500	218,000	(138,000)
Fees & Licenses	2,991	5,860	20,507	22,292	16,432
Mitigation Fees	285,431	274,632	133,730	150,000	(124,632)
Rule 301	8,632,439	8,300,000	8,900,000	9,100,000	800,000
SEED Loan-Non Labor	3,404	43,000	48,166	36,051	(6,949)
SEED Renewal	59,403	71,447	62,112	64,704	(6,743)
Title V	151,980	101,553	90,000	120,000	18,447
Toxics AB2588	209,670	204,905	224,000	230,000	25,095
Subtotal Fees & Licenses	9,788,585	9,379,397	9,721,015	9,953,047	573,650
Fines/Forfeits/Penalties					
Fines/Forfeits/Penalties	269,966	350,000	250,000	250,000	(100,000)
Subtotal Fines/Forfeits/Penalties	269,966	350,000	250,000	250,000	(100,000)
Interest					
Interest Earned	349,456	191,865	390,000	250,000	58,135
Subtotal Interest	349,456	191,865	390,000	250,000	58,135
Local Government					
Local Government	274,569	36,533	131,533	121,851	85,318
Subtotal Local Government	274,569	36,533	131,533	121,851	85,318
Other					
Auction	-	-	-	-	-
Other	19,237	17,524	24,683	18,524	1,000
Subtotal Other	19,237	17,524	24,683	18,524	1,000
Sales/Use Tax					
Sales/Use Tax	2,569,539	2,590,825	2,590,825	2,584,321	(6,504)
Subtotal Sales/Use Tax	2,569,539	2,590,825	2,590,825	2,584,321	(6,504)
State					
ARB Oil & Gas	42,000	42,000	42,000	42,000	-
ARB PERP	174,189	180,000	255,401	260,000	80,000
ARB Subvention	248,918	359,033	362,000	362,000	2,967
DMV	5,044,746	5,200,000	5,200,000	5,260,000	60,000
State	12,583	1,289,000	7,711,805	1,371,528	82,528
Subtotal State	5,522,435	7,070,033	13,571,206	7,295,528	225,495
Revenues Total	\$ 20,882,224	\$ 25,097,233	\$ 33,564,814	\$ 26,942,104	\$ 1,844,871

Detailed General Fund (100) Services and Supplies - Exhibit 2

Classification Account	FY22/23 Actuals	FY23/24 Approved	FY23/24 Projection	FY24/25 Proposed	Variance FY25 Proposed/ FY24 Approved
Services and Supplies					
Advertising, Comm & Outreach	\$ 1,005,071	\$ 1,074,500	\$ 1,044,511	\$ 1,028,236	\$ (46,264)
Alternative Transit	18,913	31,410	20,830	25,550	(5,860)
Banking & Finance	1,158	3,620	1,235	2,435	(1,185)
Books/Periodicals/Subscriptions	29,424	29,029	27,779	32,173	3,144
Breakroom Supplies	1,454	1,800	1,500	1,800	-
Business Meetings	158,285	168,150	137,248	233,400	65,250
Collaborations	80,508	147,000	90,726	102,000	(45,000)
Document Storage & Handling	34,795	32,000	33,000	33,200	1,200
Education & Training	33,396	97,050	98,979	144,900	47,850
Food	397	-	33	-	-
Fuel & Lubricants	16,914	20,300	16,100	16,680	(3,620)
Internship	7,375	7,375	7,400	8,000	625
IS Data Processing Services	38,491	46,400	47,900	49,400	3,000
IS Hardware	64,539	93,350	93,350	146,444	53,094
IS Internet	33,289	34,840	34,800	36,232	1,392
IS Mobile Devices/Services	46,415	36,360	44,499	51,962	15,602
IS SaaS-Software as a Service	403,054	1,100,334	666,949	717,499	(382,835)
IS Software	75,005	117,623	118,725	87,337	(30,286)
IS Supplies	13,260	16,000	15,563	15,564	(436)
Lab Analysis	18,922	130,000	57,000	106,000	(24,000)
Laboratory Equipment & Supplies	58,721	68,000	57,000	68,000	-
Legal Services	6,801	61,000	61,000	33,000	(28,000)
Legislative Advocacy	60,700	66,250	66,250	66,250	-
Maintenance & Repairs	23,645	38,500	20,600	27,000	(11,500)
Medical Services	694	3,000	3,000	3,000	-
Membership Dues	46,529	49,444	50,874	64,140	14,696
Mileage/Parking	30,885	33,370	31,710	32,510	(860)
Miscellaneous	1,221	100	(20)	100	-
Office Equipment/Furniture	378	13,500	7,000	8,500	(5,000)
Office Services	525	1,000	1,000	1,000	-
Office Supplies	(662)	9,000	5,813	8,500	(500)
Postage/Shipping/Messenger	10,623	13,750	16,400	18,950	5,200
Printing	4,988	8,700	7,200	10,200	1,500
Prof Svc-Consulting	1,179,714	1,874,500	1,896,387	2,420,650	546,150
Program Distribution-EPA Grant	512,107	3,278,836	4,032,525	3,863,031	584,195
Property & Liability Insurance	205,417	227,650	252,300	298,700	71,050
Property Management	14,211	25,000	10,000	25,000	-
Public Notices	2,618	32,800	19,075	28,750	(4,050)
Recognition	9,363	13,550	13,900	21,300	7,750
Recording Fees	-	200	100	200	-
Recruitment	9,867	10,000	42,000	10,000	-
Rent/Lease-Equipment	74,803	81,635	77,825	79,835	(1,800)
Rent/Lease-Real Property	973,497	1,021,327	1,014,572	1,005,834	(15,493)
Safety Supplies	4,406	7,000	3,100	5,000	(2,000)
Stipends	9,500	20,100	21,200	63,600	43,500
Telephone Services	26,124	27,180	25,300	24,936	(2,244)
Temporary Staffing	-	20,000	50,000	80,000	60,000
Tools/Small Equipment	35,733	30,200	3,320	6,120	(24,080)
Utilities	15,441	22,000	18,000	20,400	(1,600)
Vehicle Maintenance	36,590	45,500	39,500	47,500	2,000
Subtotal Services and Supplies	5,435,105	10,290,233	10,405,058	11,180,818	890,585

Detailed General Fund (100) Professional Services - Exhibit 3

Prof Srvcs-Consulting	2,420,650
STI CBYB	90,000
Scanning Services	20,000
Eide Bailly/Audit Services	47,000
TBD/ Microsoft Security Service for EndPoint Management	21,000
TBD/SharePoint Support and Upgrade of Servers	10,500
Bruns Auri/Car Share Assistance/G012	42,000
CSE/CC4A Case Management/GTBD(12M)	441,000
Fluxx/CC4A Grant Management/GTBD(12M)	55,000
Ramboll/Environ General TCC assistance	150,000
Ramboll/Technical Supp Srvcs-Nonrecurring Projects	200,000
Sonoma Technology Inc. / EPA Toxics Grant Work / G02A	90,000
Kems and West / AB 617 Facilitation Services / G002	50,000
BERC/Compliance Assistance	90,000
CAPCOA/ICF/G044	70,000
TBD/CPRG CCAP/G044	200,000
BIS Airia A012	2,745
Experis AiriA A012	24,000
SAVA / City of Sacramento / G034	25,000
Sonoma Technology Inc. / Ceilometer data / G10P	5,000
Sonoma Technology Inc. / CMAQ / G04C	100,000
TBD/CAP Staff Lead-Back Fill/TBD	300,000
TBD/Facilitation/G052	100,000
BIS AiriA Data Conversion A012	6,405
Experis/Contract 2023-00000087/A012	56,000
Pooled Professional Services Contracts	225,000

Detailed General Fund (100) Capital Expenditures – Exhibit 4

Fund Description	FY24/25 Proposed
100 General	
New vehicles replacements	\$ 200,000
PM10 continuous	30,000
Storage array	16,500
Storage server for storage Array	5,500
Simplivity node	60,000
Data logger	8,000
Chart recorder	22,000
FEM BAM1020	50,000
H2 generator	10,000
N2 generator	10,000
Ozone analyzer	30,000
Transfer standard	30,000
Zero air generator	15,000
Non-Methane hydrocarbon analyzer	26,000
A/C unit replacement	20,000
DPM finish replacement	610,000
DPM construction	25,000
100 General Fund Total	1,168,000

Detailed General Fund (100) Positions by Classification – Exhibit 5

Classification	FY22/23 Amended	FY23/24 Approved	FY23/24 Amended	Change	FY24/25 Approved
AUTHORIZED					
Regular					
Admin Supervisor/Clerk of Board	1.0	1.0	1.0	-	1.0
Administrative Specialist	4.0	4.0	4.0	-	4.0
Air Pollution Control Officer	1.0	1.0	1.0	-	1.0
Air Quality Engineer	19.0	19.0	21.0	-	21.0
Air Quality Instrument Specialist	3.0	3.0	3.0	-	3.0
Air Quality Planner/Analyst	10.0	10.0	10.0	1.0	11.0
Air Quality Specialist	21.6	21.6	22.8	1.0	23.8
Communication & Marketing Specialist	1.0	1.0	2.0	-	2.0
Controller	1.0	1.0	1.0	-	1.0
District Counsel	1.0	1.0	1.0	-	1.0
Division Director	4.0	4.0	4.0	-	4.0
Finance TBD	-	-	-	1.0	1.0
Financial Analyst	1.0	1.0	1.0	-	1.0
Human Resource Technician	1.0	1.0	1.0	-	1.0
Human Resources Officer	1.0	1.0	1.0	-	1.0
Information Systems Analyst	3.0	3.0	3.0	-	3.0
Information Systems Manager	1.0	1.0	1.0	-	1.0
Legal Assistant	1.0	1.0	1.0	-	1.0
Office Assistant	3.0	3.0	3.0	2.0	5.0
Program Manager	5.0	5.0	5.0	-	5.0
Program Supervisor	12.0	12.0	12.0	-	12.0
Senior Accountant	1.0	1.0	1.0	-	1.0
Statistician	1.0	1.0	1.0	-	1.0
Limited Term					
Air Quality Engineer/Specialist/Planner	1.0	1.0	1.0	-1.0	-
AUTHORIZED Total	97.6	97.6	101.8	4.0	105.8

PROPOSED BUDGET FISCAL YEAR 2024/25



SACRAMENTO METROPOLITAN



SACRAMENTO, CALIFORNIA

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PROPOSED BUDGET

SACRAMENTO METROPOLITAN AIR QUALITY MANAGEMENT DISTRICT FISCAL YEAR 2024/25 BUDGET

Board of Directors

Patrick Kennedy, Chair
Chair
Sacramento County Board of Supervisors

Caity Maple
Vice Mayor
City of Sacramento

Sarah Aquino, Vice-Chair
Vice Mayor
City of Folsom

Kevin Papineau
Council Member
City of Galt

Bret Daniels
Mayor
City of Citrus Heights

Sergio Robles
Council Member
City of Elk Grove

Rich Desmond
Supervisor
Sacramento County Board of Supervisors

Phil Serna
Vice Chair
Sacramento County Board of Supervisors

Sue Frost
Supervisor
Sacramento County Board of Supervisors

Shoun Thao
Council Member
City of Sacramento

Eric Guerra
Council Member
City of Sacramento

Donald Terry
Council Member
City of Rancho Cordova

Patrick Hume
Supervisor
Sacramento County Board of Supervisors

Mai Vang
Council Member
City of Sacramento

Executive Director / Air Pollution Control Officer

Alberto Ayala, Ph.D., M.S.E.

District Counsel

Kathrine Pittard

777 12th Street, Ste. 300
Sacramento, CA 95814



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Sacramento Metro Air Quality Management District
California**

For the Fiscal Year Beginning

July 01, 2023

Christopher P. Morill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Sacramento Metropolitan Air Quality Management District for its annual budget for the fiscal year beginning July 1, 2023. To receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

The award is valid for one year only. The District believes its current budget continues to conform to program requirements and will submit it to GFOA to determine its eligibility for another award.

The FYof 2024/25 Budget was prepared by the Administrative Services Division
Finance section in conjunction with District Staff

Division Director
Megan Shepard

*The electronic version of the Proposed Budget is available on the
Sacramento Metropolitan Air Quality Management District website at www.airquality.org*

(HYPERLINKS ARE ACTIVE)

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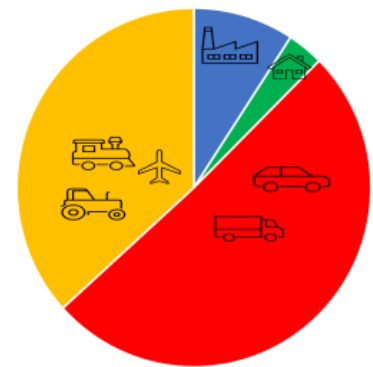
SECTION 1 - Executive Director/APCO Letter

May 23, 2024

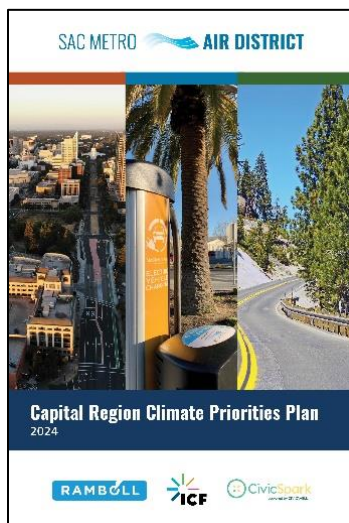
Dear Chair Kennedy, Vice-Chair Aquino, Board of Directors, and Sacramento County residents:

We are pleased to present the Fiscal Year 2024/2025 (FY24/25) Proposed Budget for the Sacramento Metropolitan Air Quality Management District (Air District). The Proposed Budget is balanced and reflects total expenditures for FY24/25 of \$67.6 million, including \$30.0 million for the General Fund, \$1.1 million for the Proprietary Fund, and \$36.5 million for the Special Revenue Fund, which supports the clean energy transition by investing in zero-emission projects in the greater Sacramento region. The FY24/25 Proposed Air District Budget is a net increase of \$8.9 million from the FY22/23 Approved Budget with a \$2.2 million increase in the General Fund, a \$794,000 decrease in the Proprietary Fund, and a \$7.5 million increase in the Special Revenue Fund. The successful completion of this proposed budget creates a clear path for the Air District to continue its work to protect residents of the Sacramento region from the harmful effects of air and climate pollution through the next fiscal year.

Despite significant progress over the last few decades due to the multifaceted investments and initiatives of this agency, the greater Sacramento region still suffers from too much air pollution. And we are not alone. The World Health Organization attributes 7 to 10 million premature deaths annually around the globe to industrialization and our reliance on fossil fuel energy. In a recent report by the Asthma and Allergy Foundation of America, Sacramento was ranked 42, right behind Stockton, in the top 100 “most challenging places to live with asthma in 2023.” While many risk factors play a role in asthma outcomes, exposure to air pollution is a widely recognized contributor. In the Sacramento region, like most urban settings in the country and around the world, the transportation sector – cars, trucks, buses, trains, and equipment – is the largest source of air and climate pollution. For this reason, the Air District prioritizes the transition to cleaner, electric, and zero-emission vehicles under our leading clean air incentives program funded primarily by local and state dollars. The Air District invests approximately \$20 million annually in cleaner and zero-emission technologies, including necessary charging and fueling infrastructure to support the transition to sustainable transportation. The funding goes directly to local businesses, agencies, and individuals who voluntarily choose to work with the Air District by adopting cleaner technologies. Thus, our programs are also an economic development engine for the region.



Sources of smog-forming emissions in the region



However, we cannot do the work that is necessary to clean up the air alone. Many of the sources of pollution impacting the region fall under the jurisdiction and authority of the state or federal government. We applaud the state's multiple actions to reduce emissions from future cars, heavy-duty trucks, fleets, lawn and garden equipment, and other sources of pollution. Similarly, we recognize the many important federal actions to tackle pollution from the transportation and energy sectors. Emission reductions from all sectors are needed now more than ever since the federal government has also recently adopted more stringent National Ambient Air Quality Standards (NAAQS) for particle pollution. To inform the development of an approvable air quality management plan that meets the new NAAQS, the Air District will continue to work closely with 150 state and local air agency partners from across the country to advocate, influence, and inform federal actions.

The Inflation Reduction Act (IRA) stands to be a game-changer for the region if we succeed in attracting federal investments for our climate priorities. In March, the Air District submitted its *Capital Region Climate Priorities Plan* (Plan) to the federal government. The Plan is the first coordinated strategy for climate action in the seven-county region reflecting the opportunities identified by 29 jurisdictions

participating in the process. The Plan is the first installment in the regional application for federal funding, identifying potential measures in three sectors - the built environment, transportation, and natural and working lands. The Air

District and its partners will continue to pursue other IRA funding opportunities to help us move toward our clean air and climate goals.

The clean energy transition will take time and resources, but at this moment in time, we have a unique opportunity to expand and accelerate actions for decarbonizing our local economy and protecting public health thanks to available federal funding. We can achieve the desired outcome in an inclusive way that benefits all, especially our most marginalized neighborhoods, so all residents can fully partake in the green energy future.



Rendering of Del Paso Heights Mobility Hub

The Air District continues to lead the state in investing funds allocated to the AB 617 Community Air Protection Program (AB 617). We have invested heavily in electric vehicles (EVs) and infrastructure. The Air District's state-designated priority AB 617 community is South Sacramento-Florin – an area of approximately 153,000 Sacramento residents occupying 22 square miles. Multimillion-dollar investments have led to significant pollution reductions and other community benefits in South Sacramento-Florin thanks to AB 617.

The Air District's school bus electrification efforts have been extremely successful. Air District grants have facilitated the early adoption of all-electric school buses throughout Sacramento County with every school district in the county participating, making Sacramento County home to one of the largest all-electric school bus fleets in California. This is made possible due to local and state funding. New federal dollars could help scale and speed the deployment of this and other types of EVs for public and private fleets in our region.



The Air District is ready and equipped to continue the essential core functions of air pollution monitoring, air quality planning, business permitting, compliance, and field inspections of permitted emission sources and clean technology projects. Our top priority is to ensure “transportation conformity” by developing an air quality plan that meets the NAAQS and allows the Sacramento region to remain eligible for state and federal highway funds.

The Air District is funded primarily by permit fees, vehicle registration fees, a local tax measure, and state and federal grants. These funds are critically important to support our mission and vision but are under significant strain given the rising costs of doing business, the growing demands imposed on the Air District by inadequately funded new state mandates, the need for local match funding, and the lack of full cost-recovery or inflation adjustments in many of our programs. Some of our most important initiatives lack continuous appropriation from the state or other sources. For example, the Sacramento Emergency Clean Air Transportation (SECAT) program has been one of our most important local tools for helping participating municipalities and businesses achieve cost-effective emission reductions. The Air District appreciates funding from the Sacramento Area Council of Governments (SACOG), but the program is expected to sunset as no continuous funding source for it has been identified.

A second example is AB 617. This state-mandated program is a paradigm shift in air quality management. It calls for new targeted efforts to address the uneven health burdens imposed on our most marginalized communities by exposure to highly localized air pollution. AB 617 also launched several new requirements for air districts including community-level air quality monitoring, development of emission reduction plans, accelerated review of pollution controls on industrial facilities, and enhanced reporting requirements and penalties. While Governor Newsom has included continuous, partial funding for AB 617 implementation and incentives, the amount of funding is not sufficient to meet the needs of the AB 617 communities or the local agencies implementing this state-mandated program. It is likely that the current state budget deficit will make a difficult situation even more challenging.

The Air District's financial forecast still shows a persistent funding gap between revenues and expenditures and staff will continue to work closely with the Board's Budget and Personnel Committee to identify viable funding solutions and strategies. Invariably, an increase in existing fees and/or new fees applicable to permitted businesses to cover the myriad of newly mandated programs will be necessary. In the meantime, we remain laser-focused on our commitment to carry out our mission of achieving state and federal clean air and climate goals while envisioning a clean air and low-carbon future for all.

As we help the region chart a path toward the future of electric mobility and the transition to sustainability, livability, and prosperity, we will continue to implement our leading equity and mobility programs – Clean Cars 4 All and Our

Community Car Share. We also remain committed to the expansion of mobility hubs throughout the region. The Air District and its partners unveiled the Sacramento region's first Zero-Emission Mobility Hub in Del Paso Heights in 2023. A glimpse into the sustainable future, this project is the first of 52 planned hubs for the region. We also will continue to prioritize the deployment of cleaner and zero-emission vehicles, especially electric school buses, battery-electric and fuel-cell electric trucks, and hydrogen fueling and electric charging infrastructure.

We cannot forget our regional partners. The Air District is fortunate to enjoy strong bonds with the Sacramento Regional Transit District (SacRT), the Sacramento Municipal Utility District (SMUD), SACOG, and many other government and non-government entities that are aligned in the common belief that the Sacramento region can realize a clean energy, zero-carbon, and equitable future for all if we continue to work together. The Air District is ready to continue to do its part. This Proposed Budget is a practical step forward.

Respectfully,



Alberto Ayala, PhD, MSE

Executive Director and Air Pollution Control Officer

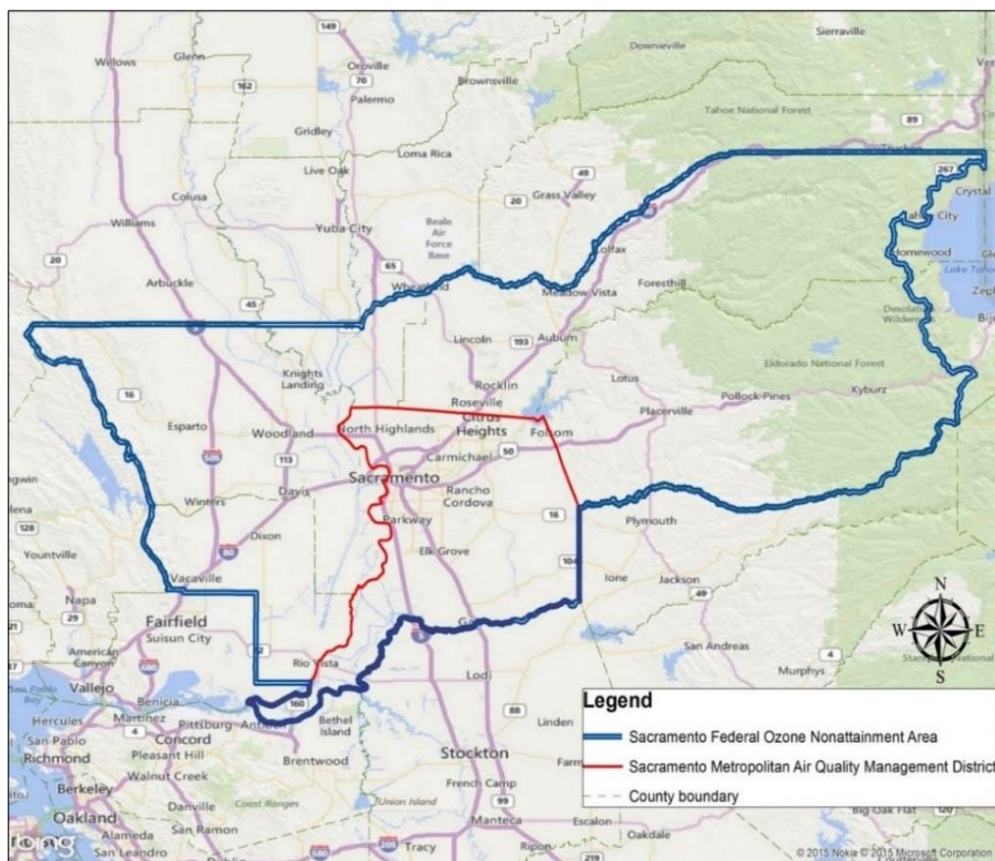
SECTION 2 – About the District

The About the District section describes the founding of the Sacramento Metropolitan Air Quality Management District, its mission, strategic goals and major activities. This section also highlights strategic priorities, outlines key initiatives for FY 2024/25 (FY 24/25), and reports on key measures.

DISTRICT PROFILE

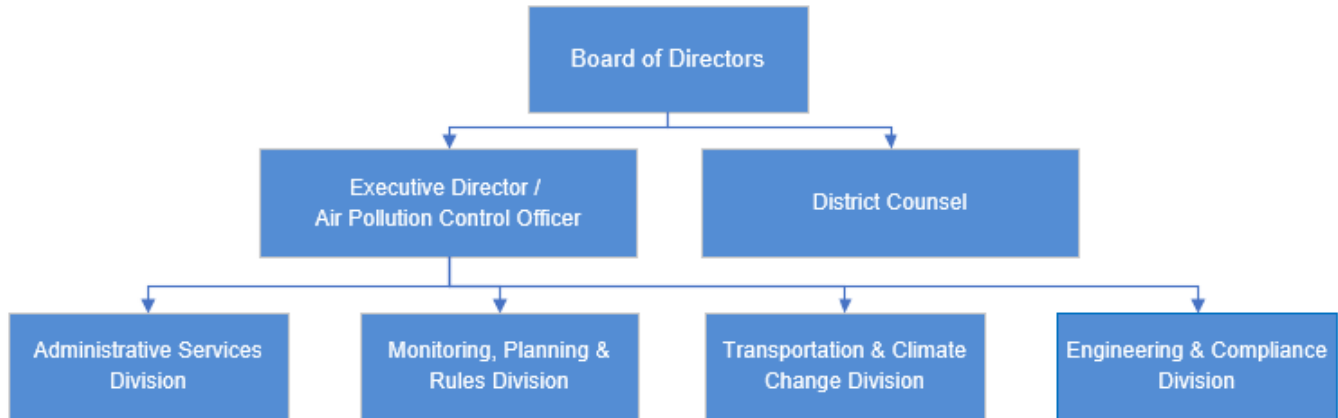
The Sacramento Air Pollution Control District was formed by the Sacramento County Board of Supervisors in December of 1959. In July of 1996, the Sacramento Metropolitan Air Quality Management District was created under Health and Safety Code Sections 40960 et. seq. to monitor, promote, and improve air quality in the County of Sacramento. It is one of 35 local or regional air quality districts in California. It is designated by the United States Environmental Protection Agency (EPA) as part of the Sacramento Federal Ozone Nonattainment Area (SFNA), which is comprised of all of Sacramento and Yolo Counties, the eastern portion of Solano County, the southern portion of Sutter County, the western slopes of El Dorado and Placer Counties up to the Sierra crest and includes four other local air districts. Below is a map of the SFNA and the District's boundaries in relation to the SFNA.

Map of the Sacramento Federal Ozone Nonattainment Area



The District's Governing Board is composed of 14 members, including all five Sacramento County Supervisors, four members of the Sacramento City Council, one member each from the cities of Citrus Heights, Elk Grove, Folsom, and Rancho Cordova, and one member representing the cities of Galt and Isleton. The Board appoints the agency's Executive Director/APCO and District Counsel. The District's organizational structure is comprised of the offices of the Executive Director and District Counsel and four operating divisions as shown in the following organizational chart. Additional information can be found in Section 7 – Organizational Overview.

Organization Chart



The District is responsible for monitoring air pollution within Sacramento County and for developing and administering programs to reduce air pollution levels below the health-based standards established by the state and federal governments.

While air quality in the SFNA currently does not meet the federal health standards for ozone, or the more stringent California standards for ozone and particulate matter (PM₁₀ and PM_{2.5}), progress has been made even as standards have tightened. Despite a huge increase in population over the last two decades, the Sacramento region's air quality has continued to improve.

Sacramento County's population was approximately 1.6 million as of the 2023 California Department of Finance Population Estimates. This population represents roughly 63% of the SFNA's population of approximately 2.5 million. The table below identifies the counties that are part of the SFNA, the portion of each county that falls within the SFNA, and the makeup of the SFNA (by percent) by county.

Population in Sacramento Federal Ozone Nonattainment Area

County	SFNA portion of the County	Population		County in SFNA/Total SFNA ³
		County ¹	SFNA/County ²	
El Dorado	157,285	187,285	84%	6.3%
Placer	400,786	410,706	98%	16.0%
Sacramento	1,581,831	1,581,831	100%	63.1%
Solano	140,626	446,745	31%	5.6%
Sutter	3,193	98,151	3%	0.1%
Yolo	222,381	222,381	100%	8.9%
Total	2,506,102	2,947,099	-	100.0%

¹ The county population data is based on the 2023 California Department of Finance Population Estimates and Components of Change by County (Table E-6) <https://dof.ca.gov/Forecasting/Demographics/Estimates/>. It represents the population estimate as of July 2023.

² The SFNA/County population percentages are based on the 2020 Census Data, which was downloaded from: https://www2.census.gov/programssurveys/decennial/2020/data/01-Redistricting_File--PL_94-171/California/ on 02/10/2022.

³ Percentage values are rounded to one decimal point.

A combination of poor atmospheric ventilation, a capping temperature inversion, bordering mountains, and plenty of sunny days act to enhance smog formation and effectively trap pollutants in the Sacramento Valley Basin. The Sacramento region has relatively few "smokestack" industries (stationary sources) compared to the Bay Area and Southern California. Therefore, even if all these stationary sources were to shut down, without further mobile source reductions, it is unlikely that the region could meet stricter air quality standards, particularly the tougher state standards.

Air and climate emissions in the Sacramento region come from mobile, stationary and area-wide sources. The largest contributor is from the transportation sector, such as motor vehicles, airplanes, locomotives, and other fossil fuel combustion engines and portable equipment. The category also includes "off-road" sources, such as construction, mining, and agricultural equipment. State and federal regulations coupled with local programs to modernize the vehicle fleet will help to reduce the impact of motor vehicle fuel and engine emissions on our air

quality in the future. However, as general activity and expected growth in our region return and bring more people and vehicles, mobile sources will continue to be the dominant factor in the region’s ongoing air pollution problem.

STRATEGIC DIRECTION

This Strategic Direction is the roadmap for the District’s programs and activities focused on accomplishing its principal functions. Importantly, this roadmap is also a line of communication of the District’s vision to staff, its Board of Directors, agency partners and stakeholders, and the public at large. Gaining and maintaining the trust of the community it serves is paramount, and the Strategic Direction provides a sound basis for resource allocations, expenditures, clean air investments, and general community support while ensuring transparency and accountability.

DISTRICT STRATEGIC DIRECTION	
Vision	Clean air and a low-carbon future for all
Mission	Achieve state and federal clean air and climate goals
Core Values	<ul style="list-style-type: none">• Integrity• Teamwork• Leadership• Innovation
Strategic Goals	<ul style="list-style-type: none">✓ Maximize program effectiveness while balancing environmental and economic considerations✓ Provide regional leadership in protecting public health and the environment✓ Integrate equity and environmental justice in decision-making for all air quality and climate change considerations✓ Develop and enhance diverse partnerships✓ Recruit, develop, and retain excellent diverse staff✓ Influence, develop and implement innovative programs, and promote resilience and sustainability throughout the region✓ Increase the public’s role in improving air quality and reducing carbon✓ Ensure fiscal responsibility and viability

DISTRICT ACTIVITIES

District activities are the day-to-day functions and processes that occur within operational areas and play a critical role in supporting the District’s mission to achieve state and federal clean air and climate goals. How the agency performs the activities, i.e., how it goes about its work, is informed by its strategic goals. The strategic goals are the long-term objectives the District has set to guide its decisions and actions and typically involve a significant level of planning, coordination, and resources to achieve. By understanding how district activities relate to its strategic goals, leaders can make informed decisions about resource allocation, staffing, and other factors that will impact the success of District initiatives. The District’s activities are listed in the table below followed by brief descriptions of the main functions of each activity.

DISTRICT ACTIVITIES	
Air Monitoring	Sustainable Land Use
Community Health Protection	Permitting and Business Compliance
Clean Transportation and Future Mobility	Public Outreach and Notification

Air Monitoring

- Comply with federal and local air quality planning requirements and develop and maintain federally approvable State Implementation Plans
- Measure air quality to inform planning decisions to meet federal health-based standards
- Provide real-time air quality data for the community – summer ozone pollution forecasts, winter Check Before You Burn program, particle pollution forecasts for leaf blower use restrictions in the City of Sacramento
- Measure, report, and communicate impacts from wildfire and other events
- Comply with state and federal air monitoring quality assurance and quality control requirements to produce valid and defensible air quality data

Community Health Protection

- Prompt investigation of and response to air quality complaints
- Targeted review of operating businesses in disadvantaged communities to ensure compliance with all applicable permit requirements
- Protect the public against exposure to asbestos with oversight activities of renovation, demolition, and abatement projects
- Reduce exposure to toxic smoke by investigating illegal burns and enforcing the *Check Before You Burn* program
- Assess emissions and exposure risks to toxic air contaminants with the Air Toxics “Hot Spots” program
- Develop and coordinate the execution of measures to reduce exposure to toxic air contaminants such as wildfire smoke, diesel particulate matter, and road dust
- Fund projects for underserved communities using air quality penalties revenue and other funding sources
- Build climate resilience, especially for underserved communities, through innovative policies, solutions, and regional partnerships
- Coordinate with and provide guidance to local jurisdictions and school districts during air pollution emergency events
- Publicly notice projects and agency determinations related to permitted businesses

Clean Transportation and Future Mobility

- Work with local communities to invest in regional clean-air transportation projects
- Target heavy, medium, and light-duty vehicles, school buses, increased mobility, and charging and fueling infrastructure as priority projects
- Reduce annual Greenhouse Gas (GHG), Nitrogen Oxide (NOx), and Particulate Matter (PM) emissions through innovative programs
- Drive innovation in mobility and connected, autonomous, electric, and shared vehicles
- Support micro-mobility shareable options such as electric bicycles and scooters
- Transition transportation toward zero-emission electrification



Local leaders celebration the grand opening of the Twin Rivers Electric Bus Charging Depot.

Sustainable Land Use

- Provide local jurisdictions with technical assistance and best practices in the areas of air quality, climate change, and resiliency
- Review and comment on land use, transportation, and construction projects to reduce criteria and greenhouse gas emissions

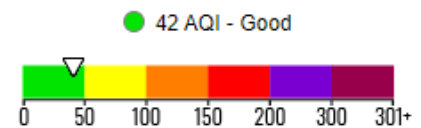
- Ensure compliance with air quality and climate provisions of the California Environmental Quality Act
- Monitor operational and construction air quality and climate change mitigation

Permitting and Business Compliance

- Develop plans and implement regulations to meet legally binding national ambient air quality standards
- Issue air quality permits to ensure local businesses comply with air quality rules and regulations
- Perform inspections of permitted businesses to make sure they are operating in compliance with all applicable requirements
- Perform surveillance activities to verify businesses required to have permits have obtained them
- Assure a fair playing field for all businesses by enforcing clean air rules

Public Outreach and Notification

- Distribute health and air quality information
- Promote notable projects and initiatives for air quality and climate action
- Provide 24/7 air quality information, as well as air quality forecasts and real-time readings to the media and public 365 days per year
- Notify the public when the air is unhealthy due to smoke from wildfires or other conditions



Support Services, encompassing administrative support, technological infrastructure, financial oversight, communications, maintenance, and human resources management, play a pivotal role in supporting the District's activities. They ensure that essential resources are available and optimized, facilitating the effective execution of the district's operations.

STRATEGIC PRIORITIES

Outlined below are the District's priorities, which serve as guiding principles for decision-making and resource allocation in pursuit of its mission to achieve state and federal clean air and climate goals.

Attainment and Maintenance of Ambient Air Quality Standards

To fulfill the District's responsibility of protecting public health, the District prioritizes work toward the attainment and maintenance of the National Ambient Air Quality Standards (NAAQS). The Clean Air Act (CAA) requires the United States Environmental Protection Agency (EPA) to set NAAQS for pollutants that are considered harmful to the public and the environment. These pollutants come from numerous and diverse sources. The District works toward the attainment of a NAAQS, and once EPA formally deems the region in attainment, the region is required to show maintenance of that standard for the next 20 years.



In the Sacramento region, ambient ozone pollution has improved since the early 2000s, leading to a decrease in the number of exceedances of the 8-hour ozone NAAQS and a gradual decline in ambient ozone pollution concentrations. The continuation of this progress in the capital region remains one of the most daunting challenges for the District and for the agencies whose programs depend on air quality progress. EPA determined the Sacramento region met the federal 1979 1-hour ozone NAAQS in October of 2012.

For the 1997 ozone NAAQS (84 parts per billion (ppb)), the Sacramento region was designated nonattainment and was given an attainment deadline of June 2019.

However, due to wildfires in 2018, the region was unable to attain this standard. Thus, the District is continuing to work collaboratively with the other four air districts in the Sacramento Federal Nonattainment Area (SFNA), California Air Resources Board (CARB), and EPA on demonstrating regional attainment. The most recent ambient air quality data shows that the Sacramento region has met this ozone standard.

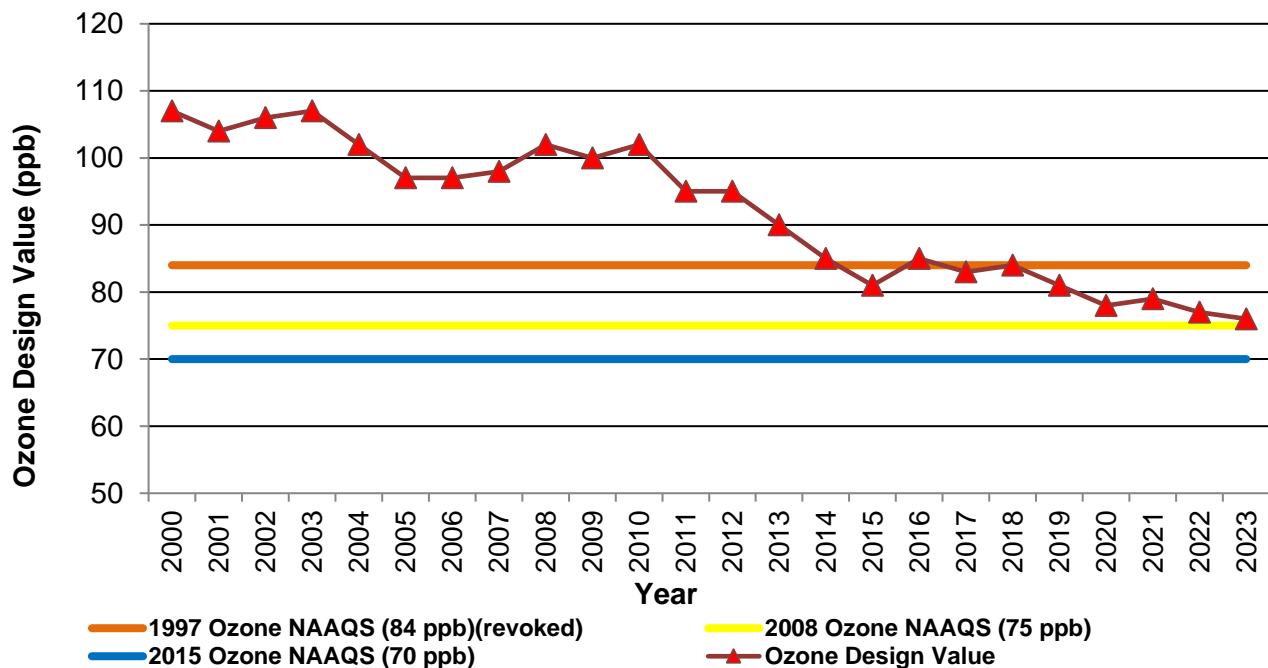
In 2017, the Sacramento region adopted the Sacramento Regional 2008 8-hour Ozone Attainment and Reasonable Further Progress Plan (Plan) to address the 2008 ozone NAAQS (75 ppb). This Plan was approved by CARB and submitted to EPA on December 18, 2017. The Plan is a significant achievement for the region. It shows further progress on air quality primarily through the implementation of existing District rules and policies. It also serves as an example of sensible air quality management by balancing the needs of the environment and local businesses.

In October 2021, the EPA published a final rule in the Federal Register approving all applicable ozone nonattainment area requirements in the SFNA, except for contingency measures (requirements per 86 FR 58582). A recent court ruling on contingency measures precluded full approval of the Plan. The air districts in the SFNA will continue to work with CARB and EPA to address this remaining requirement.

Although much progress has been made in the region, challenging work remains ahead for the District. Next is the attainment of the most current 2015 ozone NAAQS of 70 ppb. In 2023, the District adopted the 2015 NAAQS 8-hour Ozone Attainment Plan that provides a pathway for the Sacramento region to attain the 2015 standard by the attainment date of August 2033. The region will rely on continued reductions of ozone precursor emissions, namely NO_x and volatile organic compounds (VOCs), from familiar sources. The transportation sector is the single largest source of NO_x emissions in the SFNA. Investments toward cleaner vehicles and engines, including zero-emission electric vehicles and equipment, will yield multiple co-benefits and reduce other pollutants like GHGs. VOC pollution sources are ubiquitous, they include consumer products and combustion for various types of vehicles and equipment.

As the figure below illustrates, ambient concentrations of ozone pollution in the region (indicated as design values) have seen a gradual decline since the early 2000s. The chart shows the peak annual ozone design values for the designated ambient air monitoring site in the SFNA from 2000 to 2023. The 24-year trend line indicates stubbornly stable concentrations for the first 10 years and an encouraging decline over the next 14 years. In these periods, ozone pollution measured at 107 ppb (well above the three standards indicated) decreased to 76 ppb. This level is above the most recent and stringent 2015 standard. In 2018 and 2020, the Sacramento region was impacted by numerous wildfires, and they caused unusually high ozone concentrations in the region. EPA has a process in place to exclude days that are proven to be affected by wildfires from the data used to make the attainment demonstration.

8-hour Ozone Design Value: SFNA (2000-2023)



Note: A design value is a 3-year average of the 4th highest ambient ozone concentration at an ambient air monitoring station. The design value is used to determine attainment status.

Sources: 2000-2022 design values were extracted from AQS Report (AMP 480) downloaded on February 21, 2024. Design value is calculated based on AQS data (AMP 350MX) and preliminary AQMIS data downloaded on February 20, 2024. The SFNA was impacted by wildfires in 2018 and 2020, which caused unusually high ozone concentrations. The peak design value calculation in this chart excluded the high ozone readings due to wildfires.

For fine particulate matter (PM_{2.5}), EPA determined the Sacramento PM_{2.5} Nonattainment Area attained the 2006 24-hour PM_{2.5} NAAQS of 35 µg/m³ by the attainment date of December 31, 2015 (82 FR 21711). Ambient daily PM_{2.5} concentrations from 2011 to 2017 have fluctuated very closely around the standard. In 2018, 2020, and 2021, PM_{2.5} concentrations exceeded the standard because of unusually high PM_{2.5} concentrations in days impacted by smoke from wildfires. If the EPA finds the region did not attain due to these high PM_{2.5} days, then the District will

need to demonstrate that these days were influenced by an exceptional event – namely, the wildfires. If EPA agrees, the impacted data may be excluded from the attainment determination.

While a significant challenge and a strain on District resources, controlling pollution from wood-burning smoke on key days in the late fall and winter is essential to meeting the daily PM_{2.5} standard. Consequently, the District's Wood Smoke Program, including the Check Before You Burn law continues to be a priority.

From November through February, District staff regularly share Check Before You Burn information with the public through media interviews, social media, advertising, newsletters, videos, and other District communications.

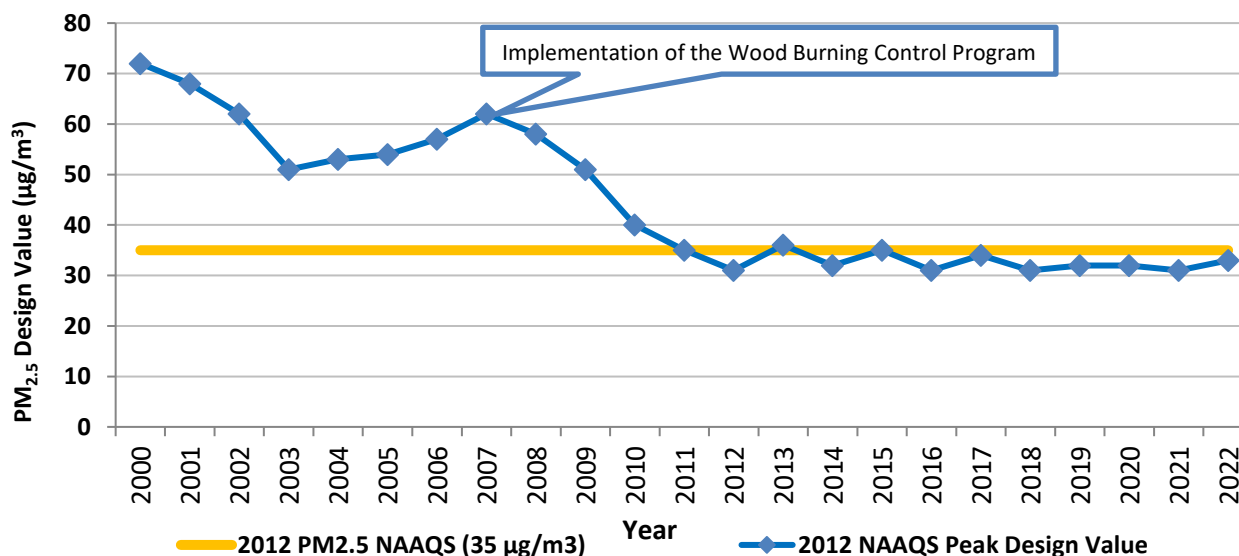
Key messages focus on educating residents and businesses about:

- The negative health impacts of wood smoke pollution, particularly for sensitive populations like children and the elderly
- Tips for reducing wood smoke and protecting public health
- Burn day status categories and the requirement to check the daily burn status before using indoor or outdoor fireplaces, wood stoves, fire pits, or chimineas that burn wood, pellets, manufactured fire logs, or any other solid fuel during the Check Before You Burn season.



The 24-hour PM_{2.5} Design Value trend chart below shows the District is expected to remain in attainment of the PM_{2.5} 24-hour standard of 35 ug/m³, provided EPA accepts an exceptional event demonstration for excluding days when PM_{2.5} pollution values were above the standard due to wildfires. Future efforts will focus on staying in attainment and securing additional PM emission reductions whenever possible so that particle pollution concentrations trend down. Key sources of particle pollution include the transportation sector and wood burning.

24-hour PM_{2.5} Design Value: SFNA (PM_{2.5}) (2000-2022)

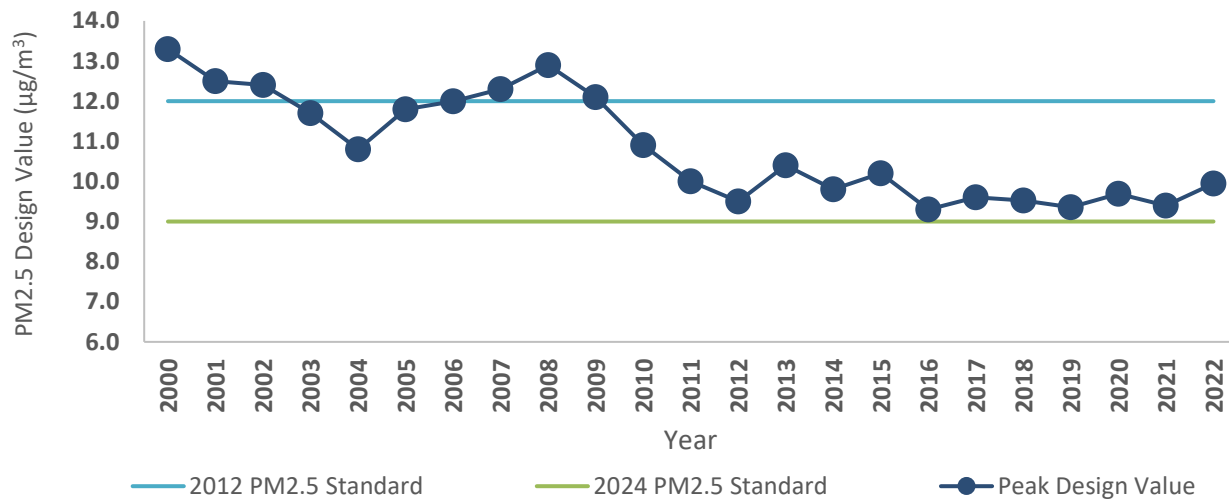


Sources: 2000-2022 Design Values were extracted from AQS Reports (AMP 480 and AMP350MX), which was downloaded on February 21, 2024.

Note: The SFNA-PM_{2.5} was impacted by several major wildfires in 2018, 2020, 2021, and 2022, which caused unusually high ambient PM_{2.5} concentrations. The peak design value calculation in this chart excluded the wildfire impacted days with the high ambient concentrations in 2018, 2020, 2021, and 2022.

Additional emission reductions will be necessary and critically important in the future given that the EPA is currently proposing a more stringent air quality standard for PM_{2.5}. On February 7, 2024, the EPA officially lowered the annual PM_{2.5} standard by 25% from 12 ug/m³ to 9 ug/m³. In the next two years, the District will be working with other local air districts, CARB, and EPA to determine the attainment status for the Sacramento region. Based on the preliminary 2022 air quality data, Sacramento is close to attaining the new standard as shown in the graph below. EPA's final attainment determination will be based on air quality data between 2022 to 2024.

Annual PM_{2.5} Design Value: Sacramento Region (PM_{2.5}) (2000-2022)



Sources: 2000-2022 Design Values were extracted from AQS Reports (AMP 480 and AMP350MX), which was downloaded on October 6, 2023.

Note: The Sacramento region was impacted by several major wildfires in 2018, 2020, 2021, and 2022, which caused unusually high ambient PM_{2.5} concentrations. The peak design value calculation in this chart excluded the wildfire impacted days with the high ambient concentrations in 2018, 2020, 2021, and 2022.

Accelerate and Expand Climate Action in the Greater Sacramento Region

As a leader in the Sacramento region and beyond, the District advances climate resilience strategies, clean air solutions, and enhancements to the quality of life for residents in Sacramento County — all while promoting the growth of the green economy. Whether developing comprehensive local or regional plans, securing local, state, and federal funding to implement new projects, or creating innovative programs to mitigate the harmful impacts of air and climate pollution, the Air District remains strongly committed to creating an ecologically resilient future.

With a focus on mitigating emissions from the transportation sector, the District continues to promote electric mobility and equity through investments in cleaner, zero- and near-zero-emission vehicles and equipment and infrastructure. Recently completed projects include the replacement of 18 heavy-duty trucks with Tesla Semis, the installation of four chargers at PepsiCo's South Sacramento Facility, and the launch of the region's first Zero-Emission Mobility Hub in Del Paso Heights. Future projects include support for Watt EV's project to build the nation's largest solar-powered electric truck charging depot in Sacramento County, administering \$15.6 million in new funding for three new hydrogen locomotives and a one-of-a-kind EV Lowrider conversion project by high school students to replace an internal combustion engine and related hydraulic equipment with a full-battery electric powertrain and actuators while providing invaluable skills under a new electric vehicle career pathway in the Sacramento Academic and Vocational Academy's transportation department. The District is also actively engaged in comprehensive and coordinated regional climate strategy focused on air quality, climate change, public health, zero- and near-zero-emission technologies development, mobility, and equity.



The Air District and its partners unveiled the Sacramento region's first Zero-Emission Mobility Hub in Del Paso Heights in 2023.

Examples include:

- The Capital Region Climate Priorities Plan (see Federal Grants and Funding Opportunities section)
- The Sacramento Area Zero Emission Vehicle Deployment Strategy
- The Sacramento Municipal Utility District's (SMUD) 2030 zero-carbon plan
- The California Mobility Center, the ongoing implementation efforts of the Sacramento and West Sacramento Mayors' Climate Commission,
- SACOG's Green Means Go
- Other emerging programs, and local jurisdiction's General Plans and Climate Action Plans.

Community Air Protection

The statewide Community Air Protection Program (Assembly Bill 617, C. Garcia, 2017) represents a significant shift in air quality management in California. The law required new state and local programs to address disparities and the health burdens from exposure to highly localized air pollution among the low-income and marginalized communities that have been most disproportionately impacted. The program launched several new requirements for air districts including community-level air quality monitoring, development of emission reduction plans, accelerated review of pollution controls on industrial facilities, and enhanced reporting requirements and penalties.

Perhaps most importantly, AB 617 designates state funds for financial incentives (i.e., subsidies for cleaner technology) that can be targeted to reduce, specifically, the emissions affecting AB 617 communities. The state continues to allocate hundreds of millions of public dollars for incentives for FY24/25. These incentives are intended primarily for achieving sorely needed emission reductions toward NAAQS attainment, but they can also help the region advance its broader economic and social goals.

In September 2018, the state identified the South Sacramento-Florin community as the District's inaugural AB 617 community and work began on the development of a Community Air Monitoring Plan (CAMP) in partnership with the Community Steering Committee. During its three-phase CAMP implementation, the Air District expanded its air monitoring network by installing portable sensors throughout the South Sacramento-Florin community, measured PM2.5, black carbon, toxic metals, and toxic gases, and launched a portable air monitoring laboratory to provide additional hourly monitoring data. The portable lab is currently located at Fern Bacon Middle School near the intersection of Franklin and 47th Avenue. Air quality data from these efforts are posted on the District's website.

Following the successful implementation of the CAMP, the Air District's AB 617 community will transition to a Community Emission Reduction Program (CERP) beginning in 2024. The Air District received funding from CARB to develop and implement a CERP in partnership with the Community Steering Committee and with input from the community. The CERP will include air quality strategies to target local air pollution. The CERP process is expected to take about two years.



Local leaders and members of the Community Steering Committee celebrate the launch of a new portable air monitoring lab.

As the South Sacramento-Florin community transitions to a CERP, community input will be needed to better understand priorities on the types of strategies desired. Future implementation may include funding for expanding infrastructure, electric charging, working with local jurisdictions on improving land use air quality projects, ensuring compliance with permits, mitigating exposure like air filtration for schools, and day cares, and increasing green space, among other projects. The Air District continues to work closely with its Steering Committee, community members, and local stakeholders as part of its commitment to fostering lasting partnerships with residents, business owners, and community-based organizations interested in advancing AB 617 protections in the region. As part of the CERP process, numerous community meetings will offer opportunities for public engagement.

Continuing its focus on making information available to the public, in 2019, CARB adopted a new regulation that requires businesses to annually report additional information about criteria and toxic emissions from their operations to provide the public with this information through state online tools. To comply with the regulation, the District began collecting data annually from all permitted businesses beginning in 2022. The regulation requires significant District time and resources but without any dedicated state funding to support the workload required to collect, assess, and submit the data to the state and provide extensive compliance assistance. The regulation also impacts businesses, especially small businesses that are not used to reporting at this level. District staff has developed policies and procedures, reporting forms, and online resources and provides extensive customer service to assist permit holders with their reporting requirements. In addition, the District is investing significantly in improved technology to implement the regulation more efficiently in the coming years. The District is also engaging other business partners, like the County's Business Environmental Resource Center (BERC) and the state to help impacted businesses and improve submittal rates.

Federal Grants and Funding Opportunities

Through strategic planning and cooperation, the Air District is driving positive change and helping to shape the future of the Sacramento region. On March 1, 2024, the Air District, on behalf of the seven-county Sacramento region, submitted its *Capital Region Climate Priorities Plan* (Plan) under the U.S. Environmental Protection Agency's Climate Pollution Reduction Grants (CPRG) program. The Plan, which resulted in unprecedented cooperation and collaboration among 29 local and regional partners led by the Air District, outlines 24 climate measures that would create substantial greenhouse gas emission reductions and a myriad of co-benefits, including advancing equity and opportunities in the clean energy transition.

Measures cover topics including:

- Increasing the use of renewable energy in new and existing buildings
- Land use improvements targeted at reducing the region's vehicle miles traveled
- ZEV adoption and charging infrastructure investments ensuring access to clean transportation
- Public transit improvements to encourage ridership by making it safer and more convenient to use
- Biomass utilization policies to decarbonize our energy
- Wildfire resilience and management policies that will reduce wildfire intensity and wildfire smoke impacts



The *Capital Region Climate Priorities Plan* contains 24 GHG reduction measures.

The Air District submitted the region's application for phase two implementation funding on April 1. The EPA anticipates the award of 30-115 grants ranging between \$2 million and \$500 million. Approximately \$93 million was requested in the Capital Region application. The awards will be announced in July.

Another key piece of funding for District programs is the percentage of incentive funds that can be used to cover outreach, administration, and direct costs to deliver clean transportation, infrastructure, equipment, and stationary source projects in the region. Senate Bill 1158 (Archuleta) would increase the amount of administration funds the District could use to deliver critical projects in the region from 6.25 percent to 12.5 percent. If passed, this bill would give much-needed resources to the District to work with local agencies, non-profits, community-based organizations, fleet operators, and others to deliver projects that will remove emissions from our region.

Partnership Expansion and Support

The District does not go about its business alone; it benefits from existing public-private partnerships with deep roots in the business community, health and environmental advocates, and the community it serves. These partnerships help convey the importance of District programs for the region, and the District plans to expand these efforts, continuing to work with and support the growing partnerships with entities like Civic Well, Breathe California - Sacramento Region, and the Cleaner Air Partnership (CAP). The CAP, administered by Valley Vision, is a long-standing regional collaboration including the Sacramento Metro Chamber of Commerce and leading industry entities like Teichert, Granite Construction, Union Pacific, Sutter Health, and SMUD.

Through a four-agency collaboration between the Air District, SMUD, SACOG, and SacRT, the Air District is also advancing broader regional strategies to accomplish shared clean air and climate goals. The Sacramento Area ZEV Deployment strategy, a key initiative of the group, is part of a larger mission to deliver clean energy, health, housing, transportation, education, workforce, and economic development solutions to sustainable communities. The plan prioritizes electrification in under-resourced communities, personal vehicles, shared-ride vehicles, public and private transit, micro-transit and shuttles, and medium- and heavy-duty fleets in alignment with the six-county Green Means Go regional pilot, the City of Sacramento's Transportation Priorities Plan, SMUD's 2030 Carbon Plan, and SacRT's Zero Emission Bus Transition Rollout Plan, which addresses the region's transition to zero-emission transit. Transportation, mobility, and regional economic prosperity are mutual goals of the four agencies, creating the impetus and a genuine desire for coordination, collaboration, and mutual support.

Additionally, in a first-of-its-kind joint board meeting last year, the Air District, SACOG, SacRT, and SMUD adopted a resolution underscoring the four-agency group's shared dedication to fostering interagency collaboration to address crucial issues related to land use, transportation, air quality, and climate. Recognizing that these issues are interconnected, the four-agency group is committed to working together to develop comprehensive strategies that consider the broader implications of their actions. This collaborative approach aims to leverage the resources, strengths, and expertise of each organization to create more effective and sustainable solutions. The joint commitment also aligns with broader regional efforts to combat climate change through the Air District's leadership of the U.S. Environmental Protection Agency's Climate Pollution Reduction Grants program in the Sacramento region, with the resulting Capital Region Climate Priorities Plan serving as a strategic framework to guide cooperative actions. For statewide coordination with its peers, the District is an active board member of the California Air Pollution Control Officers Association (CAPCOA). This association advocates for the general interests of all of California's 35 local air districts before the legislature, the state administration, and various other agencies at the state and federal levels.



Members of the Boards of Directors for the four-agency group pass a joint resolution.

The District is also expanding its work with many community-based organizations (CBOs). These groups share similar goals to the District for finding equitable solutions for cleaner air, improved health, and mobility. CBOs are on the ground working with residents and businesses and providing the District access to harder-to-reach and often overlooked populations of the region. In addition, the District is working with the CBOs to prioritize transportation incentive projects, helping to ensure that projects are important, impactful, reduce emissions and are accepted by the community. The District also provides technical and financial support to CBOs as they transition their fleets to zero-emission. CBOs have also been recipients of District funding through the District's Supplemental Environmental Projects program which has helped support clean air and climate goals. Partnerships with CBOs will continue to be critical as the District accelerates actions to address its most marginalized communities who bear a disproportionate burden of lingering pollution.

Wildfire Smoke Air Pollution Emergency Plan Coordination and Training

As an ongoing priority, the District is dedicated to educating the public and reducing the impacts of wildfire smoke through the Wildfire Smoke Air Pollution Emergency Plan Coordination and Training initiative. In collaboration with key public and private partners in Sacramento County, an emergency plan was developed and adopted in September 2022 to enhance coordination and access to information for responding to future wildfire air pollution events. The District remains committed to public education through online, social media, and in-person outreach efforts, aiming to mitigate exposure to wildfire smoke. Additionally, the District conducts meetings and training sessions with public health, emergency services, school districts, and other stakeholders to ensure preparedness and effective coordination during wildfire smoke events.

Advancing Air and Climate Policy Through Regional Events



In March 2024, the Power Inn Alliance, in partnership with SAVA and the District, showcased progress on the EV Lowrider conversion project.

Leading and participating in regional events are important endeavors that provide valuable platforms for knowledge-sharing, collaboration, and the dissemination of best practices among stakeholders, thus facilitating the development and implementation of effective air and climate policies at both local and regional levels. The District provided leadership and support by coordinating multiple events in 2023. As an example, in conjunction with eight other air districts in the Sacramento Valley Basinwide Air Pollution Control Council, the District helped put on the first-of-its-kind Agricultural Biomass Conference, a two-day event held in October in Winters, CA. The conference brought speakers and panelists from around the state from both public and private entities to highlight the potential that agricultural biomass resources represent for the creation of useful alternatives to agricultural burning – non-combustion biomass energy and other biomass products. The conference brought together over 100 participants and stimulated ongoing collaborations and stimulus to bring beneficial funding opportunities to the northern valley regions that can reduce air and climate pollution while supporting economic and workforce development.

Ambient Air Quality Monitoring Network Improvements

The health of our ambient air monitoring stations is critical. These stations are used to collect air quality data for criteria pollutants to determine compliance with the NAAQS and to support regional air quality forecasting. Infrastructure improvements are planned for various monitoring stations. The District recently replaced the Folsom air monitoring station and is in the process of replacing the Arden-Del Paso station. Replacing the district's oldest station will meet the newest federal monitoring requirements and eliminate downtime due to water intrusion, roof damage, and other ailments, putting at risk monitoring equipment and the ability to collect data per federal requirements. The replacement of Del Paso Manor station will be completed at the beginning of FY24/25, followed by replacements of the North Highlands station with an expected completion date in FY25/26, and the Bruceville or Sloughhouse station completed by FY27/28. Each station replacement project is anticipated to take two years to complete. The District anticipates that the replacement of these structures will help reduce ongoing maintenance costs associated with these aging facilities.



District employees celebrate the renovation of the Folsom Air Monitoring Station.

In addition, a new portable air monitoring lab was launched in the spring of 2023 which adds to the existing air monitoring network and is a key element of the District's AB 617 efforts in South Sacramento.

KEY INITIATIVES

Key initiatives are undertaken in direct support of the agency's mission and are developed, reviewed, and updated annually to ensure that the work of the District evolves as conditions change, adapting to new opportunities and challenges. Major FY24/25 District initiatives are described below. In addition, important initiatives for the upcoming fiscal year by operational area are highlighted in Section 7 – Organizational Overview.

AiriA – Permitting and Transportation Software Solution Implementation

The District has undertaken a significant project to continue improving and upgrading its information systems. A new cloud-based solution, named AiriA, is being implemented to replace various operational applications across the District. Multiple Microsoft Access databases currently manage the Stationary Source programs, including permitting and enforcement and compliance operations. The Access databases have numerous shortcomings in their current state that limit the ability to automate the permit process, streamline review processes, improve reporting and analytical ability, manage project documents and public records, enhance online customer service tools, and integrate with GIS and other enterprise systems. In addition, the Mobile Sources application that supports the transportation incentive contract and compliance processes needs replacing. Finally, the current online public complaint system and public records request solution require improvements.

The AiriA software solution was selected through a competitive process and the project kicked off in the spring of 2022 and is expected to continue through the end of FY 24/25. The AiriA project, being a district-wide effort involving resources from all divisions, is important because it has the potential to bring significant benefits to the agency. Here are some reasons why the success of this project is crucial.

1. **Improved Efficiency:** streamline business processes, eliminate redundant tasks, integrate mapping and other software solutions, automate manual tasks, and reduce data entry errors, resulting in increased efficiency and productivity.
2. **Enhanced Data Accuracy:** provide a centralized database, ensuring that all data is accurate and up to date, which eliminates discrepancies and improves decision-making.
3. **Increased Mobility:** cloud technology allows staff to access mission-critical data and software from anywhere, anytime and from multiple devices, supporting remote work, field inspections and other related field work.
4. **Improved Internal Controls:** automate workflows to allow for real-time visibility into a process and ensure compliance with policies and procedures as well as safeguard against financial risk and losses.
5. **Increased Collaboration:** provide a platform for better communication and collaboration between departments, resulting in more effective teamwork, reduced duplication of effort, and improved customer service.

- 6. Scalability: grow and evolve with the District, adding new modules and expanding functionality as needed.
- 7. Enhanced Customer Service: automate customer applications, improve tracking of customer requests and complaints, self-service for District and customer information will contribute to a better overall experience for customers.
- 8. Better Decision-making: accurate, real-time data (queries, reports, dashboards, work lists, etc.) will enable better decision-making by providing insights into District activities and other key metrics.

In summary, the AiriA software project is important because it has the potential to transform daily work in many positive respects, and its success will not only benefit the District itself but also its customers and stakeholders.

Headquarter Building Relocation and Teleworking

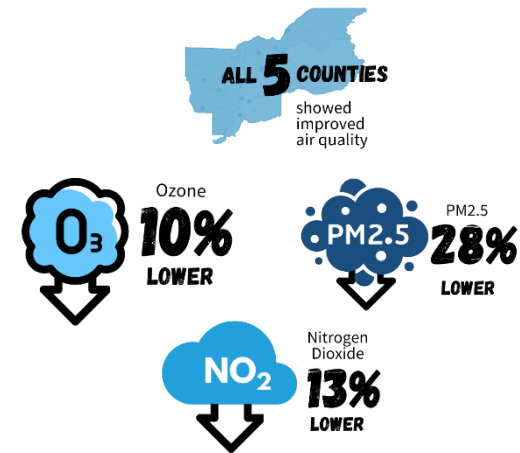
During the COVID-19 pandemic, the District transitioned seamlessly to an almost 100% telework model, and in April 2022, modified the telework schedule into a hybrid workplace model, which has been an overwhelming success. Staff members have welcomed the flexibility and work-life balance made possible by working remotely while maintaining productivity and the ability to continue to collaborate and build relationships with coworkers.

The District anticipated that the hybrid model would transform the use of office space and began evaluating various alternatives including remaining in place and consolidating work areas and selling the current headquarters and leasing or buying new space. The assessment was completed, and the headquarters was put up for sale. Consequently, the staff will be relocating to a smaller, more suitable location, which will be a major project in the coming fiscal year.

Downsizing into a smaller space represents a firm commitment to the ongoing telework initiative within the District. This strategic move not only aligns with modern work trends but also contributes significantly to the reduction in vehicle miles traveled (VMT) and district financial savings. By embracing telework on a larger scale, employees can enjoy greater flexibility while reducing their daily commute, thereby decreasing overall VMT and associated carbon emissions. Moreover, downsizing results in financial savings for the District, as it minimizes overhead costs associated with maintaining a larger physical office space.

The District’s telework policy is underscored by the results of a regional air quality study it conducted that found that during the period of shelter-in-place restrictions when traffic and driving were markedly reduced, there was significantly less vehicle-related air pollution in the Sacramento region. Between March 2020 – July 2020, there was 28% less particulate matter pollution (PM_{2.5}), 13% less nitrogen dioxide (NO₂) pollution, and 10% less ground-level ozone (O₃) pollution. For the same period, SACOG observed that daily VMT in the six-county SACOG region dropped to approximately half the driving relative to pre-pandemic levels, with the sharpest drop occurring in April 2020 when VMT in the region was 74% lower than pre-pandemic levels.

Because of the significant air quality benefits associated with less driving and the effectiveness of technology for remote meetings, the District is encouraging public agencies and businesses to telework and teleconference where possible. When in-office work is required, businesses and organizations are urged to promote carbon-friendly commuting methods, such as the use of public transit, electric vehicles, and active transportation (walking, biking). Telework and teleconferencing are effective strategies that complement the numerous low-carbon projects deployed by the District and therefore, the District will continue to model these practices and support regional efforts to reduce VMT.



Key findings from the shelter-in-place analysis

PERFORMANCE MEASURES

The District tracks select performance measures that indicate the District’s progress toward strategic priorities. These metrics provide broad measures of the District’s effectiveness, efficiency, timeliness, and productivity in critical activities. While key initiatives may change from year to year, performance measures generally reflect progress in core business operations over multiple years. Most performance measures require multi-divisional participation, and in many cases, one performance measure supports multiple strategic goals. The table below lists key performance measures.

FY24/25 Performance Measures

Performance Measures	FY22/23 Actual	FY23/24 Projected	FY24/25 Target
Update 33% of Area Source Methodologies	No	No	Yes
100% of Emission Statement/185 Fee Sources Surveyed	Yes	Yes	Yes
Board Adoption of Rulemaking Activities	1	2	6
>90% of Audited Parameters Passed (Monitoring Sites)	Yes	Yes	Yes
>75% Data Completeness for Each Parameter at 6 Air Monitoring Sites	2 yes 4 no ¹²³⁴	2 yes 4 no ⁵⁶⁷⁸	5 yes 1 no ⁹
Percentage of Permit Applications (Authority to Construct) Processed within 180 Days	86%	>68%	>75%
Percentage of Permits to Operate Issued within two Years of Obtaining an Authority to Construct (excluding extended and re-instated ATCs)	100%	>99%	>99%
Percentage of Violations Successfully Resolved under the Mutual Settlement Process (Calendar Year)	98%	>98%	>98%
Percentage of Annual Inspections Completed (Calendar year)	91%	90%	100%
Provide Confirmation Letter for Construction Mitigation Plans within Four Business Days of a Complete Submittal or Before Applicant Receiving Jurisdictional Permit Approval	100%	100%	100%
Notify Media and Public the Day Before Every Declared Spare The Air Day	100%	100%	100%
Provide Daily Air Quality Forecast to the Public every day by Noon	100%	100%	100%
Create and distribute quarterly newsletter with above average open rate	100%	100%	100%
Encumber 100% of Current Allocation-Year Moyer Funds by June 30 of the Allocation Year	100%	100%	100%
Liquidate 100% of the Allocation-Year Moyer Funds by June 30 of the Fourth Year After the Allocation Year	100%	100%	100%
Perform a 5% On-Site Random Annual Audit of All Operational Incentive Projects	100%	100%	100%
Non-Retirement Employee Annual Turnover Rate	≤5%	5.1%	≤5%
Percent of Planned Training Completed for All Staff	100%	100%	100%
Receive the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting	Yes	Yes	Yes
Receive Unmodified Audit Opinion for the Annual Comprehensive Financial Report	Yes	Yes	Yes
Receive the GFOA Distinguished. Budget Presentation Award	Yes	Yes	Yes
Manage actual financial results within the Authorized Budget	Yes	Yes	Yes
Significant Deficiency or Material Weakness in Report on Internal Control over Financial Reporting	0	0	0

FY 22/23 Footnotes:

¹ At Sacramento-Bercut Dr., the CO and NO₂ monitors did not meet federal data quality objectives and needed to be repaired

² At Elk Grove-Bruceville, the rain and ultraviolet sensors did not operate correctly

³ At Sacramento-Del Paso Manor, CO monitors needed factory service; the NO_y monitor had a calibration error and is pending further troubleshooting; and the solar radiation sensor did not operate correctly

⁴ At Folsom-Natoma St., the solar radiation and temperature sensors did not operate correctly after their re-installation following a site renovation

FY 23/24 Footnotes:

⁵ The CO monitor at Sacramento-Bercut has calibration issues where some test points were not low enough to match the typically low concentration measured at the station

⁶ The rain sensor at Elk Grove-Bruceville has the same operational issue as FY22/23; it was repaired in February 2024

⁷ At Sacramento-Del Paso Manor, the CO monitor is undergoing further testing after factory service; the NO_y monitor still needs further troubleshooting

⁸ At Folsom-Natoma St, the solar radiation and temperature sensors were repaired in November but are not expected to meet a 75% completeness

FY 24/25 Footnotes:

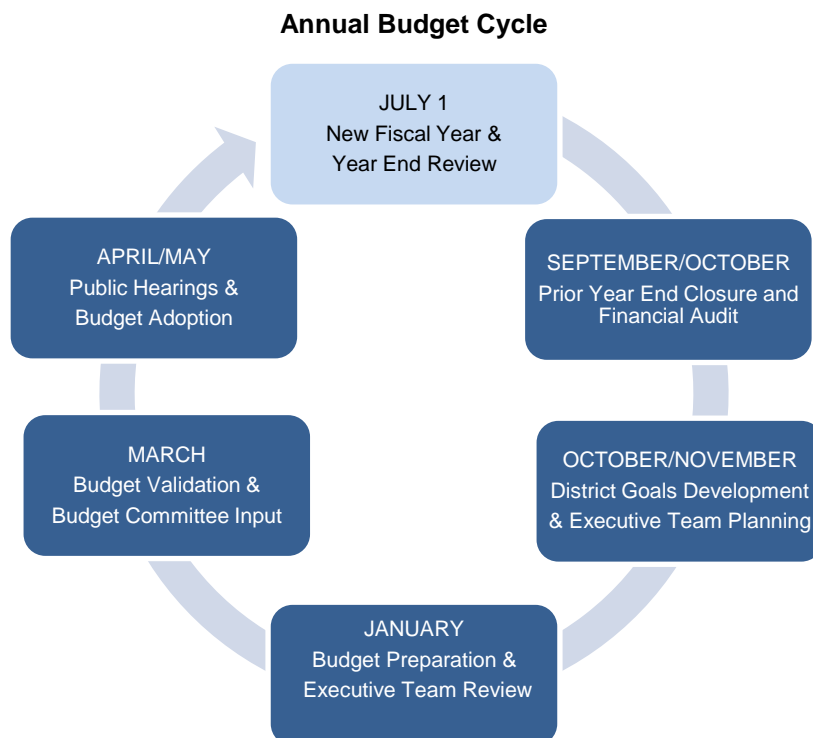
⁹ Sacramento-Del Paso Manor is expected to have major renovation which requires a temporary shutdown

SECTION 3 - Budget Overview

The Budget Overview section provides information on the District's budget process, budget practices and strategies, the basis of budgeting, a summary of the FY24/25 Proposed Budget, and the factors affecting the District's financial condition.

BUDGET PROCESS

State law requires that the District adopt its budgets in an open process to educate the public about the costs and benefits of air quality improvement. In addition to the budget process, the District establishes and follows Board adopted Financial Management Policies, now consolidated, and included in this budget document as Appendix A. There are also common terms used throughout the budget document that can be found in Appendix C – Glossary.



The District operates on a fiscal year that runs from July 1 through June 30 of the following year. Budget development begins with a mid-year review of the current budget in November/December. In December, each of the District divisions, with guidance from the Executive Director/APCO, Administrative Services Division Director, and District Controller, begin to prepare the budget which typically includes revenue projections, requests for outside professional services, a staffing distribution, a budget narrative demonstrating accomplishments for the current budget year, and strategic priorities and key initiatives for the upcoming budget year. Divisions may also submit requests for capital projects, staffing additions, or other items that may differ from typical operating expenditures in nature or cost.

The Administrative Services Division reviews and refines the information and integrates it into the draft budget. The Executive Team, along with several Program Managers, reviews and finalizes the draft budget. The Executive Director/APCO, Division Directors, and District Controller meet during budget development with the District Board of Directors Budget and Personnel Committee to receive direction for addressing District priorities and developing a balanced budget.

The budget is publicly noticed 30 days in advance and is presented at each of two public hearings, consistent with California Health and Safety Code Section 40131, typically taking place during the Board meetings in April and May. At the first public hearing, generally in April, the Proposed Budget is presented, and the Board may ask questions, make comments, provide direction, and receive requests from members of the public to speak. The second public hearing, typically in May, follows a similar process as the first hearing and District staff comments on

material differences, should they exist, from the previously presented Proposed Budget and reports back on Board requests, if any. The Board may provide direction and vote to approve the budget at the second public hearing. Approval of the budget requires a quorum of Board members and a majority of the voting quorum. Once the budget is approved, staff posts the Approved Budget on the District website.

The Board may vote to adopt a resolution allowing the District to continue normal operations under the Proposed Budget if an Approved Budget is not adopted by June 30th. Such a resolution must specifically authorize Proposed Budget expenditures for capital assets, filling new positions, and equity transfers. Without that authorization, state law requires deferring those expenditures until an Approved Budget is adopted.

FY 2024/25 Budget Development Schedule

Completion of the audited Annual Comprehensive Financial Report (Annual Report) for the prior fiscal year	November
Mid-year review of the current fiscal year budget	December
Budget submissions from Division Directors for the upcoming fiscal year	January
Budget Notices are posted on the District website and sent to regulated sources	March
Meetings with the Board of Directors Budget and Personnel Committee	March
First public hearing/presentation of Proposed Budget to Board of Directors	April
Second public hearing/vote of the Board to approve the Budget	May
Approved Budget document posted on District website	June
New fiscal year in accordance with the Approved Budget	July 1

BUDGET PRACTICES & STRATEGIES

In addition to budget-related Financial Management Policies found in Appendix A, the District follows the budget practices and strategies below:

Practices

- Management presents a “balanced” budget to the Board annually, where funding sources (including use of reserves) match expenditures and include revenues and expenditures for the prior year (actual), current year (approved budget), and upcoming year (proposed budget)
- One-time funding sources are not typically applied to ongoing commitments
- The Board authorizes a schedule of all regular and limited-term positions for the upcoming (budget) year
- Requests for additional positions or an increase in regular work hours of part-time positions must be presented for Board approval and may be made anytime during the fiscal year, though usually included as part of the budget process
- Board approval is obtained for all capital expenses
- Budgets are adopted on a basis that includes encumbrances and expenditures and annual appropriations lapse at the fiscal year-end if they have not been expended or encumbered
- Board approval is required to amend the budget once it is adopted if there is a need to increase the expenditure budget
- The budget is prepared by fund, division, and program
- Transfers of appropriations within a classification (e.g., employee services, services and supplies, capital expense, and transfers) or across classifications within the same fund may be made without Board approval
- Transfers of appropriations between funds require Board approval as the legal level of budgetary control is the fund level
- The Executive Director/APCO has the authority and an approved budget to fund events/collaborations with partner organizations throughout the year, enabling the District to respond promptly to requests

Strategies

- Ensure the budget reflects the mission of the District, is fiscally sound, and provides resources that realistically fund operations

- Work with the Board to establish major goals in support of the District's mission which provide short-term and long-term direction to staff, determine the allocation of resources, and establish priorities
- Monitor and maintain sufficient unencumbered fund balance to allow for cash flow requirements, contingencies for unforeseen operational or capital needs, economic uncertainties, local disasters, and other financial hardships or downturns in the economy
- Perform multi-year projections of funding sources and ongoing expenditures to promote long-term planning of resource uses
- Proactively oversee revenues and cost-effectively control ongoing operating costs

BASIS OF BUDGETING

The District's basis of budgeting is modified accrual, which is recognized as the generally accepted method of accounting for state and local government. Using this method of budgeting, revenues are recognized when (1) they are measurable, and (2) all applicable eligibility requirements are met. Expenditures are recorded when the related fund liability is incurred. Modified accrual accounting can also divide available funds into separate entities within the organization to ensure the money is spent where it was anticipated.

BUDGET SUMMARY

The District has three funds: General, Proprietary, and Special Revenue. Each fund serves a specific purpose as noted below. A detailed description of funding sources can be found in the Appendices. (See Appendix B – Description of Funding Sources)

Fund	Name	Purpose	Primary Funding Source
100	General	Records all inflows and outflows, not associated with special-purpose funds, for core administrative and operational activities	Permit fees, DMV, Measure A, Federal and State Grants (EPA, CMAQ, CARB)
400	Proprietary	Internal Service Fund that accounts for District business-like activities (Covell Administrative Building)	Covell Building rental income
500	Special Revenue	Records the proceeds from certain revenue sources for which fund usage is restricted	DMV, Federal and State Grants (SECAT, Moyer, GMERP, FARMER, GHG-CarShare, CAPP, Clean Cars 4 All)

The annual budget serves as the foundation for the District's financial planning and control. The FY24/25 Proposed Budget totals \$59.0 million in revenue and \$67.6 million in expenditures and includes 105.8 total authorized full-time equivalent (FTE) positions. The following table is a summary of the FY24/25 Proposed District Budget by fund.

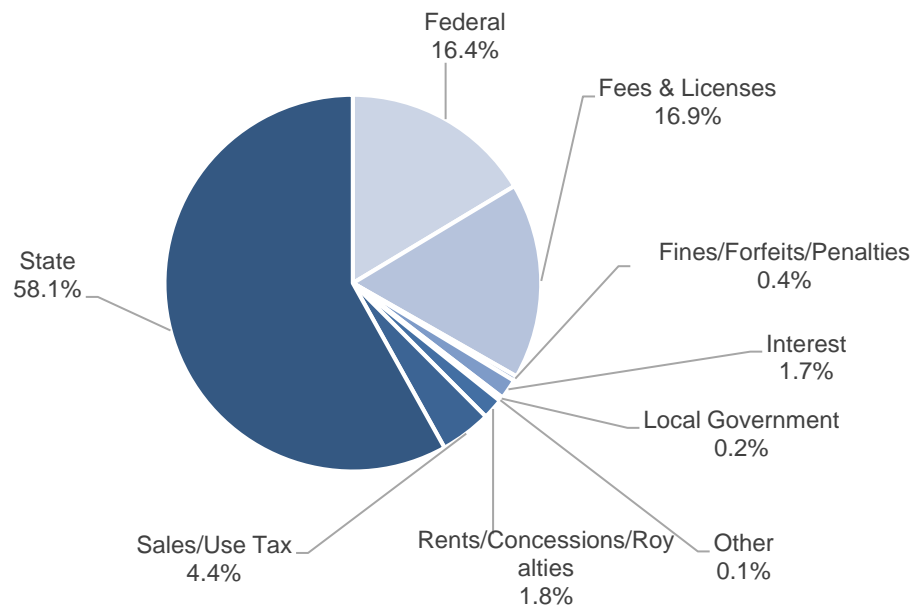
District Budget by Fund

Fund	FY23/24 Approved Budget	FY24/25 Proposed Budget	Variance
General Fund (100)	\$ 25,097,233	\$ 26,942,104	\$ 1,844,871
Covell Proprietary Fund (400)	1,170,002	1,075,834	(94,168)
Special Revenue Fund (500)	30,840,382	31,022,194	181,812
Total Revenues	\$ 57,107,617	\$ 59,040,132	\$ 1,932,515
General Fund (100)	\$ 27,824,832	\$ 30,020,199	\$ 2,195,367
Covell Proprietary Fund (400)	1,870,001	1,075,834	(794,167)
Special Revenue Fund (500)	29,032,269	36,501,422	7,469,153
Total Expenditures	\$ 58,727,102	\$ 67,597,455	\$ 8,870,353
Current Suplus/(Deficit)	\$ (1,619,485)	\$ (8,557,323)	

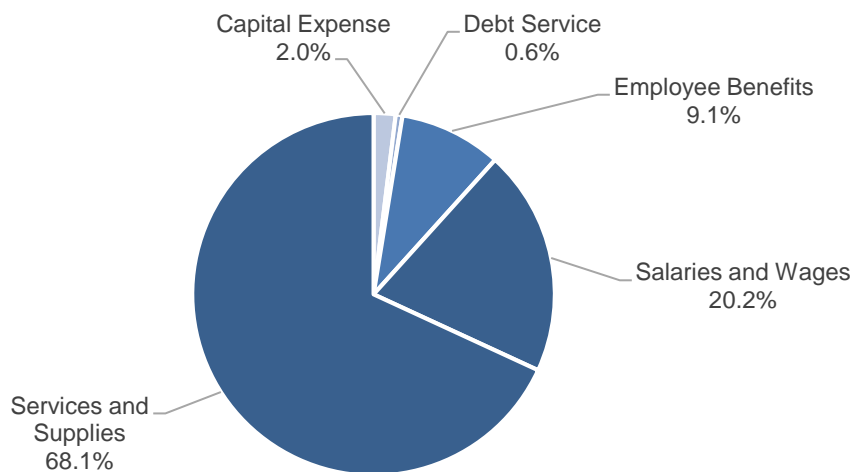
The Proposed Budget reflects the District's mission, is fiscally sound, and provides resource allocation recommendations that adequately fund operations. To ensure performance within authorized budgets, District management proactively manages revenues and operating costs. In addition, multi-year projections of funding sources and ongoing expenditures analysis are completed to inform long-term planning of resource uses. These forecasts are presented in Section 3 – Financial Planning.

The following charts detail the revenues and expenditures by classification as a percentage of the total FY24/25 Proposed District Budget.

District Budget – Revenues by Classification (\$59.0 million)



District Budget – Expenditures by Classification (\$67.6 million)



The notable changes in revenues and expenditures in the FY24/25 Proposed Budget from the FY23/24 Approved Budget for the General, Proprietary (Covell Building), and Special Revenue funds are listed below.

General Fund

Revenues

- Federal grant revenue is increasing by \$1.0 million mainly due to funds that the District administers on behalf of other air districts in the region, the main grant being the Targeted Airshed Grant (TAG), which will primarily fund Heavy Duty Electrification of school buses, replacement of off-road agriculture equipment with newer, cleaner equipment and replacement of residential non-certified wood burning appliances in our neighboring districts. The federal Climate Pollution Reduction Grant (CPRG) was awarded in FY23/24 and, therefore, was not included in the budget for that year; the grant continues in FY24/25 and totals \$368,000 in the Proposed Budget.
- Stationary Sources and Mitigation fees are planned to increase by \$574,000, primarily due to an expected increase in Rule 301 revenues of \$800,000. Rule 301 revenues for FY23/24 are expected to exceed the adopted budget by \$600,000 and the FY24/25 Rule 301 revenues are based on the expected FY23/24 finish. In addition, there is a proposed fee CPI increase of 4.17% effective July 1, 2024.

Expenses

- Employee Services expenditures are increasing by \$1.4 million due to the addition of 8.2 full-time equivalent (FTE) positions from the FY23/24 Approved FTE Budget, a 3.6% Cost of Living Adjustment (COLA), and an increase in retirement and group insurance contributions for FY24/25. The FY23/24 Approved FTE Budget was amended by the Board in March 2024; this resolution increased the FTE count by 4.2 from the Approved FY23/24 FTE Budget of 97.6 to the Amended FY23/24 FTE Budget of 101.8. These positions are expected to be filled by June 30, 2024, will not have a material effect on the FY23/24 projected expenditures, and are included in the FY24/25 Proposed Budget. An additional four FTEs are included in the FY24/25 Proposed Budget for a total of 105.8 FTEs. The FTE positions were added primarily to support expanded grant activities for the District and increased workload requirements for the Engineering and Compliance Division.
- Services and Supplies are increasing by \$891,000 mainly in professional services contracts and higher program distributions for the TAG projects. Professional services expenditures are expected to increase by \$546,000 mainly to support the AB617 Community Air Protection grant and the CPRG program. Pass-through distributions for the TAG projects are planned to increase by \$584,000.
- Capital project expenses are decreasing by \$71,000 due to less expenditure on lab equipment.
- The inter-fund transfer credit is consistent with the prior year's Approved Budget.

Covell Building Proprietary Fund

- Rent Revenue is decreasing by \$94,000 as a tenant lease expired in FY23/24 and will not be renewed. The District listed the Covell Building for sale and plans to move to a smaller facility (either purchased or leased) that is right-sized to the District operations within the next two years.
- There is a decrease of \$800,000 in Capital Expenses. For the FY23/24 Approved Budget, additional capital was planned for a renovation of the District facility; this project did not occur. Given the decision to sell the building and relocate to a more efficient space, no renovation to the Covell Building is planned for FY24/25.

Special Revenue Fund

- State revenue is increasing by \$414,000, mainly related to the Moyer program revenues in FY24/25.
- Incentive payments are budgeted to increase by about \$7.4 million primarily related to state-funded grants. State grants expected to increase include Clean-Cars-for-All, Moyer, and CalSTA (hydrogen locomotives).

Note: The Special Revenue Fund tracks restricted revenue sources, primarily emission-reduction technology, and community air protection incentive grants. These grants are generally multi-year agreements with funds received in one year and incentive disbursements made to project participants over several years resulting in significant fluctuations in year-over-year revenues and expenditures.

The FY24/25 Proposed Budget includes a staffing plan of 105.8 FTE (as shown in the table below).

Proposed Positions

Budget Status	Appointment	FY 23/24 Amended	FY 24/25 Proposed	Change
Funded	Regular	101.8	105.8	4.0

FACTORS AFFECTING FINANCIAL CONDITION

Over the past several years, the District proactively managed expenses to ensure the fund balance in the General Fund was sufficient to support the District expenditures in case of future revenue shortfalls. The District held numerous positions vacant and executed only essential professional services contracts. As a result, the fund balance of the General Fund increased by about \$4.2 million over the last three years, providing the funds necessary to move forward with critical staffing needs. Largely due to the increase in FTE, the FY24/25 Proposed Budget does not project adding more to the reserves.

The Board amended the FY23/24 position budget, adding four FTEs, to initiate the recruitment process of critical resources; however, additional funding for the positions was not allocated at that time as salary savings were leveraged. In the FY24/25 Proposed Budget, an additional four positions are included, with funding for all eight positions reflected in the FY24/25 Proposed Budget. These additional resources will support expanded grant activities and operational requirements.

The inflationary economic environment is expected to increase the cost of employee wages and benefits and services and supplies; the full extent of the impact is still unknown. Fortunately, the healthy reserves, which the District has grown over recent years, will serve as a bridge to support these increased expenses until long-term fund stability is established.

The forecasted FY24/25 California State budget deficit is significant. The District proactively manages grant revenues to reduce the potential for funding gaps and ensure emission reductions are achieved as quickly as possible. While no significant reduction in State grant disbursements for District programs is anticipated in FY24/25, future reductions are possible.

The District's five-year forecast continues to show some significant funding gaps between revenues and expenditures, which will require District staff to work collaboratively with the Board of Directors in the upcoming years. The imbalance is due primarily to the rising costs of doing business, such as employee services and capital expenditures outpacing current revenue increases, new state mandates that are not adequately funded, and a history of not fully recovering costs for many of the District's programs. Staff will continue to work with the Board into FY24/25 and beyond on the funding strategies detailed in the General Fund Forecast section of this budget.

SECTION 4 – Financial Planning

To ensure the District can meet its immediate and long-term needs to support its mission of achieving clean air goals, the District develops annual budgets alongside multi-year financial plans.

FINANCIAL FORECAST AND PLANNING

The purpose of financial forecasting is to evaluate historical and current fiscal trends and conditions to help guide future policy and programmatic decisions. It also identifies long-term issues for stakeholders and provides the impetus to confront them. Long-term forecasts and analyses are used to identify potential long-term imbalances. Financial strategies are then developed to counteract these imbalances. The District annually reviews and updates a five-year financial projection using the following methods:

- Informed/Expert judgment
- Trend analysis
- Anticipated operational changes
- Grant documentation and review
- Estimates from other governments

The District forecast shows a structural deficit over the next five years primarily due to the rising cost of doing business and additional programmatic mandates. Given the lack of significant revenue growth above expected expenditures, the fiscal reality is that current expenditure commitments are unsustainable. Long-term sustainability requires that annual operating cost increases be held to a level at or below annual revenue growth and/or additional revenues are secured.

The District's near-term financial plan is to conduct an in-depth program costing analysis, continue to identify and implement operational efficiencies, and evaluate and seek out potential revenue sources as described in the General Fund Forecast section below, including fee increases. The District's approach to annual fee changes is to adjust them based on the prescribed CPI index. This is to ensure that fee revenue keeps pace with District costs (mainly COLA adjustments) and to avoid large "catch-up" adjustments that could negatively impact permit holders in a single year. The FY24/25 Proposed Fee Schedule reflects a CPI increase of 4.17% to maintain progress toward meeting air quality and climate goals while keeping reserves stable.

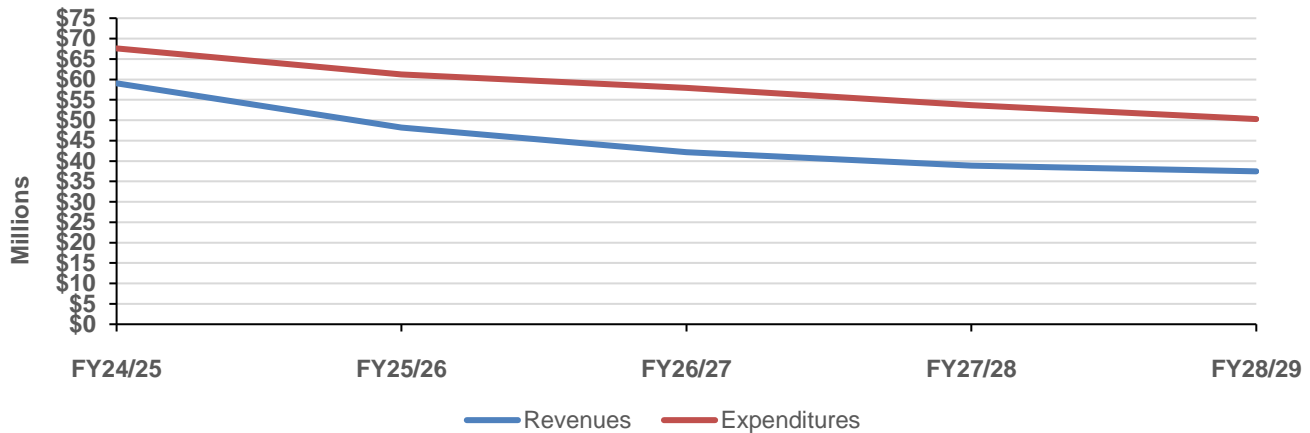
Revenues have been adjusted in the Proposed Budget to reflect this change. It may be necessary to consider new and updated fees in the future to continue funding critical programs as the District moves towards full-cost recovery for its programs. Below are tables and charts that reflect the District's five-year forecast and fund balance projections, followed by the forecast assumptions.

BUDGET FORECAST

District Budget – Five-Year Forecast

Classification	FY 23/24 Approved	FY 23/24 Year-end Projection	FY24/25 Proposed	FY25/26 Forecast	FY26/27 Forecast	FY27/28 Forecast	FY28/29 Forecast
Beginning Fund Balance	\$ 82,062,092	\$ 82,062,092	\$ 124,577,284	\$ 116,019,961	\$ 103,008,319	\$ 87,256,192	\$ 72,487,568
Revenues							
Revenues	\$ 57,107,617	\$ 93,846,648	\$ 59,040,132	\$ 48,209,310	\$ 42,161,492	\$ 38,906,688	\$ 37,471,032
Revenues Total	\$ 57,107,617	\$ 93,846,648	\$ 59,040,132	\$ 48,209,310	\$ 42,161,492	\$ 38,906,688	\$ 37,471,032
Expenses							
Operating Expense	\$ 56,125,502	\$ 50,054,290	\$ 65,865,855	\$ 60,510,096	\$ 57,199,292	\$ 53,354,543	\$ 50,106,057
Capital Expense	2,193,500	869,066	1,323,000	302,357	311,427	320,770	173,891
Debt Service	408,100	408,100	408,600	408,500	402,900	-	-
Expenses Total	\$ 58,727,102	\$ 51,331,456	\$ 67,597,455	\$ 61,220,953	\$ 57,913,619	\$ 53,675,313	\$ 50,279,948
Surplus / (Deficit)	\$ (1,619,485)	\$ 42,515,192	\$ (8,557,323)	\$ (13,011,643)	\$ (15,752,126)	\$ (14,768,625)	\$ (12,808,916)
Ending Fund Balance	\$ 80,442,607	\$ 124,577,284	\$ 116,019,961	\$ 103,008,319	\$ 87,256,192	\$ 72,487,568	\$ 59,678,651

District Budget – Revenues and Expenditures Five-Year Forecast

**General Fund Forecast**

The General Fund reflects financial activity that is non-proprietary and non-special revenues and expenditures. Primary revenue sources in this fund are State and Federal awards, Fees & Licenses, CARB Subvention, Sales/Use Tax (Measure A), and Fines/Forfeits/Penalties. Major expenditure categories are Employee Services, Services and Supplies (Operating Expenses), and Capital Expenses.

The five-year forecast indicates that the General Fund will operate at a deficit with projected expenditures exceeding projected revenues without the influx of additional revenue. This is primarily due to labor costs outpacing revenue increases of major funding sources; insufficient administrative allocation from incentive grants to cover the cost of administering and implementing the programs; investment in aging infrastructure; and funding the pension/OPEB liability.

Staff identified several potential funding strategies to generate new revenue to address the forecasted gap to fund these important programs. Preliminary assessments of new funding amounts, as well as possible implementation timelines, have been performed and shared with the Board of Directors. Staff will continue working with the Board on each strategy described in detail in this section, to further explore and develop the strategies.

The table and chart that follow provide the five-year forecast for the General Fund and an illustration of the five-year forecast of revenues to expenditures.

General Fund (100) Five-Year Forecast

Classification	FY 23/24 Approved	FY 23/24 Year-end Projection	FY24/25 Proposed	FY25/26 Forecast	FY26/27 Forecast	FY27/28 Forecast	FY28/29 Forecast
Beginning Fund Balance	\$ 20,895,504	\$ 20,895,504	\$ 27,440,409	\$ 24,362,314	\$ 20,904,539	\$ 17,838,161	\$ 14,659,189
Revenues							
Revenues	\$ 25,097,233	\$ 33,564,814	\$ 26,942,104	\$ 23,706,074	\$ 23,340,230	\$ 23,364,054	\$ 23,787,893
Revenues Total	\$ 25,097,233	\$ 33,564,814	\$ 26,942,104	\$ 23,706,074	\$ 23,340,230	\$ 23,364,054	\$ 23,787,893
Expenses							
Operating Expense	\$ 28,701,835	\$ 28,329,982	\$ 30,998,840	\$ 28,213,068	\$ 27,586,988	\$ 27,695,597	\$ 28,447,541
Capital Expense	1,238,500	729,066	1,168,000	850,780	776,620	863,140	677,740
Interfund Charges	(2,115,503)	(2,039,139)	(2,146,641)	(1,900,000)	(1,957,000)	(2,015,710)	(2,076,181)
Expenses Total	\$ 27,824,832	\$ 27,019,909	\$ 30,020,199	\$ 27,163,848	\$ 26,406,608	\$ 26,543,027	\$ 27,049,100
Surplus / (Deficit)	\$ (2,727,599)	\$ 6,544,905	\$ (3,078,095)	\$ (3,457,775)	\$ (3,066,378)	\$ (3,178,972)	\$ (3,261,207)
Ending Fund Balance	\$ 18,167,905	\$ 27,440,409	\$ 24,362,314	\$ 20,904,539	\$ 17,838,161	\$ 14,659,189	\$ 11,397,982

The preceding General Fund forecast assumes the following:

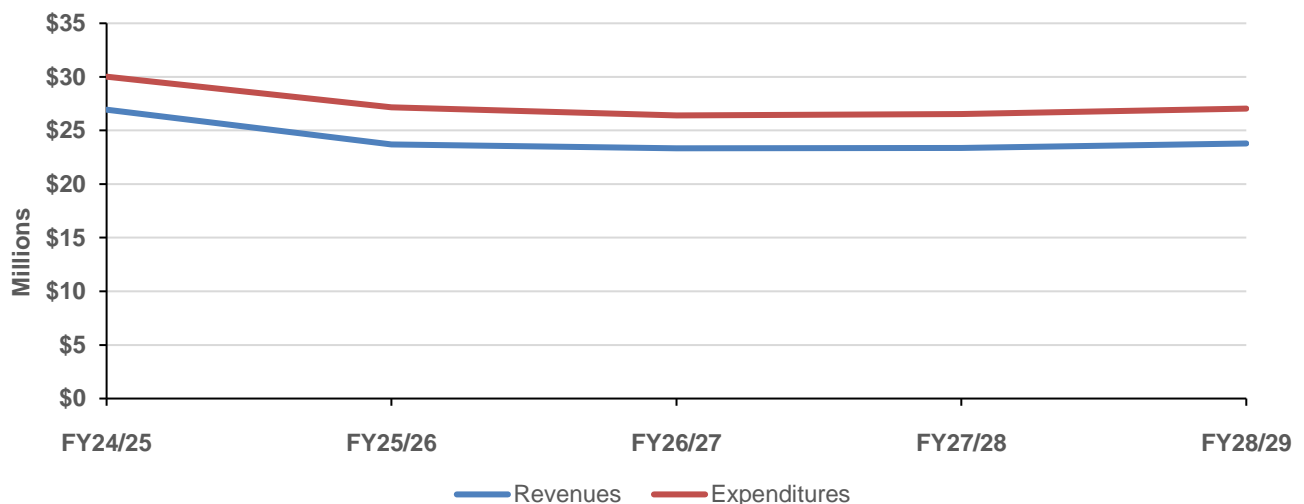
Revenues:

- Federal revenues for FY24/25 are assumed to be stable with the FY23/24 projection. These revenues are expected to decline in FY25/26 and again in FY26/27 with the winddown of the Target Airshed Grant (TAG) projects. The District facilitates the federal TAG projects for neighboring air districts through the pass-through of grant funds. Federal revenues for FY27/28 and FY28/29 are constant at about \$1.9 million per year for recurring grants.
- State revenues peak in the FY23/24 projection due to the advance payment of about \$5.2 million of funding the two-year Community Emissions Reduction Plan (CERP) grant that begins July 1, 2024. The recurring state revenues (DMV, AB617 Monitoring, etc.) will be stable for FY24/25 through the end of the forecast period at approximately \$7.3 million per year.
- Sales/Use Tax (Measure A) amounts are per the most recent Sacramento Transportation Authority (STA) forecast. The cumulative annual growth rate for Measure A is about 2.97%.
- The annual CPI adjustment for Stationary Sources fees is forecasted at 3%.
- Interest revenue declines due to the decrease in fund balance.
- No new revenue is included in the base five-year forecast.

Expenditures:

- Over the next four years, the FTE count is held constant at 105.8 with no additional positions included in the forecast.
- Employee Services increases an average of 3% per year for wages and benefits; retirement contributions grow at a slightly higher rate based on historical trends.
- After adjusting for one-time items included in the FY24/25 Proposed Budget related to non-recurring grants (e.g., CERP, CC4A, and CPRG projects), Services and Supplies increase by a projected CPI of 3% per year. Sub-recipient distributions under the TAG projects are included in Services and Supplies through the end of the grant term in FY26/27 and are offset by corresponding Federal revenues each year.
- Capital expenditures include the replacement of elements of an aging fleet and air monitoring network and Information Services infrastructure improvements.
- Interfund charges consist of grant administrative funds received in the Special Revenue Fund and transferred to the General Fund to offset the program implementation costs, mainly employee services expenditures.

General Fund (100) Revenues and Expenditures Five-Year Forecast



District Priorities and Potential Funding Strategies

District staff works diligently to maintain core activities and identify priorities in pursuit of its goals. While the District has managed its resources efficiently, additional funds are required to eliminate the forecasted structural deficit associated with continuing programs necessary to achieve its mission.

Ongoing discussions of existing and potential new funding strategies to address the projected deficit regularly occur with the Board of Directors during budget deliberations and Board meetings. The overall objective is to generate funding from various sources to ensure sufficient resources for programs in each of three main categories: stationary, mobile, and other.

The general restrictions for the use of the funds, given that revenue streams are frequently restricted to funding specific programs, and a summary of various programs that need funding from these sources are shown in the table below followed by a description of each strategy.

Potential Funding Strategies

Type	Use Category	Programs in Need of Funding
Grant Administration Funding Increase – Legislation	Mobile	Moyer and Other Incentive Grant programs
Community Health Impact Fee	All	AB 617 Community Air Protection Program
Full Cost Recovery – Fee Adjustment	Stationary and Other	Permitting, Enforcement, Planning, Emission Inventory, Rule Development, and Air Monitoring
Per Capita Fee	All	Check Before You Burn, Land Use and Transportation Planning, Public Complaint Response, Community Air Protection, Air Monitoring

Senate Bill 1158 (Archuleta), 2023-24 California State Legislative Session 2023-24. This bill aims to simplify and update the funding and administrative processes for the Carl Moyer Program, which has been highly successful in reducing emissions. The program's effectiveness relies heavily on the resources invested by the District, particularly in staff. With the rapidly evolving regulations for mobile sources, air district staff must constantly stay informed, leading to an increased workload in evaluating projects. Moreover, the number and complexity of project applications have risen significantly, demanding more thorough review before funding. Once funded, projects under the Moyer program are monitored for up to 15 years to ensure they achieve the expected emission reductions, resulting in numerous long-term contracts that require continuous reporting and adjustments. These factors have led to additional administrative costs for air districts.

To address these challenges, this bill proposes increasing the ceiling for indirect administrative costs for the largest air districts from 6.25% to 12.5%. This increase will provide the necessary funds to implement the Moyer program effectively, support applicants, and select projects that offer the highest emission reductions for disadvantaged communities.

Community Health Impact Fee (All) – To recover District costs associated with the growing AB 617 Community Air Protection Program that exceed the direct funding provided by the State, a new “Community Health Impact” fee is being evaluated. Other air districts have implemented this fee and it is necessary to implement programs at the levels mandated by state law. It is anticipated that this new fee would be assessed to each permitted facility proportional to their emission of pollutants that may impact public health in communities, which is a primary driver of the health risk that created the need for AB 617. Implementation of this fee is also intended to help the District secure additional funding in the State legislature by showing it has taken action to fund the AB 617 effort locally.

Full Cost Recovery – Rule 301, 304, etc. (Stationary and Other) – The District has the authority to assess fees to fully recover the costs of implementing its regulatory programs for stationary sources. In addition, it is the District's policy to set user fees at full cost recovery levels, except where a greater public benefit is demonstrated to the satisfaction of the Board, or when it is not cost-effective to do so. There are a significant number of staff assigned to implementing regulatory enforcement, permitting, monitoring, emission inventory and rule development of these stationary sources and the District collects various fees for related programs; however, not all fees fully recover the associated program costs. Therefore, the goal is to propose fee adjustments where needed to fully cover program expenses so that these regulatory programs are self-sustaining.

Per Capita Fee (All) – Under California Health and Safety Code (CHSC) §40701.5(b), the Board is authorized to assess an annual per capita fee on the county and on those cities within the District that have a member on the Board. Per capita fees mean that the cities and the county are charged a set amount for each person residing in their jurisdiction. While the Board of Directors' decision was to postpone the adoption of a Per Capita Fee in 2019, staff were instructed to explore alternative funding approaches and to reintroduce this matter for Board review at a later date.

Proprietary Fund Forecast

The Proprietary Fund five-year forecast is shown in the following table. The main funding source for this fund is rent income (mainly District rent). The District building is relatively new and annual operating expenses are anticipated to be consistent over the planning period. Capital expenses include the projected replacement of building systems/components. The debt associated with the building will be paid off in FY26/27. The existing third-party lease agreements expired in FY22/23 and FY23/24 and the tenant did not review the leases. The District evaluated several facility options and decided to sell the current building and relocate to a smaller footprint; the plan is to lease the new District headquarters facility to provide flexibility for the future. The building is currently on the market for sale. Since The District is not certain of the timing or terms for the sale of the building and relocation to a smaller facility, the five-year forecast was developed on a status-quo basis. No third-party tenant is assumed in this break-even projection.

Proprietary Fund (400) Five-Year Forecast

Classification	FY 23/24 Approved	FY 23/24 Year-end Projection	FY24/25 Proposed	FY25/26 Forecast	FY26/27 Forecast	FY27/28 Forecast	FY28/29 Forecast
Beginning Fund Balance	\$ 5,302,609	\$ 5,302,609	\$ 5,575,402	\$ 5,575,402	\$ 5,575,402	\$ 5,575,402	\$ 5,575,403
Revenues							
Revenues	\$ 1,170,002	\$ 1,317,199	\$ 1,075,834	\$ 1,257,221	\$ 1,277,081	\$ 900,407	\$ 770,917
Revenues Total	\$ 1,170,002	\$ 1,317,199	\$ 1,075,834	\$ 1,257,221	\$ 1,277,081	\$ 900,407	\$ 770,917
Expenses							
Operating Expense	\$ 506,901	\$ 496,306	\$ 512,234	\$ 546,364	\$ 562,754	\$ 579,637	\$ 597,026
Capital Expense	955,000	140,000	155,000	302,357	311,427	320,770	173,891
Debt Service	408,100	408,100	408,600	408,500	402,900	-	-
Expenses Total	\$ 1,870,001	\$ 1,044,406	\$ 1,075,834	\$ 1,257,221	\$ 1,277,081	\$ 900,407	\$ 770,917
Surplus / (Deficit)	\$ (699,999)	\$ 272,793	\$ 0	\$ 0	\$ (0)	\$ 0	\$ 0
Ending Fund Balance	\$ 4,602,610	\$ 5,575,402	\$ 5,575,402	\$ 5,575,402	\$ 5,575,402	\$ 5,575,403	\$ 5,575,402

The preceding Proprietary Fund forecast assumes the following:

Revenues:

- Revenues include rent from the District (to which it pays itself) for space on the third and second floors and parking fees; no external tenant is assumed.
- The building fund is an Internal Service Fund since its revenue is from the District and as such, overall District rent revenue adjusts (in most years) to ensure that the net surplus/deficit is zero. It is a breakeven budget with no source or use of fund balance.

Expenses:

- Operating Expense represents the day-to-day costs of operating the building and includes utilities, custodial services, parking, property management fees, general repairs and maintenance, etc., and reflects an average annual increase of 3%.
- Capital expenditures were based on historical actuals, excluding leasehold improvements for the previous third-party tenants; the actuals were increased by 3% annually.

- The debt service forecast reflects the principal and interest payments on Certificates of Participation (COPs) issued for the purchase of the building and will be fully paid off in FY26/27.

Special Revenue Fund Forecast

The Special Revenue Fund accounts for the proceeds of restricted revenue sources, predominantly low-emission incentive grants. The following five-year forecast is projected using historical grant amounts and anticipated grant amounts in the near term. There is growing uncertainty as to the sustainability of new potential funding to replace current one-time grants.

Special Revenue Fund (500) Five-Year Forecast

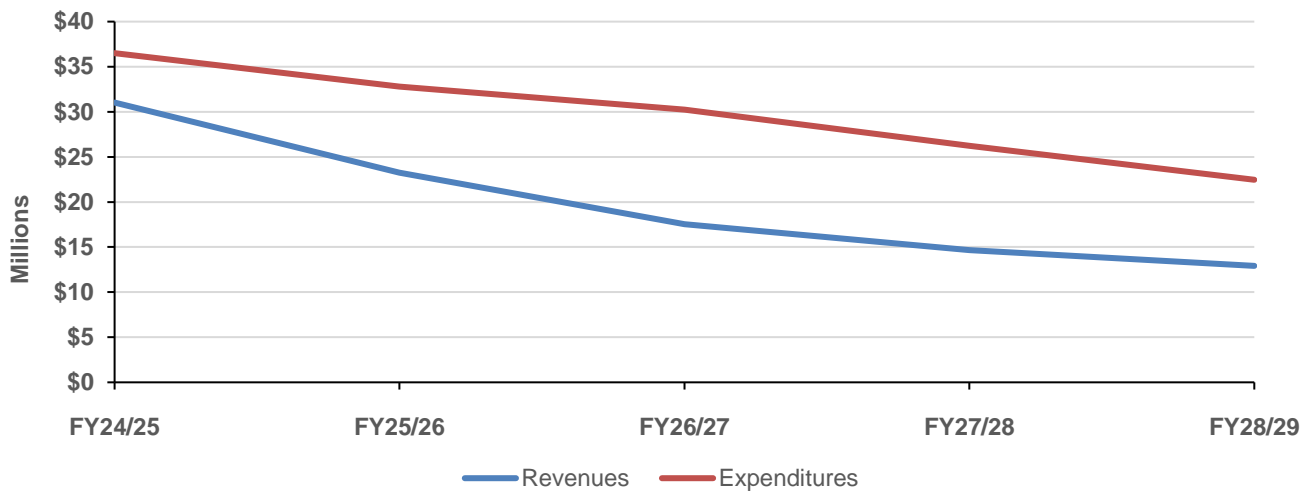
Classification	FY 23/24 Approved	FY 23/24 Year-end Projection	FY24/25 Proposed	FY25/26 Forecast	FY26/27 Forecast	FY27/28 Forecast	FY28/29 Forecast
Beginning Fund Balance	\$ 55,863,979	\$ 55,863,979	\$ 91,561,473	\$ 86,082,245	\$ 76,528,377	\$ 63,842,629	\$ 52,252,976
Revenues							
Revenues	\$ 30,840,382	\$ 58,964,635	\$ 31,022,194	\$ 23,246,016	\$ 17,544,182	\$ 14,642,226	\$ 12,912,221
Revenues Total	\$ 30,840,382	\$ 58,964,635	\$ 31,022,194	\$ 23,246,016	\$ 17,544,182	\$ 14,642,226	\$ 12,912,221
Expenses							
Operating Expense	\$ 26,916,766	\$ 21,228,002	\$ 34,354,781	\$ 30,899,884	\$ 28,272,929	\$ 24,216,169	\$ 20,383,750
Interfund Charges	2,115,503	2,039,139	2,146,641	1,900,000	1,957,000	2,015,710	2,076,181
Expenses Total	\$ 29,032,269	\$ 23,267,141	\$ 36,501,422	\$ 32,799,884	\$ 30,229,929	\$ 26,231,879	\$ 22,459,931
Surplus / (Deficit)	\$ 1,808,113	\$ 35,697,494	\$ (5,479,228)	\$ (9,553,868)	\$ (12,685,748)	\$ (11,589,653)	\$ (9,547,710)
Ending Fund Balance	\$ 57,672,092	\$ 91,561,473	\$ 86,082,245	\$ 76,528,377	\$ 63,842,629	\$ 52,252,976	\$ 42,705,267

The preceding Special Revenue Fund forecast assumes the following revenue for DMV \$2 and various grants:

Special Revenue Fund (500) Five-Year Forecast by Funding Source

Classification	FY 23/24 Approved	FY 23/24 Year-end Projection	FY24/25 Proposed	FY25/26 Forecast	FY26/27 Forecast	FY27/28 Forecast	FY28/29 Forecast
DMV \$2	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 2,626,000	\$ 2,652,260	\$ 2,678,783	\$ 2,705,570
Moyer	11,420,750	13,217,920	12,725,249	6,200,000	6,200,000	6,200,000	6,200,000
SECAT	3,450,000	1,725,000	3,205,960	6,117,647	4,000,000	1,176,471	-
Community Car Share	-	400,000	700,000	-	-	-	-
GMRP	-	1,903,840	-	-	-	-	-
Community Air Protection Program (CAPP)	6,688,458	13,934,288	6,521,247	3,500,000	3,500,000	3,500,000	3,500,000
Clean Cars 4 All	5,060,000	6,455,000	4,045,000	3,500,000	-	-	-
FARMER	816,600	1,395,450	408,300	500,000	500,000	500,000	-
CalSTA Grant - H2 Locomotive	-	15,646,000	-	-	-	-	-
Fines/Forfeits/Penalties	-	5,700	-	-	-	-	-
Other	804,574	1,681,438	816,438	802,369	691,922	586,973	506,651
Revenues Total	\$ 30,840,382	\$ 58,964,635	\$ 31,022,194	\$ 23,246,016	\$ 17,544,182	\$ 14,642,226	\$ 12,912,221

Incentive projects are funded from multiple revenue sources as shown above and expenditures fluctuate over time resulting in a variable annual pattern as shown in the line graph below.

Special Revenue Fund (500) Revenues and Expenditures Five-Year Forecast (Line Graph)**Capital Expenditures Forecast**

The District currently budgets capital expenses on an annual basis. District recurring and non-recurring projects are included in the five-year forecast and include capital expenses primarily related to the air monitoring network, fleet, information systems equipment, and improvements to the District's administrative building as noted in the next table.

Capital Expenses Five-Year Forecast

Fund Program	FY 23/24 Approved	FY23/24 Projection	FY24/25 Proposed	FY25/26 Forecast	FY26/27 Forecast	FY27/28 Forecast	FY28/29 Forecast
General Fund (100)							
Air Monitoring	\$ 983,500	\$ 310,000	\$ 886,000	\$ 541,780	\$ 513,970	\$ 538,690	\$ 466,590
Fleet	180,000	344,066	200,000	159,650	164,800	113,300	113,300
Information Systems	75,000	75,000	82,000	103,000	103,000	103,000	41,200
Subtotal	\$ 1,238,500	\$ 729,066	\$ 1,168,000	\$ 804,430	\$ 781,770	\$ 754,990	\$ 621,090
Proprietary Fund (400)							
Building Improvements	\$ 955,000	\$ 140,000	\$ 155,000	\$ 302,357	\$ 311,427	\$ 320,770	\$ 173,891
Subtotal	\$ 955,000	\$ 140,000	\$ 155,000	\$ 302,357	\$ 311,427	\$ 320,770	\$ 173,891
Total Capital Expense	\$ 2,193,500	\$ 869,066	\$ 1,323,000	\$ 1,106,787	\$ 1,093,197	\$ 1,075,760	\$ 794,981

Significant Capital Expenses in the Forecast and Impacts on Operating Budgets**Air Monitoring Stations**

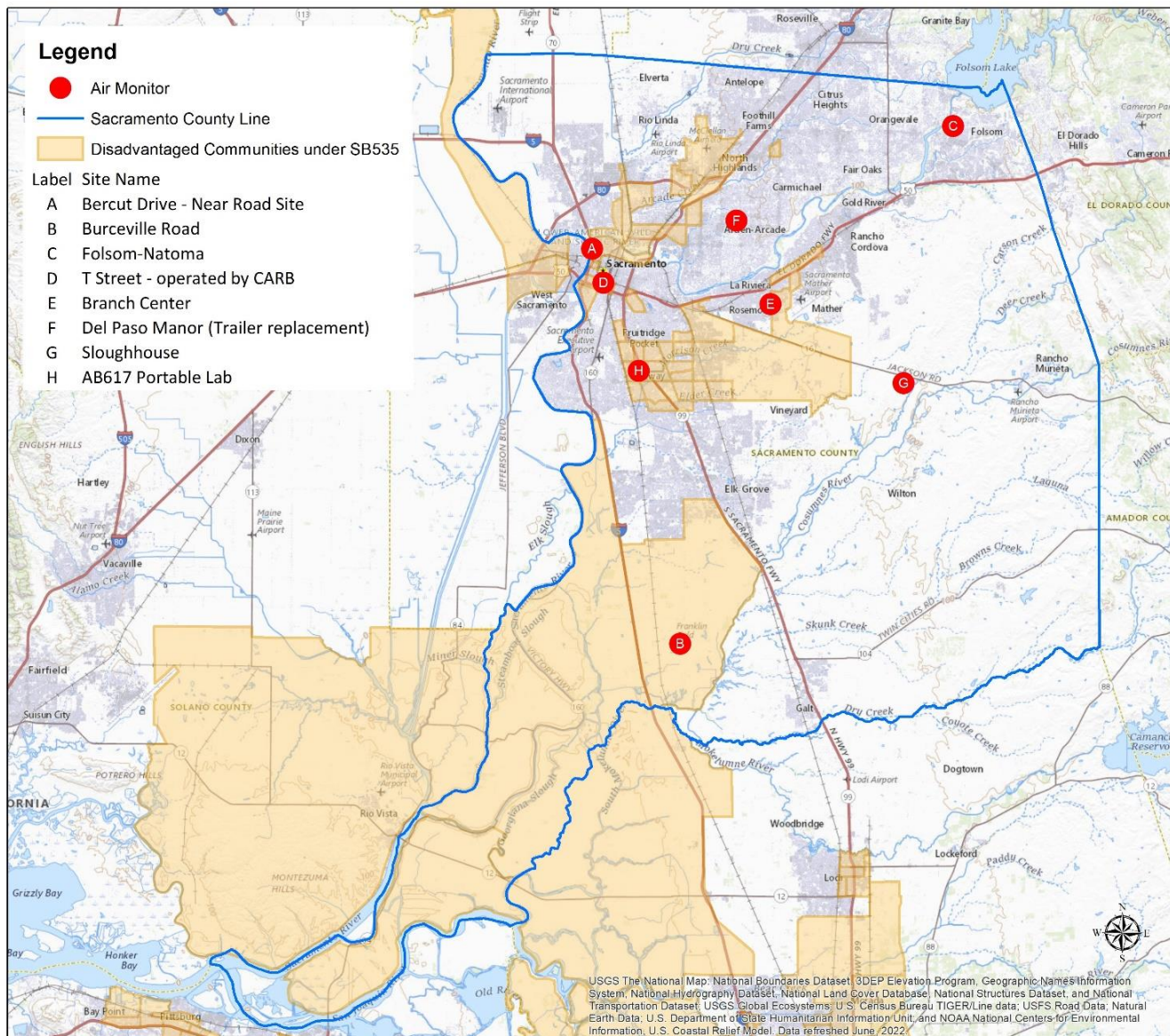
Capital expenses for air monitoring are related to the District's regulatory network of six air monitoring stations and the monitoring network for the Community Air Protection Program AB 617. The District plans to replace the Del Paso Manor, North Highlands and Bruceville stations and equipment during the forecast period. The replacement of air monitoring stations is a non-recurring expense. The District anticipates that the replacement of these structures will help reduce ongoing maintenance costs associated with these aging facilities. Additionally, repair or replacement of air monitoring equipment will be needed. The replacement of equipment for the air monitoring stations is a recurring capital expense as equipment will need to be replaced as it reaches the end of its lifecycle.

The District's ambient air monitoring stations are used to collect monitoring data for criteria pollutants to determine compliance with the NAAQS and to support regional air quality forecasting. These sites will also be an important foundation for future monitoring approaches under Community Air Protection Program AB 617. A new mobile air monitoring station was added to the existing air monitoring network as part of the District's AB 617 efforts.

In FY22/23, the District was contacted by KB Homes, the new property owner of the North Highlands – Blackfoot Way site to immediately remove the District's air monitoring trailer and equipment from their property since they are developing 250 residential homes on the site. The District removed all equipment and demolished the air monitoring trailer to vacate the premises per the request of the new property owners; a plan to identify a location and construct a new station in North Highlands is underway.

The replacement of Del Paso Manor station (F) will be completed in FY24/25, followed by a new North Highlands station to be built in FY25/26 and FY26/27, and either the Bruceville (B) or Sloughhouse (G) stations will be replaced during FY27/28 and FY28/29. Each station replacement project is anticipated to take two years to complete. Below is a map of the existing air monitoring stations.

Map of Air Monitoring Stations in Sacramento County



Rule 301 (Permitting and Enforcement) Fleet

The five-year forecast includes funds to replace aging fleet vehicles, which will be replaced with zero- and low-emission vehicles consistent with the District's goal of reducing vehicle emissions. Fleet replacement, averaging

\$150,000 per year for the forecast, is a recurring capital outlay due to vehicles having an estimated operational life of 10-15 years. Incorporating new zero- and near-zero-emission vehicles into the fleet is anticipated to reduce operating expenses related to fuel and maintenance.

Information Systems

Information Systems' capital expenditures reflect existing systems' updates and investment into additional security and disaster recovery solutions. These are recurring capital expenses and have been projected in the five-year forecast. Increasing threats of cyber activity against government agencies require new tools and equipment to combat and deter service interruptions. The district is expanding security protection for remote devices and facilities and implementing solutions for secure backups to protect against cyber data attacks. The district continues to invest and develop strategies for work anywhere, anytime, and anyplace to ensure district activities continue without interruption.

Covell Building

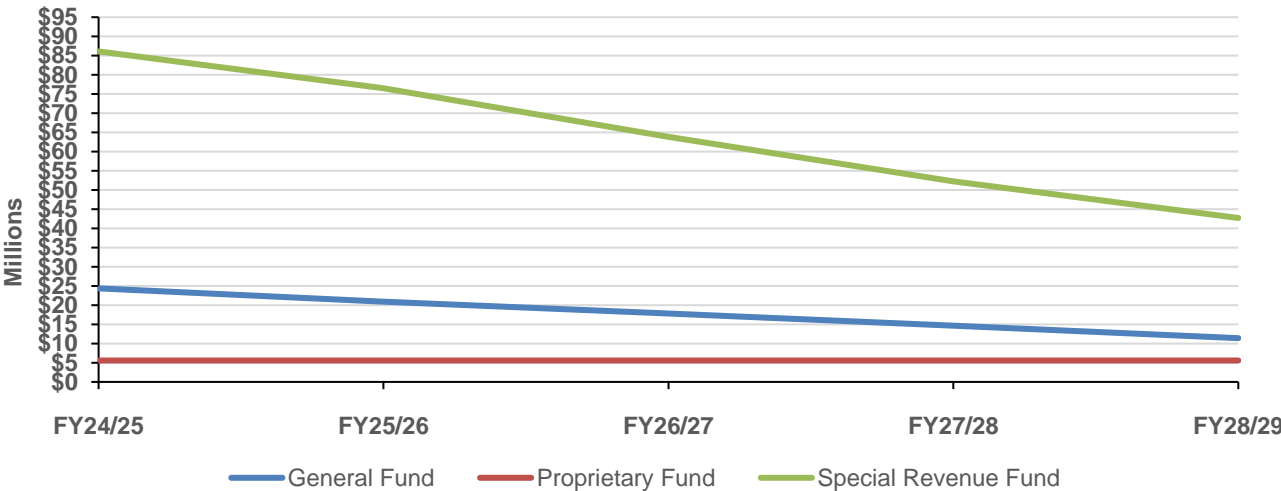
The capital forecast for the Covell Building includes expenditures for building systems (e.g., HVAC, etc.) and annual amounts to fund minor non-recurring building improvements. Funding for these capital expenses primarily comes from rent income.

FUND BALANCE FORECAST

In summary, based on the projected revenues and expenditures described in this section, the fund balance forecast line graph below indicates 1) annual decreases in the General Fund balance over the planning horizon, 2) stability with projected rent income sufficient to support projected expenditures for the Proprietary Fund, and 3) a decrease in the Special Revenue Fund indicating efficient deployment of incentive projects.

The General Fund projected fund balance at the end of FY24/25 complies with the District's fund balance reserve policy of a minimum of 120 days, but no less than 60 days, of General Fund expenditures. However, without additional funding sources, the General Fund unencumbered fund balance is projected to decrease by over 50% in the five-year outlook with the FY28/29 fund balance at only 23 days over the minimum fund balance level. When the target is not met, the policy requires that a plan be developed and implemented to replenish the funds used. The Proprietary Fund balance is compliant with policy and stable throughout the five years. The Special Revenue Fund accounts for various incentive grants that are intended to be fully expended. Therefore, no reserve targets are established for the Special Revenue Fund.

District Budget – Fund Balance Five-Year Forecast



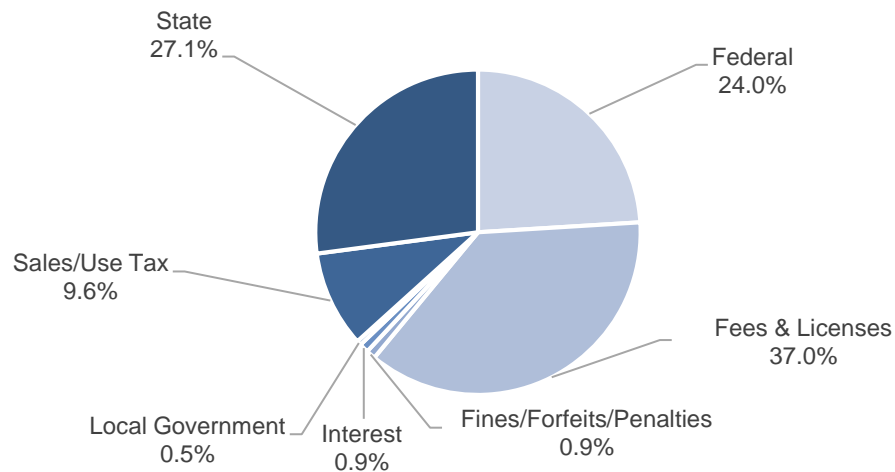
SECTION 5 - Fund Information

This section contains descriptions of District funds and associated proposed budgets for FY24/25. It also includes information on fund budgets (revenues and expenditures by classification and activities, historical trends, and fund balances) to provide additional context for the proposed budget.

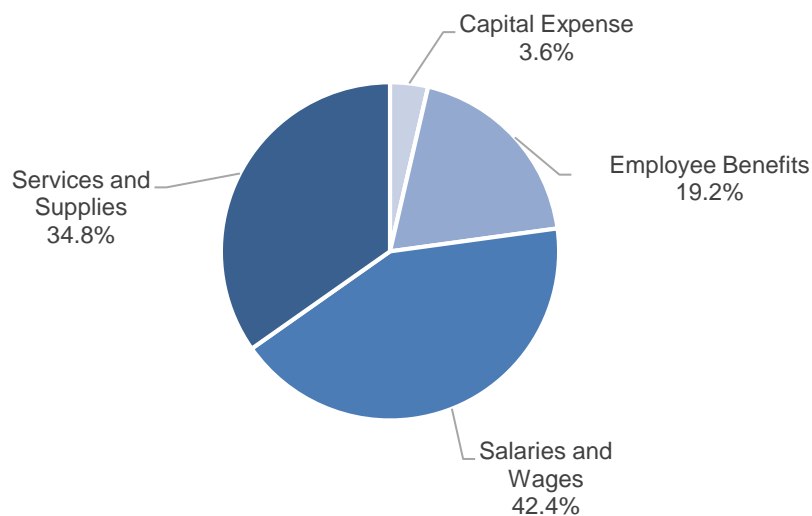
GENERAL FUND 100

The total FY24/25 Proposed General Fund Budget is \$26.9 million in revenue and \$30.0 million in expenditures. Below are charts detailing the revenues and expenditures by classification as a percentage of the total General Fund Budget.

General Fund Budget – Revenues by Classification (\$26.9 million)



General Fund Budget – Expenditures by Classification (\$30.0 million)



The FY24/25 General Fund Budget includes revenues of \$26.9 million and expenditures of \$30.0 million resulting in a \$3.1 million use of fund balance. Approximately \$2.5 million of this deficit is related to the AB 617 Community Emission Reduction Plan (CERP) grant. The CERP is a two-year program that begins July 1, 2024. Most of the funding for the state-funded program will be received and revenue recognized in FY23/24. Accordingly, the grant funding is included in the ending fund balance on June 30, 2024. The FY24/25 and FY25/26 expenditures related to the CERP project will be funded by the grant revenues included in the opening fund balance for FY24/25.

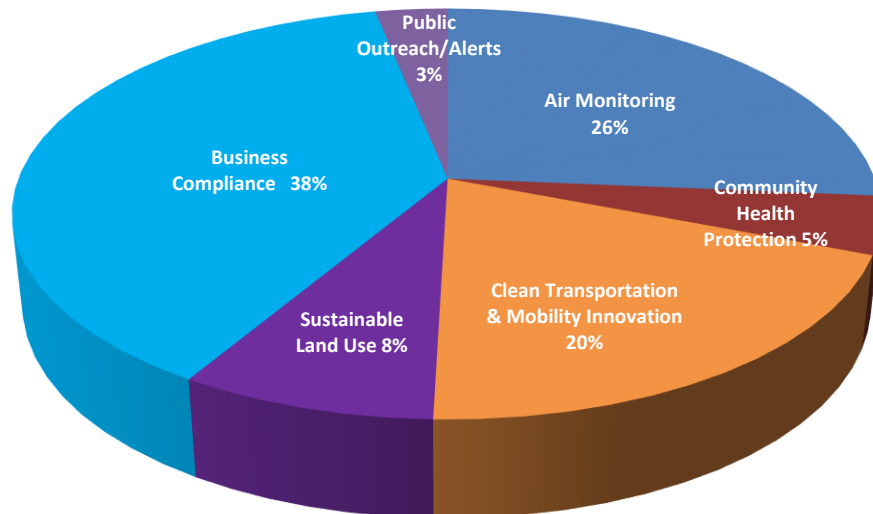
Historically, the District has performed under budget for expenditures due to savings in Employees Services and Professional Services, and therefore, has not fully expended the amount of budgeted expenditures. For the FY24/25 budget, the District implemented two adjustments to minimize variances to the budget. The first adjustment is a vacancy credit in Employee Services to allow for open positions during the recruitment process. In addition, professional services contracts were assessed against District priorities for the fiscal year and critical contracts were included at their expected cost. The remaining services were pooled, and the total “pooled” amount was reduced by about 60% to forecast expenditures more accurately. District divisions will share the pooled budget for these potential professional services contracts as needs arise.

The District expects to operate fully staffed in FY24/25 and to expend the “right-sized” Professional Services budget. The District has adequate operating reserves to fund the remaining (unrelated to the CERP) \$600,000 use of fund balance for FY 24/25. The ending fund balance on June 30, 2025, in the Proposed Budget, will comply with the District’s operating reserve policy.

Operating Expenses by District Activities

As described in Section 2 – About the District, under District Activities, the District’s services and programs are grouped into categories. The chart below illustrates the percentage of the General Fund expenditure budget allocated to each of the District activities.

Allocation of FY24/25 Operating Expenses by District Activity



General Fund Trends

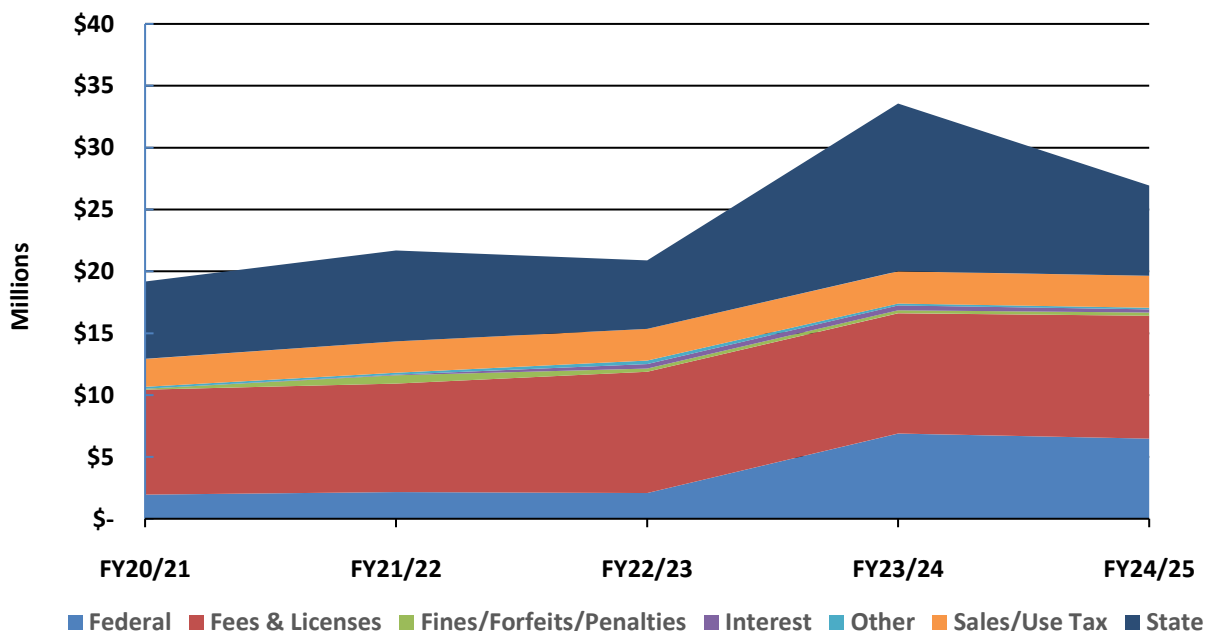
The Five-Year Revenues Trend graph displays revenues by account type. The trend shows federal grant revenues fluctuating over time depending on changes in EPA 103, EPA 105, CPRG and TAG project funding. The EPA has historically provided federal grants to the District to enforce federal air pollution rules and regulations; these grants are restricted to specific usage and may consist of one-time grants. The CPRG program provides funding to develop a plan for reducing greenhouse gas emissions in the Sacramento region; the District is the lead agency for this grant. The District administers the TAG project funds for several neighboring air districts. Both the CPRG planning grant and the TAG projects are non-recurring grants.

Stationary Source fees are collected from businesses that have equipment that emits pollutants into the air; these fees are based on the type and size of the equipment and the amount of pollutants emitted. The District is proposing a 4.17% CPI increase in fees for FY24/25. This adjustment is based on the annual change in the California Consumer Price Index in accordance with the Health and Safety Code.

State revenues fluctuate over the period. Included in this category are the DMV registration fee surcharge (DMV) and state grants. DMV revenue is dependent on the number of vehicle registrations in the State of California with the District receiving a set amount per registration. Community Air Protection Program state incentives related to Assembly Bill AB 617 are included in this line item. State grant revenue may contain one-time grants that create year-to-year variability in this category, for example, the two-year CERP funding for AB617 will be recognized in FY23/24 and will fund project activities for the next two fiscal years.

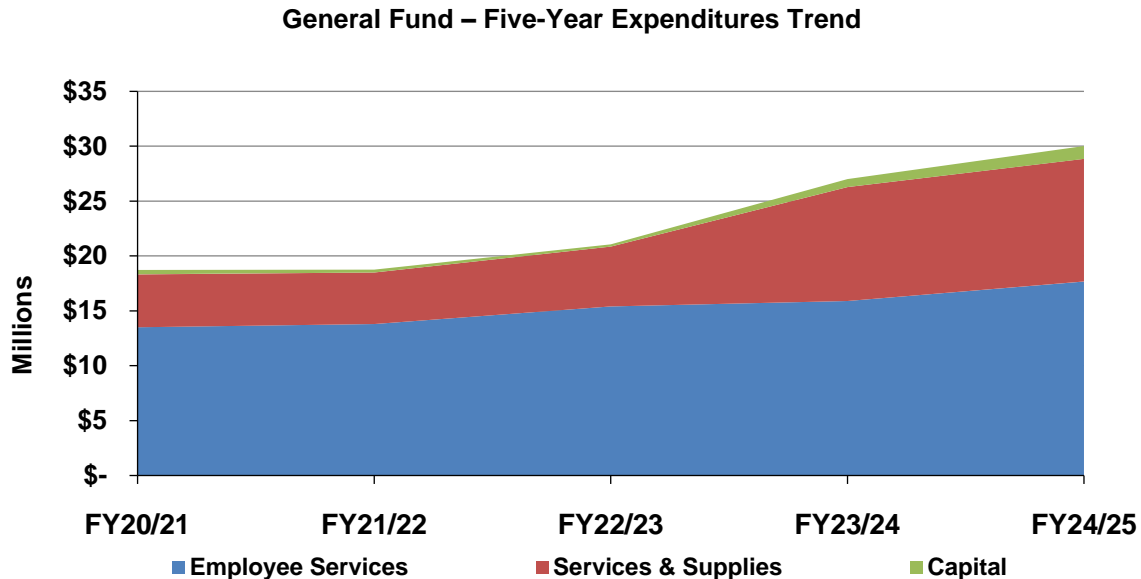
Sales and Use Tax revenue is based on a sales tax proposition (Measure A) that allocates a portion of the sales tax collected to the District for emission reduction activities and community education.

General Fund – Five-Year Revenues Trend



The Five-Year Expenditures Trend of the General Fund graph shown below reflects an increase in Employee Services (Salaries, Wages, and Employee Benefits) due to 1) an increase in staff Full Time Equivalents (FTE) to support expanding mandates and grant activity and 2) keeping pace with the cost of living and 3) addressing health care and pension costs. For FY24/25 Services and Supplies are expected to increase mainly due to program distributions related to a federal pass-through grant (TAG projects) and professional services expenditures to support expanded grant activity. Capital outlays will increase in FY24/25 primarily due to the completion of the Del Paso Manor air monitoring station renovation.

The following graph illustrates the five-year expenditures trend for the General Fund by classification.

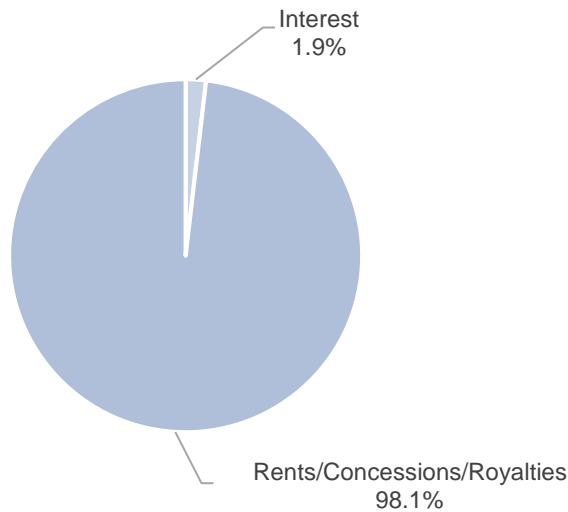


PROPRIETARY FUND 400

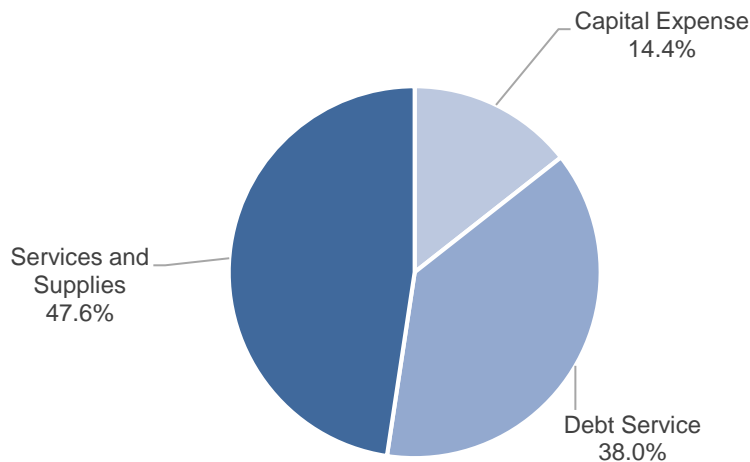
The Proprietary Fund is an Internal Service Fund that supports the financial activities of the District administration (Covell) building. The Covell Building is a three-story commercial office building, located at 777 12th Street in Sacramento, California, containing two floors of office space with paid parking on the first floor. The District moved into the building as a tenant in 1999 and purchased the building in 2002 through the issuance of the Certificates of Participation (COPs) discussed below, along with other funding. The District occupies roughly 23,000 square feet, including the entire third floor and about 4,000 square feet on the second floor. The third-party tenant that historically occupied the remaining rentable 15,000 square feet on the second floor notified the District that they would not renew their two leases. As a result, the District evaluated several options for the overall Covell Building and decided to sell the building and move to smaller more efficient office space. The building is currently offered for sale and the FY24/25 budget was planned on a “status quo” basis without major improvements or a third-party tenant and is assumed to breakeven.

The total FY24/25 Proposed Proprietary Fund Budget is \$1.0 million in revenues (rent from the District) and \$1.0 million in expenditures. The following are charts detailing the revenues and expenditures by classification as a percentage of the total Proprietary Fund Budget.

Proprietary Fund Budget – Revenues by Classification (\$1.0 million)



Proprietary Fund Budget – Expenditures by Classification (\$1.0 million)



In FY24/25, the District's share of building rent will decrease by \$12,193 (from \$1,000,567 to \$988,374). Total FY24/25 parking rent of \$67,460 is expected to remain stable with the FY23/24 projected parking income. Overall, rent revenue, which accounts for nearly all Proprietary Fund revenues, is projected to decrease by \$94,168 over FY23/24 budgeted rent revenue. The decrease in rent revenue is due to the third-party tenant in the building opting to not renew their leases. The budget expenditures are comprised of \$512,234 for services and supplies (day-to-day operating expenses), \$155,000 for capital expenses, and \$408,600 for debt service. Expenses are projected to decrease by \$794,165 over the prior year's budget; this change is primarily due to a decrease of \$800,000 in capital expenses, offset by a combined increase of \$5,835 in Services and Supplies and Debt service costs. The decrease in capital outlay is mainly because the FY23/24 budget included \$700,000 in leasehold improvements for the District portion of the building to facilitate a hybrid workplace. This project was not initiated due to the decision to sell the building.

Debt Service

The District issued \$5,835,000 worth of Certificates of Participation (COPs) in February 2002 and refinanced the original COPs in March of 2012. The new COPs, issued by California Special District Association Finance

Corporation, were issued for \$4,350,000, with the interest rates ranging from 3.0% to 4.0% and a bond premium of \$72,382 to be amortized over the life of the COPs. The debt is supported by rent paid by the District. The rent expense in the General Fund is projected to be stable over the remaining life of the debt. Upon sale of the building, the debt will be paid off; there is no penalty for early payoff of the COPs.

The District may “incur” long-term debt, such as the purchase of real property, but is not authorized to “issue” long-term debt. The District does not have a formal debt issuance policy with criteria such as debt limits and the level of authority required to incur new debt. The District’s only long-term debt is for the purchase of its building, and the financial activity is recorded in the Proprietary Fund. The District does not anticipate incurring any additional long-term debt at this time.

The principal balance outstanding on June 30, 2025, will be \$1,150,000. In FY24/25, a \$370,000 principal payment will be made. The purchase obligation will be fully paid off in FY26/27 unless it is extinguished upon the sale of the building. The principal and interest payments are included in the Proprietary Fund budget. The certificates mature as shown in the table below:

Debt Repayment Schedule

Fiscal Year Ending June 30	Principal	Interest	Total
2025	370,000	38,600	408,600
2026	385,000	23,500	408,500
2027	395,000	7,900	402,900
Totals	\$ 1,150,000	\$ 70,000	\$ 1,220,000

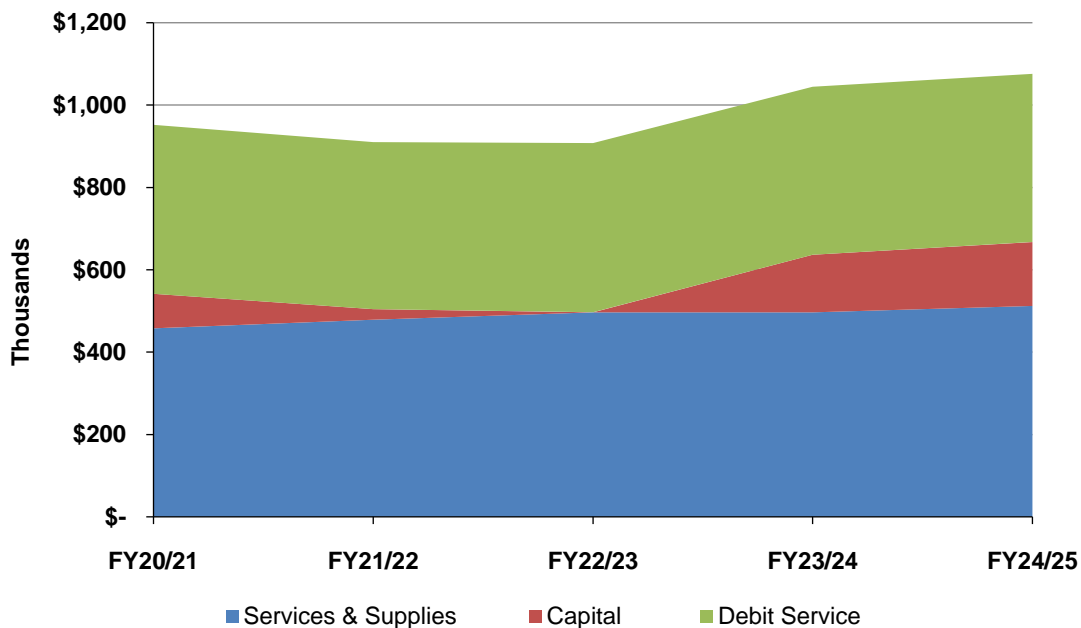
Proprietary Fund Trends

Building revenues consist primarily of tenant rents. There is also revenue generated from daily/monthly parking passes, though this is less than 1% of the total revenue. The Proposed FY24/25 tenant rent decreases by approximately \$194,365 from the FY23/24 projected tenant rent. In the past, the third-party tenant leased two spaces in the building. The tenant opted to not renew the leases at expiration and as a result, tenant rent decreased for FY24/25.

Proprietary Fund – Five-Year Trend of Rent Revenues

Account	FY20/21 Actuals	FY21/22 Actuals	FY22/23 Actuals	FY23/24 Projection	FY24/25 Proposed
District Rent	\$ 871,025	\$ 818,650	\$ 991,211	\$ 1,068,215	\$ 1,055,834
Tenant Rent	323,157	336,012	358,510	181,984	-
Total Rents	\$ 1,194,182	\$ 1,154,662	\$ 1,349,721	\$ 1,250,199	\$ 1,055,834

Proprietary Fund – Five-Year Trend of Services and Supplies, Capital Expense, and Debt Service



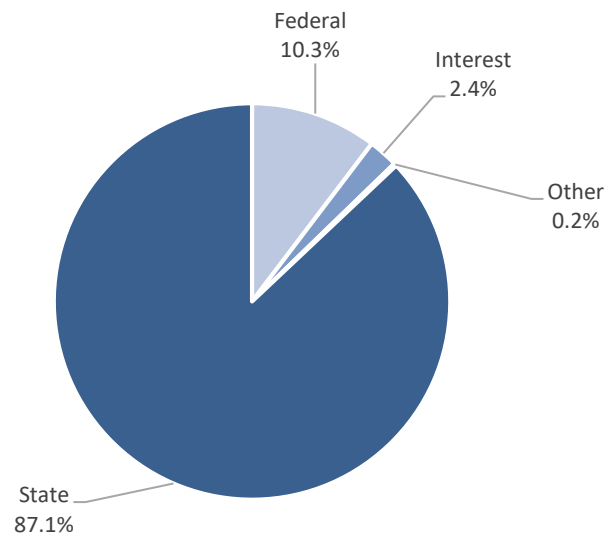
Capital expenses in FY24/25 include funding for potential systems (HVAC) replacements and a relatively minor amount for other unexpected capital improvement projects.

SPECIAL REVENUE FUND 500

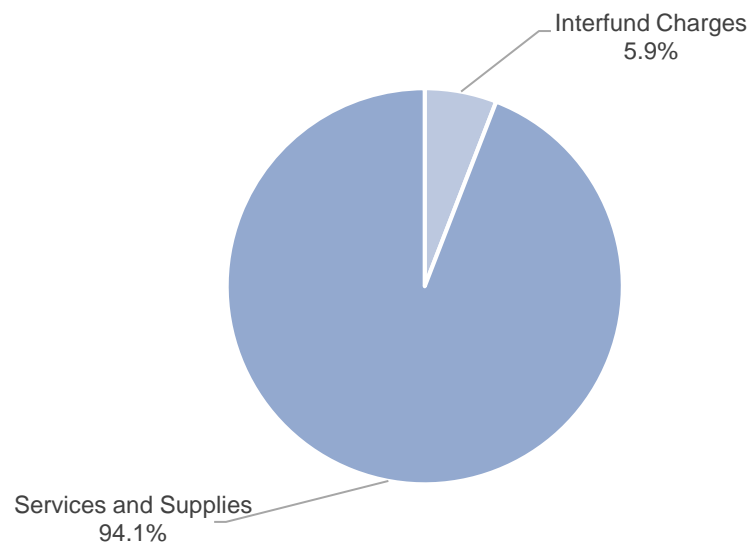
The Special Revenue Fund accounts for the financial activity of restricted funds, generally reflecting grants to provide businesses with incentive funds to upgrade to cleaner technology. Typical awards are made to owners of heavy and light-duty on-road vehicles, and owners of off-road equipment, such as that used in agriculture and construction, to modernize their equipment with lower or zero-emission options. Options include re-power, retrofit, and replacement of the equipment, in addition to providing funds for charging and fueling infrastructure. Awards are also made to programs such as Our Community CarShare, in which residents in disadvantaged communities have access to low- and zero-emission transit options, and Clean Cars 4 All, which provides incentives for income-qualified individuals to purchase or lease an electric vehicle.

The total FY24/25 Proposed Special Revenue Fund Budget is \$31.0 million in revenues and \$36.5 million in expenditures. Below are charts detailing the revenues and expenditures by classification as a percentage of the total Special Revenue Fund budget.

Special Revenue Fund – Revenues by Classification (\$31.0 million)



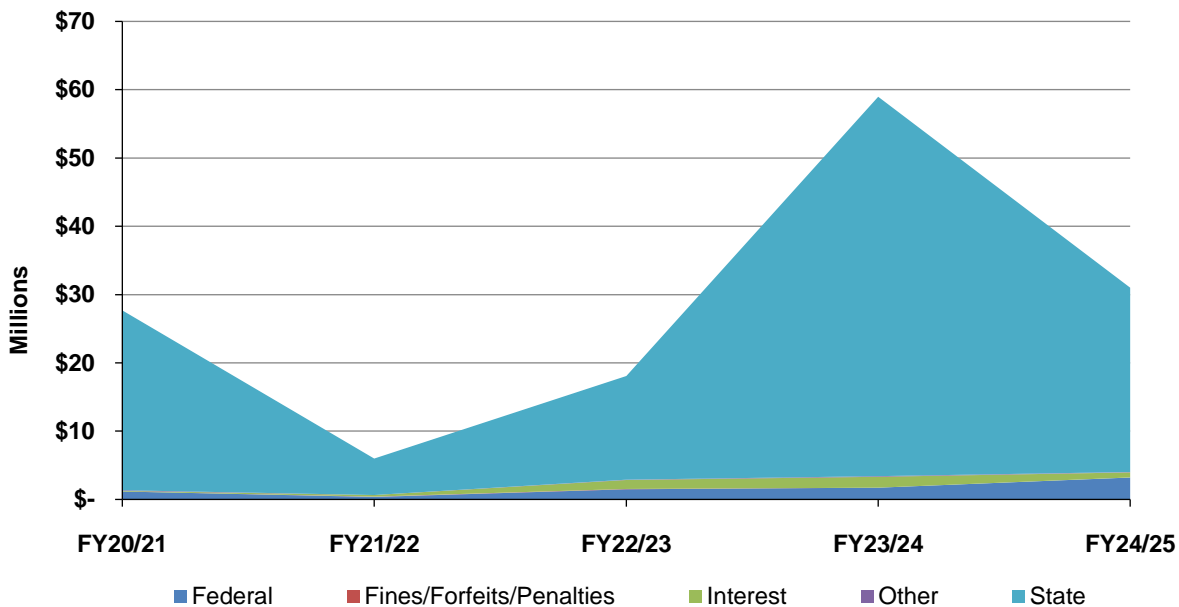
Special Revenue Fund – Expenditures by Classification (\$36.5 million)



Special Revenue Trends

The majority of Special Revenue Funds are from DMV registration fee surcharges (DMV), and state and federal grants including Moyer, GMERP Heavy Duty Trucks & Locomotive, Community Air Protection Program (CAPP), Clean Cars 4 All (CC4A), SECAT Phase III, and SECAT Green Region. Funding for the Special Revenue Fund is much more volatile than the General or Proprietary Funds due to one-time grants, the nature of funding received, and the timing of disbursements. DMV and Moyer (included in the State revenue) are relatively stable and ongoing revenue streams. However, historically one-time grants, such as GMERP (State revenue) and SECAT (Federal revenue), can vary in amount over time. The increase in revenues for FY23/24 reflects additional State grant funding (mainly CAPP, CC4A, and a one-time CalSTA funding). The following graph illustrates the five-year trend of the Special Revenue Fund revenues by account type.

Special Revenue Fund – Five-Year Revenues Trend

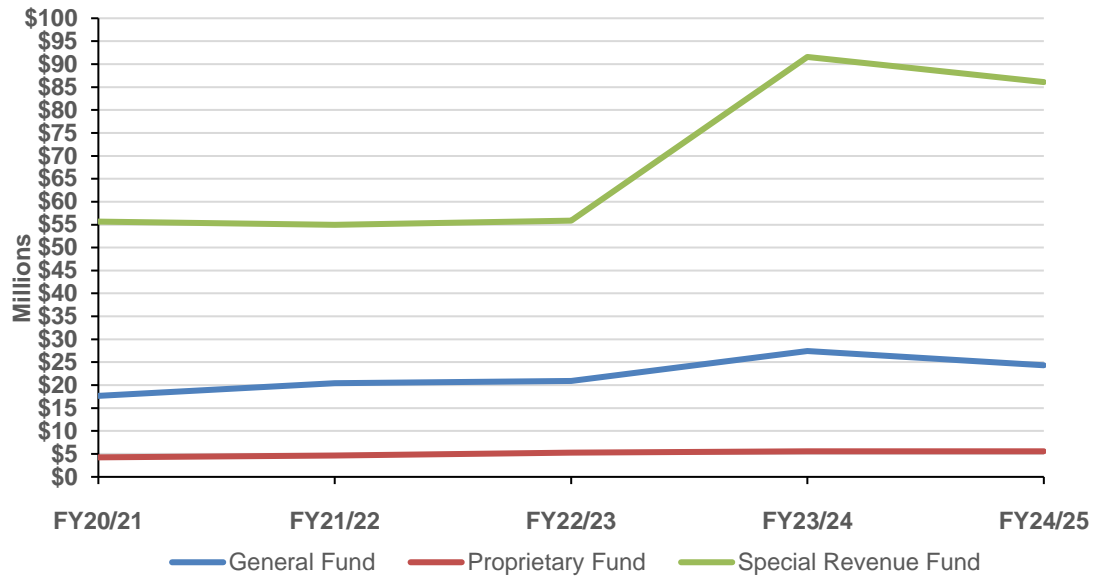


FUND BALANCE

The District closely manages each fund balance to ensure they remain at adequate and sustainable levels. The fund balance for the General Fund gradually increased over recent years as the District implemented steps to cautiously manage expenses, particularly during the economic uncertainty of the COVID-19 pandemic. These steps included temporarily keeping vacant positions open and reducing professional services and capital expenditures. In FY24/25 and beyond, the District anticipates there will be increases in employee services costs, capital expense requirements, and inadequate administrative allocations for implementing grant-related programs. Management will closely evaluate and prioritize District programs to ensure resources are allocated appropriately to continue the essential functions of the District while pursuing additional funding.

The Proprietary Fund is stable with the revenues from building rent covering the recurring operating and capital expenses. The Special Revenue Fund is more fluid with the fluctuation of state and federal revenues, mainly representing one-time grants for the incentive program. Large multi-year federal and state grants temporarily increase the fund balance. These funds are restricted to specific grant projects and are expected to be fully expended. The graph below shows the fund balance trends for each of the Funds and the District overall.

All Funds - Five-Year Trend of Fund Balances by Fund



SECTION 6 - Budget Schedules

This section presents budget schedules for the District Budget and each of the District funds. The budget tables show the FY22/23 Actuals, the FY23/24 Approved Budget, the FY23/24 Projection, the FY24/25 Proposed Budget, as well as the variance between the FY23/24 Approved and FY24/25 Proposed Budgets.

Also included in this section are the schedules for FY24/25 Proposed Capital Expenses and the Summary of Financial Sources, Uses, and Fund Balance, which shows the projected year-end fund balance for the current year and FY24/25.

DISTRICT BUDGET

District Budget – Summary of Revenues, Expenditures and Budgeted Fund Balances

Classification Account	FY22/23 Actuals	FY23/24 Approved	FY23/24 Projection	FY24/25 Proposed	Variance FY25 Proposed/ FY24 Approved
Revenues					
Federal	\$ 3,587,597	\$ 8,911,056	\$ 8,610,552	\$ 9,674,793	\$ 763,737
Fees & Licenses	9,788,585	9,379,397	9,721,015	9,953,047	573,650
Fines/Forfeits/Penalties	303,828	350,000	255,700	250,000	(100,000)
Interest	1,700,614	950,000	2,057,000	1,020,000	70,000
Local Government	274,569	36,533	131,533	121,851	85,318
Other	83,611	83,962	106,121	84,962	1,000
Rents/Concessions/Royalties	1,349,721	1,150,002	1,250,199	1,055,834	(94,168)
Sales/Use Tax	2,569,539	2,590,825	2,590,825	2,584,321	(6,504)
State	20,686,736	33,655,842	69,123,703	34,295,324	639,482
Revenues Total	\$ 40,344,801	\$ 57,107,617	\$ 93,846,648	\$ 59,040,132	\$ 1,932,515
Expenses					
Salaries and Wages	\$ 11,492,484	\$ 12,822,050	\$ 12,473,038	\$ 13,642,460	\$ 820,410
Employee Benefits	4,832,575	5,589,552	5,451,886	6,175,562	586,010
Services and Supplies	21,997,739	37,713,900	32,129,366	46,047,833	8,333,935
Capital Expense	209,243	2,193,500	869,066	1,323,000	(870,500)
Debt Service	410,591	408,100	408,100	408,600	500
Expenses Total	\$ 38,942,631	\$ 58,727,102	\$ 51,331,456	\$ 67,597,455	\$ 8,870,355
Fund Balance Source / (Use)	\$ 1,402,170	\$ (1,619,485)	\$ 42,515,192	\$ (8,557,323)	

GENERAL FUND BUDGET**General Fund 100 – Summary of Revenues, Expenditures and Budgeted Fund Balances**

Classification Account	FY22/23 Actuals	FY23/24 Approved	FY23/24 Projection	FY24/25 Proposed	Variance FY25 Proposed/ FY24 Approved
Revenues					
Federal	\$ 2,088,436	\$ 5,461,056	\$ 6,885,552	\$ 6,468,833	\$ 1,007,777
Fees & Licenses	9,788,585	9,379,397	9,721,015	9,953,047	573,650
Fines/Forfeits/Penalties	269,966	350,000	250,000	250,000	(100,000)
Interest	349,456	191,865	390,000	250,000	58,135
Local Government	274,569	36,533	131,533	121,851	85,318
Other	19,237	17,524	24,683	18,524	1,000
Sales/Use Tax	2,569,539	2,590,825	2,590,825	2,584,321	(6,504)
State	5,522,435	7,070,033	13,571,206	7,295,528	225,495
Revenues Total	\$ 20,882,224	\$ 25,097,233	\$ 33,564,814	\$ 26,942,104	\$ 1,844,871
Expenses					
Salaries and Wages	\$ 11,492,484	\$ 12,822,050	\$ 12,473,038	\$ 13,642,460	\$ 820,410
Employee Benefits	4,832,575	5,589,552	5,451,886	6,175,562	586,010
Services and Supplies	5,435,105	10,290,233	10,405,058	11,180,818	890,585
Capital Expense	209,243	1,238,500	729,066	1,168,000	(70,500)
Interfund Charges	(909,730)	(2,115,503)	(2,039,139)	(2,146,641)	(31,138)
Expenses Total	\$ 21,059,677	\$ 27,824,832	\$ 27,019,909	\$ 30,020,199	\$ 2,195,367
Source / (Use) Fund Balance	\$ (177,454)	\$ (2,727,599)	\$ 6,544,905	\$ (3,078,095)	

General Fund 100 – Revenues by Account

Classification Account	FY22/23 Actuals	FY23/24 Approved	FY23/24 Projection	FY24/25 Proposed	Variance FY25 Proposed/ FY24 Approved
Revenues					
Federal					
EPA 103	\$ 42,895	\$ 78,800	\$ 128,000	\$ 128,000	\$ 49,200
EPA 105	1,138,908	1,150,000	1,199,943	1,199,943	49,943
Federal	149,539	3,461,836	4,687,189	4,440,890	979,054
FHW-CMAQ	757,093	770,420	870,420	700,000	(70,420)
Subtotal Federal	2,088,436	5,461,056	6,885,552	6,468,833	1,007,777
Fees & Licenses					
Ag Burn	24,995	22,000	28,000	12,000	(10,000)
Asbestos	418,273	356,000	214,500	218,000	(138,000)
Fees & Licenses	2,991	5,860	20,507	22,292	16,432
Mitigation Fees	285,431	274,632	133,730	150,000	(124,632)
Rule 301	8,632,439	8,300,000	8,900,000	9,100,000	800,000
SEED Loan-Non Labor	3,404	43,000	48,166	36,051	(6,949)
SEED Renewal	59,403	71,447	62,112	64,704	(6,743)
Title V	151,980	101,553	90,000	120,000	18,447
Toxics AB2588	209,670	204,905	224,000	230,000	25,095
Subtotal Fees & Licenses	9,788,585	9,379,397	9,721,015	9,953,047	573,650
Fines/Forfeits/Penalties					
Fines/Forfeits/Penalties	269,966	350,000	250,000	250,000	(100,000)
Subtotal Fines/Forfeits/Penalties	269,966	350,000	250,000	250,000	(100,000)
Interest					
Interest Earned	349,456	191,865	390,000	250,000	58,135
Subtotal Interest	349,456	191,865	390,000	250,000	58,135
Local Government					
Local Government	274,569	36,533	131,533	121,851	85,318
Subtotal Local Government	274,569	36,533	131,533	121,851	85,318
Other					
Other	19,237	17,524	24,683	18,524	1,000
Subtotal Other	19,237	17,524	24,683	18,524	1,000
Sales/Use Tax					
Sales/Use Tax	2,569,539	2,590,825	2,590,825	2,584,321	(6,504)
Subtotal Sales/Use Tax	2,569,539	2,590,825	2,590,825	2,584,321	(6,504)
State					
ARB Oil & Gas	42,000	42,000	42,000	42,000	-
ARB PERP	174,189	180,000	255,401	260,000	80,000
ARB Subvention	248,918	359,033	362,000	362,000	2,967
DMV	5,044,746	5,200,000	5,200,000	5,260,000	60,000
State	12,583	1,289,000	7,711,805	1,371,528	82,528
Subtotal State	5,522,435	7,070,033	13,571,206	7,295,528	225,495
Revenues Total	\$ 20,882,224	\$ 25,097,233	\$ 33,564,814	\$ 26,942,104	\$ 1,844,871

General Fund 100 – Expenses by Account

Classification Account	FY22/23 Actuals	FY23/24 Approved	FY23/24 Projection	FY24/25 Proposed	Variance FY25 Proposed/ FY24 Approved
Expenses					
Salaries and Wages					
Salaries & Wages-Extra Help	\$ 64,140	\$ 98,388	\$ 73,461	\$ 144,769	\$ 46,381
Salaries & Wages-OT	75,281	68,432	64,111	92,535	24,103
Salaries & Wages-Premium Pay	60,886	61,132	68,115	63,327	2,195
Salaries & Wages-Regular	11,292,176	12,594,098	12,267,351	13,341,829	747,731
Subtotal Salaries and Wages	11,492,484	12,822,050	12,473,038	13,642,460	820,410
Employee Benefits					
Employee Assistance Program	3,327	5,000	5,000	5,000	-
FICA/Medicare-Employer OASDHI	808,374	919,288	894,361	978,908	59,620
Group Insurance	1,561,804	1,893,336	1,845,053	2,036,257	142,921
OPEB GASB 68	700	700	700	700	-
Retirement	2,347,114	2,619,767	2,553,573	3,001,030	381,263
Unemployment-SUI	12,265	26,461	26,461	28,667	2,206
Workers Compensation Insurance	98,991	125,000	126,738	125,000	-
Subtotal Employee Benefits	4,832,575	5,589,552	5,451,886	6,175,562	586,010
Services and Supplies					
Subtotal Services and Supplies	5,435,105	10,290,233	10,405,058	11,180,818	890,585
Capital Expense					
FA-Computer & Network	22,514	75,000	75,000	82,000	7,000
FA-Lab Equipment	156,986	388,500	235,000	231,000	(157,500)
FA-Monitoring Structures	19,582	595,000	75,000	655,000	60,000
FA-Vehicles	10,161	180,000	344,066	200,000	20,000
Subtotal Capital Expense	209,243	1,238,500	729,066	1,168,000	(70,500)
Interfund Charges					
Transfer-In	(909,730)	(2,115,503)	(2,039,139)	(2,146,641)	(31,138)
Subtotal Interfund Charges	(909,730)	(2,115,503)	(2,039,139)	(2,146,641)	(31,138)
Expenses Total	\$ 21,059,677	\$ 27,824,832	\$ 27,019,909	\$ 30,020,199	\$ 2,195,367

Note: Services and Supplies expenses by account are presented on the next page.

General Fund 100 – Expenses by Account (Continued)

Classification Account	FY22/23 Actuals	FY23/24 Approved	FY23/24 Projection	FY24/25 Proposed	Variance FY25 Proposed/ FY24 Approved
Expenses					
Services and Supplies					
Advertising, Comm & Outreach	\$ 1,005,071	\$ 1,074,500	\$ 1,044,511	\$ 1,028,236	\$ (46,264)
Alternative Transit	18,913	31,410	20,830	25,550	(5,860)
Banking & Finance	1,158	3,620	1,235	2,435	(1,185)
Books/Periodicals/Subscriptions	29,424	29,029	27,779	32,173	3,144
Breakroom Supplies	1,454	1,800	1,500	1,800	-
Business Meetings	158,285	168,150	137,248	233,400	65,250
Collaborations	80,508	147,000	90,726	102,000	(45,000)
Document Storage & Handling	34,795	32,000	33,000	33,200	1,200
Education & Training	33,396	97,050	98,979	144,900	47,850
Food	397	-	33	-	-
Fuel & Lubricants	16,914	20,300	16,100	16,680	(3,620)
Internship	7,375	7,375	7,400	8,000	625
IS Data Processing Services	38,491	46,400	47,900	49,400	3,000
IS Hardware	64,539	93,350	93,350	146,444	53,094
IS Internet	33,289	34,840	34,800	36,232	1,392
IS Mobile Devices/Services	46,415	36,360	44,499	51,962	15,602
IS SaaS-Software as a Service	403,054	1,100,334	666,949	717,499	(382,835)
IS Software	75,005	117,623	118,725	87,337	(30,286)
IS Supplies	13,260	16,000	15,563	15,564	(436)
Lab Analysis	18,922	130,000	57,000	106,000	(24,000)
Laboratory Equipment & Supplies	58,721	68,000	57,000	68,000	-
Legal Services	6,801	61,000	61,000	33,000	(28,000)
Legislative Advocacy	60,700	66,250	66,250	66,250	-
Maintenance & Repairs	23,645	38,500	20,600	27,000	(11,500)
Medical Services	694	3,000	3,000	3,000	-
Membership Dues	46,529	49,444	50,874	64,140	14,696
Mileage/Parking	30,885	33,370	31,710	32,510	(860)
Miscellaneous	1,221	100	(20)	100	-
Office Equipment/Furniture	378	13,500	7,000	8,500	(5,000)
Office Services	525	1,000	1,000	1,000	-
Office Supplies	(662)	9,000	5,813	8,500	(500)
Postage/Shipping/Messenger	10,623	13,750	16,400	18,950	5,200
Printing	4,988	8,700	7,200	10,200	1,500
Prof Svc-Consulting	1,179,714	1,874,500	1,896,387	2,420,650	546,150
Program Distribution-EPA Grant	512,107	3,278,836	4,032,525	3,863,031	584,195
Property & Liability Insurance	205,417	227,650	252,300	298,700	71,050
Property Management	14,211	25,000	10,000	25,000	-
Public Notices	2,618	32,800	19,075	28,750	(4,050)
Recognition	9,363	13,550	13,900	21,300	7,750
Recording Fees	-	200	100	200	-
Recruitment	9,867	10,000	42,000	10,000	-
Rent/Lease-Equipment	74,803	81,635	77,825	79,835	(1,800)
Rent/Lease-Real Property	973,497	1,021,327	1,014,572	1,005,834	(15,493)
Safety Supplies	4,406	7,000	3,100	5,000	(2,000)
Stipends	9,500	20,100	21,200	63,600	43,500
Telephone Services	26,124	27,180	25,300	24,936	(2,244)
Temporary Staffing	-	20,000	50,000	80,000	60,000
Tools/Small Equipment	35,733	30,200	3,320	6,120	(24,080)
Utilities	15,441	22,000	18,000	20,400	(1,600)
Vehicle Maintenance	36,590	45,500	39,500	47,500	2,000
Subtotal Services and Supplies	5,435,105	10,290,233	10,405,058	11,180,818	890,585

PROPRIETARY FUND BUDGET**Proprietary Fund 400 – Summary of Revenues, Expenditures and Budgeted Fund Balances**

Classification Account	FY22/23 Actuals	FY23/24 Approved	FY23/24 Projection	FY24/25 Proposed	Variance FY25 Proposed/ FY24 Approved
Revenues					
Interest	\$ 52,346	\$ 20,000	\$ 67,000	\$ 20,000	\$ -
Rents/Concessions/Royalties	1,349,721	1,150,002	1,250,199	1,055,834	(94,168)
Revenues Total	\$ 1,402,068	\$ 1,170,002	\$ 1,317,199	\$ 1,075,834	\$ (94,168)
Expenses					
Services and Supplies	\$ 496,965	\$ 506,901	\$ 496,306	\$ 512,234	\$ 5,335
Capital Expense	-	955,000	140,000	155,000	(800,000)
Debt Service	410,591	408,100	408,100	408,600	500
Expenses Total	\$ 907,556	\$ 1,870,001	\$ 1,044,406	\$ 1,075,834	\$ (794,165)
Fund Balance Source / (Use)	\$ 494,512	\$ (699,999)	\$ 272,793	\$ 0	

Proprietary Fund 400 – Revenues and Expenses by Account

Classification Account	FY22/23 Actuals	FY23/24 Approved	FY23/24 Projection	FY24/25 Proposed	Variance FY25 Proposed/ FY24 Approved
Revenues					
Interest Earned					
Interest Earned	\$ 52,346	\$ 20,000	\$ 67,000	\$ 20,000	\$ -
Subtotal Interest	52,346	20,000	67,000	20,000	-
Rents/Concessions/Royalties					
Parking	81,461	70,660	67,648	67,460	(3,200)
Rents/Concessions/Royalties	1,268,260	1,079,342	1,182,552	988,374	(90,968)
Subtotal Rents/Concessions/Royalties	1,349,721	1,150,002	1,250,199	1,055,834	(94,168)
Revenues Total	\$ 1,402,068	\$ 1,170,002	\$ 1,317,199	\$ 1,075,834	\$ (94,168)
Expenses					
Services and Supplies					
Banking & Finance	\$ 2,173	\$ -	\$ 2,173	\$ 2,173	\$ -
Maintenance & Repairs	31,465	43,900	35,971	35,663	(8,235)
Mileage/Parking	178,296	160,000	157,378	160,000	-
Office Equipment/Furniture	1,421	2,500	1,600	785	(1,715)
Office Services	84,451	87,036	86,009	86,578	1,715
Prof Svc-Consulting	2,600	-	-	-	-
Property & Liability Insurance	38,307	44,052	46,000	54,000	9,948
Property Management	24,000	26,000	24,000	24,000	(2,000)
Security	19,776	26,090	23,266	23,960	(2,130)
Tax/Lic/Assessment	3,634	3,700	3,667	3,851	151
Utilities	110,842	113,623	116,242	121,224	7,601
Subtotal Services and Supplies	496,965	506,901	496,306	512,234	5,335
Capital Expense					
FA-Leasehold Improvement	-	955,000	140,000	155,000	(800,000)
Subtotal Capital Expense	-	955,000	140,000	155,000	(800,000)
Debt Service					
Interest Expense	65,591	53,100	53,100	38,600	(14,500)
Principal	345,000	355,000	355,000	370,000	15,000
Subtotal Debt Service	410,591	408,100	408,100	408,600	500
Expenses Total	\$ 907,556	\$ 1,870,001	\$ 1,044,406	\$ 1,075,834	\$ (794,165)

SPECIAL REVENUE FUND BUDGET**Special Revenue Fund 500 – Summary of Revenues, Expenditures and Budgeted Fund Balances**

Classification Account	FY22/23 Actuals	FY23/24 Approved	FY23/24 Projection	FY24/25 Proposed	Variance FY25 Proposed/ FY24 Approved
Revenues					
Federal	\$ 1,499,161	\$ 3,450,000	\$ 1,725,000	\$ 3,205,960	\$ (244,040)
Fines/Forfeits/Penalties	33,862	-	5,700	-	-
Interest	1,298,812	738,135	1,600,000	750,000	11,865
Other	64,374	66,438	81,438	66,438	-
State	15,164,301	26,585,809	55,552,497	26,999,796	413,987
Revenues Total	\$ 18,060,510	\$ 30,840,382	\$ 58,964,635	\$ 31,022,194	\$ 181,812
Expenses					
Interfund Charges	\$ 909,730	\$ 2,115,503	\$ 2,039,139	\$ 2,146,641	\$ 31,138
Services and Supplies	16,065,669	26,916,766	21,228,002	34,354,781	7,438,015
Expenses Total	\$ 16,975,398	\$ 29,032,269	\$ 23,267,141	\$ 36,501,422	\$ 7,469,153
Fund Balance Source / (Use)	\$ 1,085,111	\$ 1,808,113	\$ 35,697,494	\$ (5,479,228)	

Special Revenue Fund 500 – Revenues and Expenses by Account

Classification Account	FY22/23 Actuals	FY23/24 Approved	FY23/24 Projection	FY24/25 Proposed	Variance FY25 Proposed/ FY24 Approved
Revenues					
Federal					
FHW-SECAT	\$ 1,499,161	\$ 3,450,000	\$ 1,725,000	\$ 3,205,960	\$ (244,040)
Subtotal Federal	1,499,161	3,450,000	1,725,000	3,205,960	(244,040)
Fines/Forfeits/Penalties					
Fines/Forfeits/Penalties	33,862	-	5,700	-	-
Subtotal Fines/Forfeits/Penalties	33,862	-	5,700	-	-
Interest					
Interest Earned	1,298,812	738,135	1,600,000	750,000	11,865
Subtotal Interest	1,298,812	738,135	1,600,000	750,000	11,865
Other					
Auction	64,374	66,438	81,438	66,438	-
Subtotal Other	64,374	66,438	81,438	66,438	-
State					
DMV	2,561,063	2,600,000	2,600,000	2,600,000	-
State	12,603,238	23,985,809	52,952,497	24,399,796	413,987
Subtotal State	15,164,301	26,585,809	55,552,497	26,999,796	413,987
Revenues Total	\$ 18,060,510	\$ 30,840,382	\$ 58,964,635	\$ 31,022,194	\$ 181,812
Expenses					
Services and Supplies					
Incentive Projects	\$ 15,859,020	\$ 26,801,766	\$ 21,113,002	\$ 34,054,781	\$ 7,253,015
Prof Svc-Consulting	206,649	115,000	115,000	300,000	185,000
Subtotal Services and Supplies	16,065,669	26,916,766	21,228,002	34,354,781	7,438,015
Interfund Charges					
Transfer-Out	909,730	2,115,503	2,039,139	2,146,641	31,138
Subtotal Interfund Charges	909,730	2,115,503	2,039,139	2,146,641	31,138
Expenses Total	\$ 16,975,398	\$ 29,032,269	\$ 23,267,141	\$ 36,501,422	\$ 7,469,153

CAPITAL EXPENSES BUDGET**Capital Expenses – by Fund**

Fund Description	FY24/25 Proposed
100 General	
New vehicle replacements	\$ 200,000
PM10 continuous	30,000
Storage array	16,500
Storage server for storage Array	5,500
Simplivity node	60,000
Data logger	8,000
Chart recorder	22,000
FEM BAM1020	50,000
H2 generator	10,000
N2 generator	10,000
Ozone analyzer	30,000
Transfer standard	30,000
Zero air generator	15,000
Non-Methane hydrocarbon analyzer	26,000
A/C unit replacement	20,000
DPM finish replacement	610,000
DPM construction	25,000
100 General Subtotal	1,168,000
400 Proprietary	
HVAC replacements	\$ 115,000
Miscellaneous - annual improvements	40,000
400 Proprietary Subtotal	155,000
Capital Expenses Total	\$ 1,323,000

SUMMARY OF FINANCIAL SOURCES, USES, AND FUND BALANCE

Fund	Type	Fund Balance 06/30/23	FY23/24 Projected Revenues	FY23/24 Projected Expenditures	Fund Balance Sources (Uses)	Projected Fund Balance 06/30/24
100	General Fund	\$ 20,895,504	\$ 33,564,814	\$ 27,019,909	\$ 6,544,905	\$ 27,440,409
400	Proprietary Fund	5,302,609	1,317,199	1,044,406	272,793	5,575,402
500	Special Revenue Fund	55,863,979	58,964,635	23,267,141	35,697,494	91,561,473
Total		\$ 82,062,092	\$ 93,846,648	\$ 51,331,456	\$ 42,515,192	\$ 124,577,284

Fund	Type	Projected Fund Balance 06/30/24	FY24/25 Proposed Revenues	FY24/25 Proposed Expenditures	Fund Balance Sources (Uses)	Projected Fund Balance 06/30/25
100	General Fund	\$ 27,440,409	\$ 26,942,104	\$ 30,020,199	\$ (3,078,095)	\$ 24,362,314
400	Proprietary Fund	5,575,402	1,075,834	1,075,834	0	5,575,402
500	Special Revenue Fund	91,561,473	31,022,194	36,501,422	(5,479,228)	86,082,245
Total		\$ 124,577,284	\$ 59,040,132	\$ 67,597,455	\$ (8,557,323)	\$ 116,019,961

The increase in the FY23/24 General Fund fund balance is mainly because of the \$5.4 million of project revenue from the CERP grant that will be recognized upon receipt before June 30, 2024. Expenditures to support the two-year grant will be funded in subsequent years from the revenues received in FY23/24. The increase in the FY23/24 Special Revenue Fund fund balance is primarily due to the timing of revenue for CAPP and CC4A incentives and a hydrogen locomotive project (CalSTA).

The use of fund balance in the General Fund for FY24/25 is primarily due to expenditures for the CERP grant and to a lesser extent recurring operational costs exceeding annual revenue increases. The FY24/25 fund balance decrease for the Special Revenue Fund is due to the normal variation in receipt and disbursement of incentive grant funds.

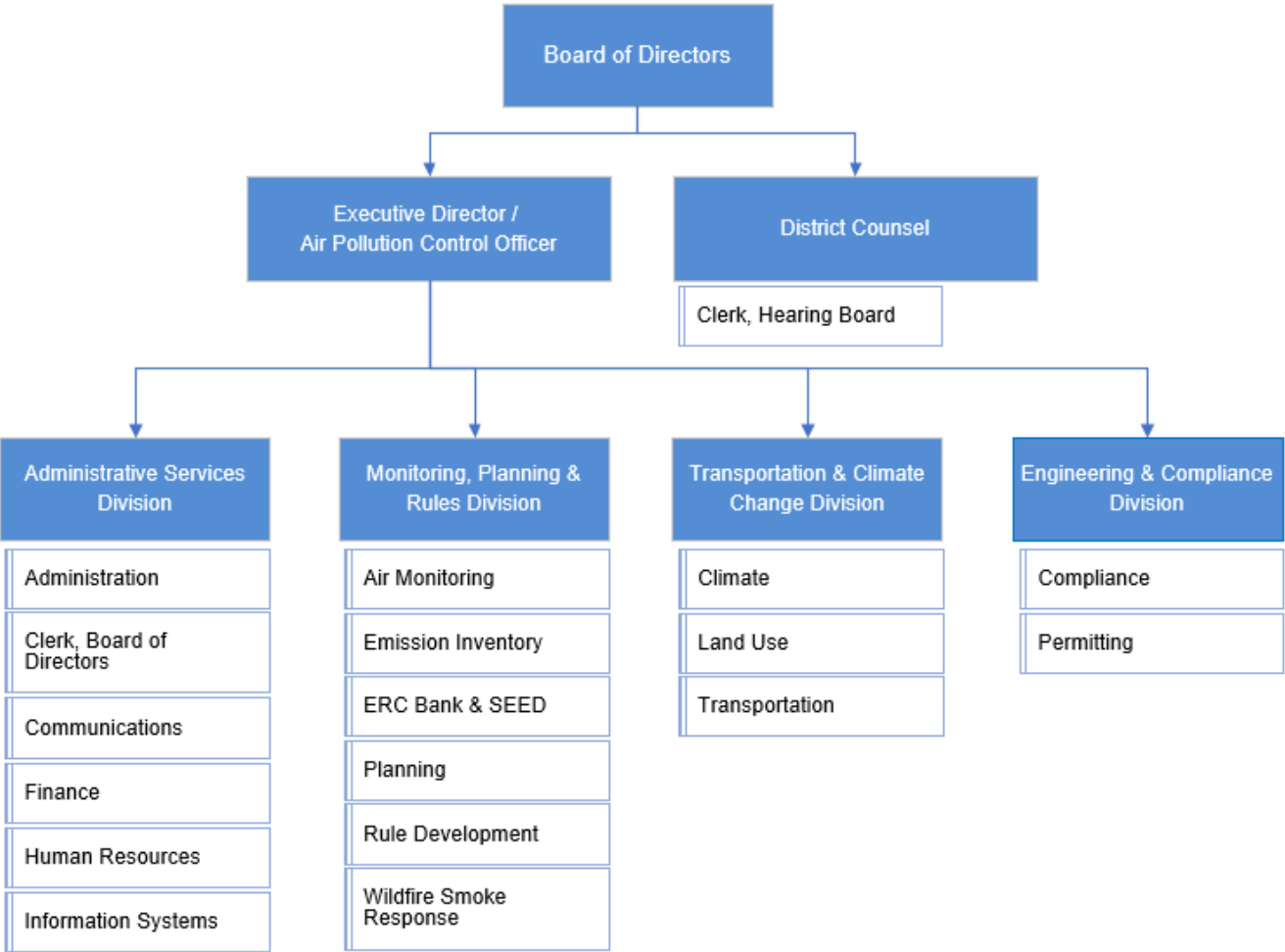
SECTION 7 - Organizational Overview

This section includes the District’s organizational structure, staffing and pay schedules, division budgets, as well as division functions, program summaries, key initiatives for FY 24/25 as well as major accomplishments. The District is organized into divisions that administer various programs and undertake initiatives to support the District’s mission and strategic goals.

ORGANIZATIONAL STRUCTURE

The District Governing Board is composed of 14 members, including all five Sacramento County Supervisors, four members of the Sacramento City Council, one member each from the Cities of Citrus Heights, Elk Grove, Folsom, and Rancho Cordova, and one member representing the cities of Galt and Isleton. The Board appoints the agency’s Executive Director/APCO and District Counsel. The District’s organizational structure is comprised of the offices of the Executive Director (EXEC) and the District Counsel (DC), and four operating divisions: Administrative Services (ASD); Monitoring, Planning and Rules (MPR); Transportation & Climate Change (TCC); and Engineering and Compliance (ECD).

Organization Chart



STAFFING

The FY24/25 Proposed Budget includes 105.8 Full Time Equivalent (FTE) positions. Each year, the District reassesses the priorities, critical needs, and funding capacity and then recommends positions to be funded in the budget. The Board amended the FY23/24 position budget, adding four FTEs, to initiate the recruitment process of critical resources; however, additional funding for the positions was not allocated at that time as salary savings were leveraged. In the FY24/25 Proposed Budget, an additional four positions are included, with funding for all eight positions reflected in the FY24/25 Proposed Budget. These additional resources will support expanded grant activities and operational requirements. The following two staffing schedules represent the proposed FTE, first displaying positions by classification and then positions by division.

Positions by Classification

Classification	FY22/23 Amended	FY23/24 Approved	FY23/24 Amended	Change	FY24/25 Approved
AUTHORIZED					
Regular					
Admin Supervisor/Clerk of Board	1.0	1.0	1.0	-	1.0
Administrative Specialist	4.0	4.0	4.0	-	4.0
Air Pollution Control Officer	1.0	1.0	1.0	-	1.0
Air Quality Engineer	19.0	19.0	21.0	-	21.0
Air Quality Instrument Specialist	3.0	3.0	3.0	-	3.0
Air Quality Planner/Analyst	10.0	10.0	10.0	1.0	11.0
Air Quality Specialist	21.6	21.6	22.8	1.0	23.8
Communication & Marketing Specialist	1.0	1.0	2.0	-	2.0
Controller	1.0	1.0	1.0	-	1.0
District Counsel	1.0	1.0	1.0	-	1.0
Division Director	4.0	4.0	4.0	-	4.0
Finance TBD	-	-	-	1.0	1.0
Financial Analyst	1.0	1.0	1.0	-	1.0
Human Resource Technician	1.0	1.0	1.0	-	1.0
Human Resources Officer	1.0	1.0	1.0	-	1.0
Information Systems Analyst	3.0	3.0	3.0	-	3.0
Information Systems Manager	1.0	1.0	1.0	-	1.0
Legal Assistant	1.0	1.0	1.0	-	1.0
Office Assistant	3.0	3.0	3.0	2.0	5.0
Program Manager	5.0	5.0	5.0	-	5.0
Program Supervisor	12.0	12.0	12.0	-	12.0
Senior Accountant	1.0	1.0	1.0	-	1.0
Statistician	1.0	1.0	1.0	-	1.0
Limited Term					
Air Quality Engineer/Specialist/Planner	1.0	1.0	1.0	-1.0	-
AUTHORIZED Total	97.6	97.6	101.8	4.0	105.8

Proposed FY24/25 Positions by Division

Classification	ASD	DC	EXEC	MPR	ECD	TCC	Total FTE
AUTHORIZED							
Regular							
Admin Supervisor/Clerk of Board	1.0	-	-	-	-	-	1.0
Administrative Specialist	4.0	-	-	-	-	-	4.0
Air Pollution Control Officer	-	-	1.0	-	-	-	1.0
Air Quality Engineer	-	-	-	4.0	11.0	6.0	21.0
Air Quality Instrument Specialist	-	-	-	3.0	-	-	3.0
Air Quality Planner/Analyst	-	-	-	3.0	-	8.0	11.0
Air Quality Specialist	-	-	-	5.0	13.8	5.0	23.8
Communication & Marketing Specialist	2.0	-	-	-	-	-	2.0
Controller	1.0	-	-	-	-	-	1.0
District Counsel	-	1.0	-	-	-	-	1.0
Division Director	1.0	-	-	1.0	1.0	1.0	4.0
Finance TBD	1.0	-	-	-	-	-	1.0
Financial Analyst	1.0	-	-	-	-	-	1.0
Human Resource Technician	1.0	-	-	-	-	-	1.0
Human Resources Officer	1.0	-	-	-	-	-	1.0
Information Systems Analyst	3.0	-	-	-	-	-	3.0
Information Systems Manager	1.0	-	-	-	-	-	1.0
Legal Assistant	-	1.0	-	-	-	-	1.0
Office Assistant	3.0	-	-	-	-	2.0	5.0
Program Manager	1.0	-	-	1.0	2.0	1.0	5.0
Program Supervisor	1.0	-	-	3.0	5.0	3.0	12.0
Senior Accountant	1.0	-	-	-	-	-	1.0
Statistician	-	-	-	1.0	-	-	1.0
AUTHORIZED Total	23.0	2.0	1.0	21.0	32.8	26.0	105.8

PAY SCHEDULE

The following monthly pay schedule includes a cost-of-living adjustment (COLA) of 3.6% consistent with the terms of the Memorandum of Understanding between Management and the Sacramento Air District Employees' Association and the Unrepresented Personnel Resolution.

**Pay Schedule
Effective July 1, 2024**

Classification	Monthly	
	Minimum	Maximum
Administrative Specialist I	6,826.27	8,297.37
Administrative Specialist II	7,395.03	8,988.71
Administrative Supervisor/Clerk of the Board	8,284.19	11,082.25
Air Pollution Control Officer (contract by Board of Directors)	23,767.83	23,767.83
Air Quality Engineer (Assistant)	7,849.01	9,540.52
Air Quality Engineer (Associate)	9,116.21	11,080.81
Air Quality Instrument Specialist I	6,500.26	7,901.11
Air Quality Instrument Specialist II	7,475.58	9,086.61
Air Quality Planner/Analyst (Assistant)	7,849.01	9,540.52
Air Quality Planner/Analyst (Associate)	9,116.21	11,080.81
Air Quality Specialist (Assistant)	7,849.01	9,540.52
Air Quality Specialist (Associate)	9,116.21	11,080.81
Communications & Marketing Specialist (Assistant)	7,849.01	9,540.52
Communications & Marketing Specialist (Associate)	9,116.21	11,080.81
Controller	10,946.32	14,668.64
District Counsel (contract by Board of Directors)	23,005.20	23,005.20
Director	12,582.18	16,860.83
Finance TBD	7,395.03	8,988.71
Financial Analyst	7,988.76	9,710.39
Human Resources Officer	8,284.19	11,082.25
Human Resources Technician I	5,305.64	6,449.04
Human Resources Technician II	6,102.06	7,417.09
Information Systems Analyst (Assistant)	7,335.01	8,915.75
Information Systems Analyst (Associate)	8,434.90	10,252.67
Information Systems Manager	10,946.32	14,668.64
Legal Assistant I	5,533.47	6,725.97
Legal Assistant II	6,086.27	7,397.90
Office Assistant I	3,678.72	4,471.51
Office Assistant II	4,125.35	5,014.39
Office Assistant III	4,620.38	5,616.10
Program Manager	10,946.32	14,668.64
Program Supervisor	9,521.89	12,760.59
Senior Accountant	7,988.76	9,710.39
Statistician	9,116.21	11,080.81

Note: In addition to the wages listed above, the District provides special compensation as follows: Directors receive a board-approved 5% management pay differential. Employees may receive incentive pay equal to 5% of their base pay if they have earned professional certifications or licenses relevant to their job, such as Professional Engineer or Certified Public Accountant or job-relevant doctorate degrees per board-approved Memorandum of Understanding.

DIVISION BUDGETS

The budgets for the offices of the Executive Director and District Counsel, the four operating divisions, and the Non-Departmental program are presented below. All positions are budgeted in the General Fund.

For the FY24/25 Proposed Budget, The large decrease in Capital for the Non-Departmental program is due to a planned building renovation that was included in the FY23/24 Proprietary Fund budget that did not occur and is not included in the FY24/25 budget due to the decision to sell the District headquarters building. The increase in Services and Supplies for MPR is primarily due to additional federal grant passthrough payments to the TAG grant sub-recipients and increased professional services expenditures for the AB 617 CERP grant in FY24/25. For FY24/25 TCC Services and Supplies will increase as more state grant special revenue incentives will be distributed to participants.

DISTRICTWIDE – Expenditures by Division by Classification

Classification Account	FY23/24 Approved	FY23/24 Projection	FY24/25 Proposed	Variance FY25 Proposed/ FY24 Approved
Administrative Services				
Salaries and Wages	\$ 2,492,880	\$ 2,473,104	\$ 2,812,950	\$ 320,070
Employee Benefits	1,065,275	1,127,872	1,281,872.00	216,597
Services and Supplies	1,871,122	1,835,690	1,689,435.00	(181,687)
Capital Expense	255,000	130,562	282,000.00	27,000
Subtotal Administrative Services	5,684,277	5,567,228	6,066,257	381,980
District Counsel				
Salaries and Wages	361,713	361,022	374,721	13,008
Employee Benefits	165,943	153,237	187,038	21,095
Services and Supplies	99,958	99,938	64,563	(35,395)
Subtotal District Counsel	627,614	614,197	626,322	(1,292)
Executive Office				
Salaries and Wages	294,144	298,624	304,397	10,253
Employee Benefits	130,673	120,068	147,464	16,791
Services and Supplies	452,425	216,904	248,350	(204,075)
Subtotal Executive Office	877,242	635,596	700,211	(177,031)
Non-Departmental				
Salaries and Wages	-	-	(345,256)	(345,256)
Employee Benefits	129,500	129,501	(24,744)	(154,244)
Services and Supplies	1,748,528	1,760,738	2,060,968	312,440
Capital Expense	955,000	140,000	155,000	(800,000)
Debt Service	408,100	408,100	408,600	500
Subtotal Non-Departmental	3,241,128	2,438,339	2,254,568	(986,560)
Monitoring, Planning and Rules				
Salaries and Wages	2,654,728	2,566,451	2,718,609	63,881
Employee Benefits	1,085,232	1,005,363	1,162,180	76,948
Services and Supplies	4,362,549	4,862,617	5,399,893	1,037,344
Capital Expense	983,500	310,000	886,000	(97,500)
Subtotal Monitoring, Planning and Rules	9,086,009	8,744,431	10,166,682	1,080,673
Engineering and Compliance				
Salaries and Wages	3,959,447	3,856,628	4,435,334	475,887
Employee Benefits	1,682,386	1,781,500	2,015,863	333,477
Services and Supplies	1,044,632	553,405	659,443	(385,189)
Capital Expense	-	288,504	-	-
Subtotal Engineering and Compliance	6,686,465	6,480,037	7,110,640	424,175
Transportation & Climate Change				
Salaries and Wages	3,059,138	2,917,209	3,341,705	282,567
Employee Benefits	1,330,543	1,134,345	1,405,889	75,346
Services and Supplies	28,134,686	22,800,074	35,925,181	7,790,495
Subtotal Transportation & Climate Change	32,524,367	26,851,628	40,672,775	8,148,408
Expenses Total	\$ 58,727,102	\$ 51,331,456	\$ 67,597,455	\$ 8,870,353

FUND 100 – General Fund Expenditures by Division by Classification

Classification Account	FY23/24 Approved	FY23/24 Projection	FY24/25 Proposed	Variance FY25 Proposed/ FY24 Approved
Administrative Services				
Salaries and Wages	\$ 2,492,880	\$ 2,473,104	\$ 2,812,950	\$ 320,070
Employee Benefits	1,065,275	1,127,872	1,281,872	216,597
Services and Supplies	1,871,122	1,835,690	1,689,435	(181,687)
Capital Expense	255,000	130,562	282,000	27,000
Subtotal Administrative Services	5,684,277	5,567,228	6,066,257	381,980
District Counsel				
Salaries and Wages	361,713	361,022	374,721	13,008
Employee Benefits	165,943	153,237	187,038	21,095
Services and Supplies	99,958	99,938	64,563	(35,395)
Subtotal District Counsel	627,614	614,197	626,322	(1,292)
Executive Office				
Salaries and Wages	294,144	298,624	304,397	10,253
Employee Benefits	130,673	120,068	147,464	16,791
Services and Supplies	452,425	216,904	248,350	(204,075)
Subtotal Executive Office	877,242	635,596	700,211	(177,031)
Non-Departmental				
Salaries and Wages	-	-	(345,256)	(345,256)
Employee Benefits	129,500	129,501	(24,744)	(154,244)
Services and Supplies	1,241,627	1,264,432	1,548,734	307,107
Subtotal Non-Departmental	1,371,127	1,393,933	1,178,734	(192,393)
Monitoring, Planning and Rules				
Salaries and Wages	2,654,728	2,566,451	2,718,609	63,881
Employee Benefits	1,085,232	1,005,363	1,162,180	76,948
Services and Supplies	4,362,549	4,862,617	5,399,893	1,037,344
Capital Expense	983,500	310,000	886,000	(97,500)
Subtotal Monitoring, Planning and Rules	9,086,009	8,744,431	10,166,682	1,080,673
Engineering and Compliance				
Salaries and Wages	3,959,447	3,856,628	4,435,334	475,887
Employee Benefits	1,682,386	1,781,500	2,015,863	333,477
Services and Supplies	1,044,632	553,405	659,443	(385,189)
Capital Expense	-	288,504	-	-
Subtotal Engineering and Compliance	6,686,465	6,480,037	7,110,640	424,175
Transportation & Climate Change				
Salaries and Wages	3,059,138	2,917,209	3,341,705	282,567
Employee Benefits	1,330,543	1,134,345	1,405,889	75,346
Services and Supplies	1,217,920	1,572,072	1,570,400	352,480
Interfund Charges	(2,115,503)	(2,039,139)	(2,146,641)	(31,138)
Subtotal Transportation & Climate Change	3,492,098	3,584,487	4,171,353	679,255
Expenses Total	\$ 27,824,832	\$ 27,019,909	\$ 30,020,199	\$ 2,195,367

FUND 400 – Proprietary Fund Expenditures by Division by Classification

Classification Account	FY23/24 Approved	FY23/24 Projection	FY24/25 Proposed	Variance FY25 Proposed/ FY24 Approved
Non-Departmental				
Services and Supplies	\$ 506,901	\$ 496,306	\$ 512,234	\$ 5,333
Capital Expense	955,000	140,000	155,000	(800,000)
Debt Service	408,100	408,100	408,600	500
Subtotal Non-Departmental	1,870,001	1,044,406	1,075,834	(794,167)
Expenses Total	\$ 1,870,001	\$ 1,044,406	\$ 1,075,834	\$ (794,167)

FUND 500 – Special Revenue Fund Expenditures by Division by Classification

Classification Account	FY23/24 Approved	FY23/24 Projection	FY24/25 Proposed	Variance FY25 Proposed/ FY24 Approved
Transportation & Climate Change				
Services and Supplies	\$ 26,916,766	\$ 21,228,002	\$ 34,354,781	\$ 7,438,015
Interfund Charges	2,115,503	2,039,139	2,146,641	31,138
Subtotal Transportation & Climate Change	29,032,269	23,267,141	36,501,422	7,469,153
Expenses Total	\$ 29,032,269	\$ 23,267,141	\$ 36,501,422	\$ 7,469,153

PROGRAM BUDGETS

The proposed District expenditures by program for each fund are shown below.

FUND 100 – General Fund Expenditures by Program

Program	FY23/24 Approved	FY23/24 Projection	FY24/25 Proposed	Variance FY25 Proposed/ FY24 Approved
Administration	\$ 1,359,285	\$ 1,256,504	\$ 1,411,910	\$ 52,625
Agricultural	148,673	130,818	219,510	70,837
Air Monitoring	3,052,001	2,293,698	2,947,368	(104,633)
Asbestos	338,080	373,460	379,249	41,169
Asbestos NOA	8,386	7,292	7,710	(676)
Board of Directors	14,051	16,601	13,901	(150)
Communications	1,227,611	1,172,346	1,163,564	(64,047)
Complaints	241,888	155,389	254,012	12,124
District Counsel	627,564	614,147	626,222	(1,342)
Emission Credit Program	42,598	14,885	41,706	(892)
Emission Inventory	344,739	274,088	313,215	(31,524)
Exchange Programs	12,912	2,687	1,500	(11,412)
Finance	1,234,523	1,215,726	1,453,459	218,936
GHG	1,134,454	1,446,803	2,021,592	887,138
Government Affairs	3,278,836	4,032,525	3,863,031	584,195
Hearing Board	8,648	8,179	6,148	(2,500)
Human Resources	434,699	492,318	442,120	7,421
Information Systems	1,392,924	1,358,073	1,508,507	115,583
Non-Departmental	1,371,127	1,393,933	1,178,734	(192,393)
PERP	23,608	31,146	39,365	15,757
Planning	1,421,522	1,365,031	2,254,533	833,011
Rule 301	5,435,098	5,506,380	5,493,201	58,103
Rule 421	246,539	246,729	245,322	(1,217)
Rule Development	773,552	634,630	644,027	(129,525)
Strategic Partners	863,166	605,590	686,260	(176,906)
Title V	160,631	170,189	206,352	45,721
Toxics AB2588	222,895	48,426	232,554	9,659
Transportation Planning & Assist	1,525,537	1,384,854	1,476,764	(48,773)
Vehicle & Equipment Technology	879,285	762,033	888,363	9,078
Program Expenses Total	\$ 27,824,832	\$ 27,019,909	\$ 30,020,199	\$ 2,195,367

FUND 400 – Proprietary Fund Expenditures by Program

Program	FY23/24 Approved	FY23/24 Projection	FY24/25 Proposed	Variance FY25 Proposed/ FY24 Approved
Covell Building	\$ 1,870,001	\$ 1,044,406	\$ 1,075,834	\$ (794,165)
Program Expenses Total	\$ 1,870,001	\$ 1,044,406	\$ 1,075,834	\$ (794,165)

FUND 500 – Special Revenue Fund Expenditures by Program

Program	FY23/24 Approved	FY23/24 Projection	FY24/25 Proposed	Variance FY25 Proposed/ FY24 Approved
GHG	\$ 16,285,831	\$ 9,079,895	\$ 17,878,442	\$ 1,592,611
Vehicle & Equipment Tchr	12,746,438	14,187,246	18,622,980	5,876,542
Program Expenses Total	\$ 29,032,269	\$ 23,267,141	\$ 36,501,422	\$ 7,469,153

DISTRICT DIVISIONS AND OPERATIONAL INITIATIVES

The District's organizational structure consists of the offices of the Executive Director and District Counsel and four operating divisions and supports the complex relationships between tasks, workflows, responsibilities, and authorities. This section describes the main programs of the organization along with key initiatives for each of the four operating divisions, which are developed each year in support of the District's mission and strategic goals.

Offices of the Executive Director/APCO and District Counsel

Program	Description
Executive Office/APCO	<p>Under direction from the Board, the Executive Director/APCO is responsible for the overall management and operation of the agency. This includes overseeing the establishment of program priorities, policies, and procedures; formulation of a strategic vision and mission objectives; day-to-day administration and oversight of District activities; and development and implementation of air quality and climate change programs to advance the capital region towards clean air and a low-carbon future for all.</p> <p>The Executive Office also leads the District's legislative advocacy at the local, state, and federal levels and provides direction to the agency's legislative advocate. In collaboration with the District legislative advocate, the Executive Office monitors and analyzes state and federal legislation with a potential impact on air quality and climate change programs in the capital region.</p>
District Counsel	<p>Under direction from the Board, the District Counsel provides legal services to the Board and District management and staff including advising staff on various legal issues including human resources, air quality enforcement, new legislation, and contracts; reviews all proposed resolutions, rules and regulations, and other Board matters for legal adequacy; assists divisions in the implementation of key initiatives; and represents the District before the Hearing Board and in litigation activities.</p> <p>District Counsel also provides administrative support to the District's Hearing Board, which is a quasi-judicial panel that hears petitions for variances, and abatement orders, as well as appeals of the Executive Officer's permit and emission reduction credit determinations. Members are appointed by but act independently of the Sacramento Metropolitan Air Quality Management District Board. The Hearing Board membership includes a person from the medical profession, a professional engineer, an attorney, and two at large members of the public.</p>

Administrative Services Division

Program	Description
Administration	Oversees building management contracts, parking garage, tenant improvements, and vehicle fleet acquisition and maintenance; coordinates building and air monitoring facilities maintenance, rehabilitation, and replacement needs; supervises document management to ensure efficient organization, maintenance, and utilization, encompassing storage, retrieval, and control throughout their lifecycle, leveraging document management software and technological solutions; provides administrative support to the Executive Director/APCO; greets customers, addresses inquiries, directs questions to appropriate staff, records complaints, and processes public information requests; records permit information and processes customer payments; purchases and maintains office supplies and equipment.
Clerk, Board of Directors	Facilitates the smooth functioning of board meetings and ensures the integrity of governance processes, including preparing and distributing meeting agendas, recording accurate minutes of proceedings, maintaining official records and documents, managing communications with board members and stakeholders, coordinating logistics for meetings, and ensuring compliance with legal and procedural requirements.
Communications	Builds regional identity for the District as a resource for clean air and climate action; promotes programs to engage and inform residents and organizations about Sacramento's air quality and opportunities to protect public health by reducing emissions via programs such as the "Spare The Air", "Check Before You Burn", Clean Cars 4 All, Community Air Protection and zero-emission mobility; integrates equity and environmental justice into District communication practices; manages social media and media relations, and coordinates communications activities with federal, state, and local agencies; distributes consistent and clear materials to businesses and elected officials that promote clean air goals and solicit funding; secures annual funding for the regional Spare The Air campaign.
Finance	Ensures compliance with accounting regulations and requirements, manages the development of the District's annual operating budgets, coordinates financial audits by source agencies and independent auditors, ensures timely and accurate tracking of payroll expenditures, oversees grant administration, provides financial reports to management and the operating divisions, and administers contracts – develops new contracts and contract amendments, oversees the request for proposals process, develops and maintains contract database, prepares routine contract status reports.
Human Resources	Conducts recruitments and provides guidance in the retention of high-quality staff, ensures compliance with federal and state employment laws and regulations and District personnel policies, coordinates personnel-related training, manages labor relations, processes payroll, and administers district benefits.
Information Systems	Manages and ensures the security of information technology encompassing both computer technology and telecommunications, provides technology solutions, coordinates hardware and software acquisition and maintenance services, provides desktop support, maintains the District website, and oversees related contracts.

FY24/25 Key Initiatives**Administration**

- Oversee the relocation of the Air District headquarters to a smaller facility in response to and in alignment with the District's commitment to a hybrid work model
- Complete record retention milestones for both paper and digital documents, including digitizing 1,500 boxes of documents located offsite
- Facilitate the development of a district-wide Title VI compliance and monitoring program
- Implement a new solution for administering board meeting agendas and minutes

Communications

- Increase the number of “Spare The Air” regional partners by 50
- Implement newly created branding and promotion procedures for incentive projects
- Attend 10 events regionally to promote the Spare The Air program and educate residents about the harmful health effects of air pollution and what they can do to improve air quality
- Create and launch a new SpareTheAir.com mobile-friendly website

Finance

- Automate the Clean-Cars-for-All accounts payable invoice approval process within the Fluxx system
- Formalize quarterly close processes and procedures
- Lead the billing module component for the Permitting/Compliance and Transportation Incentive software implementation

Human Resources

- Implement employee-focused activities to support the new hybrid work strategy and retain talented and engaged employees
- Oversee the implementation of the performance management framework
- Leverage unused components of the District’s third-party recruitment solution to enhance efficiency
- Consolidate and update the administrative policies into a single document
- Conduct and implement a District-wide classification and compensation study

Information Systems

- Serve as Technical Lead for the Permitting/ Compliance and Transportation software solution implementation
- Migrate Application Xtender data repositories to SharePoint
- Launch Skynet Online, migrate files from the district File Share to SharePoint and implement document retention handling for SharePoint
- Evaluate and install new Office365 G5 security enhancements
- Implement Teams phone system
- Upgrade Windows 10 to Windows 11
- Update Technology process policies

Transportation and Climate Change Division

Program	Description
Climate Change	<p>Promotes clean air and public health by providing technical assistance and advocacy in the land use and transportation sectors. Works to reduce mobile source and area emissions through a reduction in vehicle trips, miles traveled, and increased energy efficiency by developing and implementing strategies that influence transportation planning and programming, land use planning, and project development.</p> <p>Works on climate change mitigation and adaptation through regional coordination, tracking state policy, supporting local action, and building a regional collaboration to respond to the impacts and opportunities of climate change.</p> <p>Reduces exposure to toxic air contaminants through best practices and mitigation measures implemented by lead agencies on construction and operations of projects.</p>
Transportation	<p>Develops and implements strategies and demonstrates innovative zero- and near-zero-emission technology available to fleet owners and the public aimed at reducing emissions from vehicular sources.</p>

FY24/25 Key Initiatives**Climate Change**

- Complete the Comprehensive Climate Action Plan and promote the Priority Climate Action Plan (PCAP) as a regional guide to priority climate-related activities. Actively pursue funding opportunities to implement the measures in the PCAP.
- Encourage all jurisdictions within Sacramento County to adopt qualified Climate Action Plans
- Ensure all projects exceeding thresholds of significance mitigate to appropriate emissions levels and verify the implementation of all required measures
- Update all guidance, tools, and reviewed documents to be consistent with the state of the practice
- Build a strong regional collaborative to improve resilience to extreme heat, drought, flood, wildfire, and other impacts, focusing specifically on efforts to reduce the urban heat island effect, improve public health, increase business resilience, and bridge the urban-rural divide

Transportation

- Work with CAPCOA and CARB on the Clean Transportation Incentive Programs to provide additional flexibility for the various programs
- Develop infrastructure projects to support zero- and near-zero-emission technologies
- Collaborate with agency partners to develop an electric vehicle charging mobility hub strategy for Sacramento and implement the strategy in transportation deserts by deploying projects like CarShare, e-Bikes, and micro-transit
- Work with CAPCOA to address mobile emission impacts in AB 617 identified communities and determine funding opportunities to mitigate emission impacts
- Collaborate with Community-Based Organizations (CBOs) to determine mobility needs within low-income and disadvantaged communities
- Leverage the Civic Spark program to reduce air pollution and vehicle miles traveled while building local capacity for action on climate adaptation and mitigation, including work on the Clean Cars 4 All grant creating culturally and linguistically tailored outreach materials

Monitoring, Planning and Rules Division

Program	Description
Air Monitoring	Performs continuous monitoring of criteria pollutants and their precursors (ozone, hydrocarbons, carbon monoxide, nitrogen oxides, sulfur oxides, lead, and inhalable particulate matter (PM ₁₀ and PM _{2.5})), meteorological conditions, and other air quality indicators at six sites throughout the County. Continue community-scale monitoring for the South Sacramento-Florin community selected as one of the first AB 617 communities.
Emission Inventory	Estimates actual emissions from stationary and area sources, and assists with evaluations of mobile source emissions. Provides emissions data used in developing rules and State Implementation Plans. Collects and reports emissions data required by the Criteria and Toxics Reporting (CTR) regulation.
Emission Reduction Credit Bank & SEED	Maintains the registry of stationary and mobile source credit banks, coordinates and assists credit generators and users, identifies new opportunities for credit use, includes the military base and essential public services accounts, and funds incentive programs to reduce emissions.
Planning & Data Analysis	Develops plans to ensure compliance with state and federal clean air acts, prepares the District's annual reports on progress toward achieving state and federal clean air standards, participates in air quality studies to assess the effectiveness of control strategies, and projects future air quality. Continues collaboration with the AB 617 South Sacramento-Florin community to better understand the localized air quality and develop a Community Emission Reduction Plan (CERP).
Rule Development	Develops regulations to achieve emission reductions and fulfill commitments in air quality plans and for expedited Best Available Retrofit Control Technologies (BARCT) under AB 617, performs comparative analyses of District rules with RACT, BARCT, and BACT standards, and develops new control measures and strategies to incorporate into air quality plans.

FY24/25 Key Initiatives**Air Monitoring**

- Continue sampling of criteria pollutants and their precursors in the mobile lab within the AB617 South Sacramento-Florin Community to further understand the air quality impact in underserved areas.
- Ensure air monitoring complies with all state and federal quality assurance and control requirements
- Prepare and submit the 2024 Annual Network Plan which aids in air monitoring transparency and program effectiveness.

Emission Inventory

- Review and update one-third of the area source emission inventories in the District
- Update inventories for all point sources emitting greater than 10 tons of any one pollutant
- Develop more accurate methodologies to estimate emissions from area sources
- Collect and report emission inventory data for sources subject to the CTR regulation

Emission Reduction Credit Bank & SEED

- Maintain the credit registry when credits are sold or used, and evaluate applications for new credits from voluntary emission reduction activities
- Continue to provide SEED loans to area businesses for emission offsets and alternative compliance
- Use revenue from SEED loans to fund emission-reducing strategies, such as replacing high-polluting fireplaces and wood stoves or other incentive programs; bank emission reduction credits from SEED-funded projects; and work to secure additional funding from the state's Cap-and-Trade program revenues

Planning & Data Analysis

- Continue to coordinate meetings and work collaboratively with the AB 617 Air Quality Steering Committee
- Analyze and report to the community the monitoring data from the selected AB 617 community
- Start the development of the CERP for the selected AB 617 community
- Adopt SIP revisions related to the contingency measures element in the State Implementation Plan for the 2008 and 2015 Ozone NAAQS
- Track the Sacramento region's progress in meeting the 2008 Ozone NAAQS
- Develop the redesignation request for the 1979 and 1997 ozone NAAQS

Rule Development

- Adopt contingency measures for the attainment plan for the 2008 and 2015 federal ozone standards
- Adopt rules to expedite the implementation of Best Available Retrofit Control Technology (BARCT) for sources subject to AB 617
- Amend rules to incorporate current EPA SIP requirements
- Develop fee rules as applicable to provide full cost recovery for District programs

Engineering and Compliance Division

Program	Description
Compliance	<p>Compliance is charged with enforcing local, state, and federal air pollution regulations to ensure businesses and residents comply with the laws. Compliance encompasses a wide variety of programs that impact businesses and residents throughout Sacramento County.</p> <p>Asbestos — Regulates commercial construction and land development projects to ensure the safe handling and removal of asbestos in building materials and naturally occurring asbestos.</p> <p>Public Complaints — Investigates public complaints of illegal air pollution.</p> <p>Permitted Inspections — Regularly inspects businesses to verify compliance with permit requirements and air quality regulations.</p> <p>Compliance Education and Outreach – Assists businesses and residents in complying with air quality regulations via advisories, business assistance, workshops, and various outreach materials such as letters, brochures, flyers, webpage updates, eblasts, etc.</p> <p>Annual Reporting – Provides outreach and assistance to permitted sources for annual report submittals. Assist the permitting section to perform quality assurance reviews of submitted data to ensure compliance with local, state, and federal requirements.</p> <p>Burning — Regulates the different types of burning that occur in Sacramento, such as agricultural burning, wood burning (Check Before You Burn), and other outdoor burning.</p> <p>Violation Resolution — Promotes compliance and swift resolution of violations by administering a Mutual Settlement Program that resolves violations in lieu of litigation.</p> <p>State Programs — Partners with the California Air Resources Board to inspect and enforce regulations that apply to many different types of sources such as portable engines and natural gas wells.</p>
Permitting	<p>Permitting ensures compliance with applicable local, state, and federal regulations by reviewing project proposals, granting conditional approvals, and authorizing operation by verifying that the equipment can operate in compliance with all applicable regulations. Permitting staff work with sources to help them understand and comply with complex state and federal regulations.</p> <p>Title V — Title V is the federal permitting program for major sources of air pollution and is implemented by the District's permitting section.</p> <p>AB2588 Toxic "Hot Spots" Program – Maintain program, toxics emissions inventory and ensure that the toxic emissions from facilities are within acceptable levels.</p> <p>Annual Reporting – Set up methodology to determine criteria and toxic emissions from permitted sources, and coordinate with the Compliance section on program requirements. Perform quality assurance reviews of submitted data to ensure compliance with local, state, and federal requirements.</p>

FY24/25 Key Initiatives

- Continue to streamline data collection from our stationary sources by the rollout of our annual reporting program that will report data to the California Air Resources Board Criteria and Toxic Reporting Program, making actual emissions available to the public
- Implement the AiriA software solution that will increase staff efficiency, improve quality control, enhance management processes, and improve the customer experience through a new online portal
- Contribute to the Community Air Protection Program through involvement in the Community Emission Reduction Plan (CERP) development process
- Enhance and improve communication and outreach to our business sector through coordination with business partners and other business-related entities, to improve understanding of regulations and increase compliance rates
- Increase protection for public health by reviewing, providing oversight and enforcement of sources of toxic air pollution, and looking for opportunities to enhance our programs

- Update Division Policies & Procedures to ensure consistency and proper program implementation
- Continue implementation of CARB's GHG Oil and Gas inspection program
- Continue staff development through internal and external training efforts
- Continue work related to the AB2588 Air Toxics "Hot Spots" program
- Review and process permit and Title V permit applications in a timely manner that meets statutory guidelines
- Evaluate programmatic work through the lens of community air protection and the potential for local reductions of emission impacts in disadvantaged communities
- Continue ongoing work related to community air protection like our innovative Supplemental Environmental Projects (SEP) program and our Unidentified Source Inspection Program (USIP)

DIVISION ACCOMPLISHMENTS

The Divisions achieved numerous accomplishments in support of District strategic goals. The following are the highlights:

Administrative Services
Evaluated the near and long-term space needs of the District headquarters in light of the new hybrid work environment and departure of tenants, and launched the project to relocate the headquarters
Secured an additional pooled investment account to prudently manage and invest the increasing volume of incentive funds
Continued District-wide efforts to ensure compliance with the District's records management and compliance policy
Recruited and appointed ten new employees
Replaced the outdated support backup solution with a new system capable of handling larger volumes and providing support for district data
Implemented state-of-the-art firewalls to protect Air Monitoring sites and block cyber threats
Successfully passed the Technology Audit with no issues
Enhanced Microsoft security by adding new controls and features to improve security and risk management capabilities
Met goal of increasing downloads of the Sac Region Air Quality App by 5%
Met goal of increasing the number of Spare The Air regional partners by 100
Distributed quarterly newsletter with a 38% open rate, a 10% higher open rate than the industry average
Informed the public and the media of District programs/achievements, smoke impacts, Spare The Air, mutual settlements, partnerships and grant recipients via the distribution of 9 press releases
Coordinated 30 media interviews (Broadcast and print/Spanish & English)
Redesigned "Scooter's World," the microsite for students and teachers to learn/teach about air pollution through interactive exercises, games and lessons
Managed the development and implementation of a Spare The Air survey to quantify program awareness, participation, and emission reductions
Supported and/or promoted over ten major events that resulted in international, national, state, and/or local media coverage
Transportation and Climate Change
Completed the Priority Climate Action Plan as part of the Federal Inflation Reduction Act award the District received in March of 2023. The Plan was the first seven-county collaboration aimed at reducing climate and other air pollutants from all sectors of our region
Applied for the Climate Pollution Reduction Grant Phase 2 Implementation Funds, under the Federal Inflation Reduction Act. This application was the result of months of regional collaboration by District staff and partner agencies and culminated in the submission of a three-area implementation program focused on infill development, mobility hubs, and carbon farming
Funded about 100 new low-emission and zero-emission vehicles and equipment as part of the Community Air Quality Grant Programs, deploying the latest innovative and transformative technology
Provided funding for 75 additional electric school buses, now totaling 175 EV buses in the Sacramento Region

CC4All teams' partnership with SMUD led to collaboration on six different ride-and-drive events located around the Sacramento County Area and 61 completed EVSE installations in CC4All participant homes

CC4All program continues to help low-income residents of Sacramento County transition to cleaner technology vehicles. Over 750 individual residents of Sacramento County were awarded grant letters and over 500 vehicles were permanently scrapped

CC4All team set a goal to increase dealership participation in the program in April of 2023 by improving the dealer experience. As of March 2024, the program now has 57 participating dealers, and the team continues to get requests monthly from dealers asking to be a part of the program

CC4All program has been awarded an additional \$12 million in funding by the California Air Resources Board. This will allow the program to expand to all zip codes in Sacramento County, increase the maximum grant amount to \$12,000, and offer incentives to go towards the purchase of e-bikes instead of a vehicle

CC4All team will continue to work with local Community-Based Organizations to outreach the program to those residents of Sacramento County that need it most

Collaborated with AB 617 Steering Committee volunteers to develop the 2024 Community Air Quality Grant solicitation for supporting infrastructure and to reduce air pollution from cars, trucks, buses, and other mobile sources in the Sacramento region

Our Community CarShare program continues to explore and expand within the District's disadvantaged communities to include several sites with charging stations and electric vehicles

Monitoring, Planning and Rules

Hosted collaborative steering committee meetings to continue work within the AB 617 community

Deployment and operation of the mobile lab in the South Sacramento-Florin Community sampling for both criteria and non-criteria pollutants

Deployed 200 low-cost sensors to schools and community members and completed the mobile monitoring within the city of Sacramento with a one-time investment from the Sacramento City Council

Continued to sample for toxics and particulate matter in the South Sacramento-Florin AB617 community and north Sacramento Community using funds that were awarded through an EPA toxics grant

Submitted the 2023 Annual Network Plan to EPA which aids in air monitoring transparency and program effectiveness

Maintained the District's NCore, PAMS, SLAMS, and special-purpose monitoring stations

Initiated the Del Paso Manor air monitoring station replacement

Adopted the regional ozone plan for the federal 2015 Ozone NAAQS

Developed and submitted to EPA a request for clean data for the federal 1997 Ozone NAAQS

Updated and submitted to EPA the regional Exceptional Event Mitigation Plan

Performed 65 facility emissions inventory surveys and completed annual criteria pollutant emission inventories for point sources and reported emissions to CARB

Performed 46 surveys of toxic pollutant emissions for sources subject to the Criteria and Toxics Reporting regulation and reported emissions to CARB

Updated four area source emission inventories and submitted them to CARB

Provided three loans of emission reduction credits to Sacramento area businesses and government agencies and renewed 34 loans

Amended Rule 442 – Architectural Coatings to incorporate contingency provisions
Adopted Reasonably Available Control Technology permits for major stationary sources of NOx and submitted to EPA for SIP inclusion
Engineering and Compliance
Issued 184 Authority to Construct permits and 296 Permits to Operate (for FY22/23)
Developed 13 Best Available Control Technology determinations (for FY22/23)
Incorporated AB 2588 reporting into the District's new Annual Reporting program. The District received annual reports for 692 additional permits for the 2022 data reporting year and received reports from 826 companies for the 2023 data reporting year. Screened toxics data for 1,206 diesel engines and 134 gasoline dispensing facilities
Enforced 16 wood-burning curtailment days for the Check Before You Burn (CBYB) program and responded to 179 fireplace, wood stove, and open burn complaints during the 2023 CBYB season
Conducted a total of 3,249 stationary source inspections (2023 calendar year)
Responded to 627 public complaints (2023 calendar year)
Successfully resolved more than 98% of 112 issued violations through the Mutual Settlement Program (2023 calendar year)
Reviewed and processed 677 asbestos notifications, which included 134 demolitions, 333 asbestos abatement projects, and 4 naturally occurring asbestos dust mitigation plans and geologic evaluations (2023 calendar year)
Funded one Supplemental Environmental Project that provided funding to a community organization to help improve air quality and health in local communities for a total of \$50,405.
Issued 117 agricultural burn permits for a total of 6,469 acres and approved 1009 acres of pruning and other wastes under the Ag Burn program to be burned. Made daily burn day determinations, of which 193 were permissive burn days and 172 were no burn (2023 calendar year)
Continued efforts to reduce greenhouse gas and criteria emissions from oil and gas producing sites by enforcing the State Oil and Gas regulation
Associate Air Quality Specialist, Daniel Noakes, was awarded the Rodney A. Swartzendruber Award, which is the annual Inspector of the Year awarded by the California Air Pollution Control Officers Association (CAPCOA). It is to honor top quality inspectors and is typically awarded to only three air quality inspectors out of all 35 air districts every year.
Coordinated with eight other air districts in the Sacramento Valley Basinwide Air Pollution Control Council to develop and host a conference on Agricultural Biomass. The conference brought speakers from around the state from both private and public sectors with over 100 attendees during a two-day event in October 2023.
Continued development of the annual emission reporting structure and integration into the AiriA software solution to collect data from all permitted sources to comply with State Criteria and Toxics Reporting Regulation
Continued development work with a contracted vendor to replace the permitting and compliance and billing databases with a custom-built comprehensive enterprise software solution – AiriA

SECTION 8 - Statistical Information

FINANCIAL STATISTICS

Unless otherwise noted, the statistical information is based on the District's fiscal years (July 1 – June 30).

Balances of Governmental Funds (Modified Accrual)

	2014	2015 (a)	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable	\$ -	\$ 155,110	\$ 171,675	\$ 190,202	\$ 402,380	\$ 152,580	\$ 98,462	\$ 131,192	\$ 136,174	\$ 92,472
Restricted	10,998,388	10,287,274	8,796,696	8,061,391	7,811,623	9,572,931	12,588,465	13,459,160	15,861,714	16,090,972
Assigned	320,000	320,000	320,000	320,000	320,000	2,607,673	1,737,431	3,013,705	1,696,179	2,727,599
Unrestricted	792,734	1,395,878	1,798,521	1,737,137	2,043,980	-	2,298,950	1,059,724	2,709,060	1,984,461
Total General Fund	\$ 12,111,122	\$ 12,158,262	\$ 11,086,892	\$ 10,308,730	\$ 10,577,983	\$ 12,333,184	\$ 16,723,308	\$ 17,663,781	\$ 20,403,127	\$ 20,895,504
Special Revenue Fund (b)										
Restricted	\$ 8,277,548	\$ 9,549,952	\$ 15,185,241	\$ 14,623,422	\$ 22,438,751	\$ 26,130,091	\$ 39,377,251	\$ 55,633,856	\$ 54,960,056	\$ 55,863,979
Total Special Revenue Fund	\$ 8,277,548	\$ 9,549,952	\$ 15,185,241	\$ 14,623,422	\$ 22,438,751	\$ 26,130,091	\$ 39,377,251	\$ 55,633,856	\$ 54,960,056	\$ 55,863,979

Notes: (a) GASB Statement 54 replaced the categories that previously had been used to classify fund balance. This schedule reclassifies non-spendable from restricted per that statement.
 (b) The Special Revenue Fund was previously referred to as the Emission Technology Fund.

Source: Annual Comprehensive Financial Report: Balance Sheet – Governmental Funds

Changes in Fund Balance of Governmental Funds (Modified Accrual)

	2014	2015	2016	2017	2018
REVENUES					
Taxes	\$ 8,334,914	\$ 8,533,576	\$ 8,990,702	\$ 9,141,145	\$ 9,185,904
Intergovernmental	10,507,331	14,342,930	15,445,047	9,232,418	13,718,592
Licenses/Permits	6,741,800	7,416,470	7,646,441	8,001,079	8,395,134
Use of Money/Property	18,965	60,372	(31,188)	226,170	1,004,824
Total Revenue	\$ 25,603,010	\$ 30,353,348	\$ 32,051,002	\$ 26,600,812	\$ 32,304,454
EXPENDITURES					
Current:					
Stationary Sources	\$ 5,741,059	\$ 6,016,226	\$ 6,501,339	\$ 6,799,202	\$ 6,725,548
Mobile Source	11,475,645	14,932,141	11,367,756	11,916,194	8,048,476
Program Coordination	3,832,332	3,943,621	4,571,752	4,734,782	4,384,116
Strategic Planning	3,770,076	3,918,802	4,517,235	4,168,340	4,861,221
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital Outlay	259,652	239,283	529,002	322,275	200,510
Total Expenditures	\$ 25,078,764	\$ 29,050,073	\$ 27,487,084	\$ 27,940,793	\$ 24,219,871
Excess (Deficiency) of Revenue over Expenditures	\$ 524,246	\$ 1,303,275	\$ 4,563,918	\$ (1,339,981)	\$ 8,084,583
OTHER FINANCING SOURCES (USES)					
Gain on sale of capital assets	-	16,270	-	-	-
Net change in fund balances	\$ 524,246	\$ 1,319,545	\$ 4,563,918	\$ (1,339,981)	\$ 8,084,583

Note: For the Fiscal Year Ending 06/30/2019, activity categories were redefined. Therefore, this page includes the six-year period ending 06/30/2018. See the next page for fiscal years subsequent to 06/30/2018.

Source: Annual Comprehensive Financial Report: Changes in Fund Balances – Governmental Funds

Changes in Fund Balance of Governmental Funds (Modified Accrual)

	2019	2020	2021	2022	2023
REVENUES					
Sales Tax	\$ 1,940,485	\$ 1,938,341	\$ 2,264,451	\$ 2,551,772	\$ 2,569,539
Intergovernmental	27,729,654	39,318,096	36,193,700	15,288,362	25,225,851
Fees and Licenses	8,109,883	8,823,399	8,484,401	8,765,312	9,799,466
Use of Money/Property	1,340,691	1,844,719	421,100	106,174	1,848,613
Total Revenue	\$ 39,120,713	\$ 51,924,555	\$47,363,652	\$26,711,620	\$39,443,469
EXPENDITURES					
Current:					
Business Compliance	\$ 6,771,994	\$ 6,579,044	\$ 7,334,384	\$ 7,868,485	\$ 8,220,645
Air Monitoring	3,545,919	3,798,537	3,698,370	3,687,463	4,860,572
Sustainable Land Use	2,347,083	2,383,320	2,571,041	2,226,768	1,959,275
Clean Transportation and Mobility Innovation	18,826,749	18,820,962	14,022,933	8,615,440	20,728,882
Community Health Protection	2,067,758	2,198,364	2,142,385	1,993,961	1,941,602
Debt Service:					
Principal	-	-	-	-	110,879
Interest	-	-	-	-	4,291
Capital Outlay	114,569	507,044	397,461	253,957	221,023
Total Expenditures	\$ 33,674,072	\$ 34,287,271	\$30,166,574	\$24,646,074	\$38,047,169
Net change in fund balances	\$ 5,446,641	\$ 17,637,284	\$17,197,078	\$ 2,065,546	\$ 1,396,300

Note: For Fiscal Year Ending 06/30/2019, activity categories were redefined. Therefore, this page includes the four-year period after 06/30/2018. See the prior page for fiscal years prior to 06/30/2019.

Source: Annual Comprehensive Financial Report: Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

Schedule of General Government Expenditures by Major Object (Budgetary Basis)

Fiscal Year	Salaries & Benefits	Services & Supplies	Equipment/ Capital Assets	Interfund Charges	Total
13-14	\$ 12,472,301	\$ 5,939,276	\$ 180,532	\$ -	\$ 18,592,109
14-15	13,018,613	6,742,313	564,532	-	20,325,458
15-16	13,396,624	7,157,659	798,332	-	21,352,615
16-17	13,898,555	7,327,432	1,747,000	-	22,972,987
17-18	14,969,998	6,493,742	881,800	-	22,345,540
18-19	15,811,786	6,728,496	1,164,200	(1,947,586)	21,756,896
19-20	16,688,251	6,489,409	1,905,500	(2,116,371)	22,966,789
20-21	16,378,640	6,795,570	984,500	(1,721,108)	22,437,602
21-22	16,681,622	7,649,772	1,127,000	(1,332,812)	24,125,582
22-23	17,886,807	8,808,754	601,000	(2,117,830)	25,178,731

Note: The budgeted expenditures represent the adopted budget adjusted for Board approved amendments, if applicable, based on new or modified expenditures.

Source: Approved Budget General Fund 100 – Summary of Revenues, Expenditures and Budgeted Fund Balances

Schedule of General Government Expenditures by Major Object (Actual)

Fiscal Year	Salaries & Benefits	Services & Supplies	Equipment/ Capital Assets	Interfund Charges	Total
13-14	\$ 12,011,320	\$ 4,217,453	\$ 259,652	\$ -	\$ 16,488,425
14-15	12,112,938	4,858,855	239,283	-	17,211,076
15-16	12,959,077	5,584,127	529,002	-	19,072,206
16-17	13,199,676	5,541,055	322,275	-	19,063,006
17-18	13,660,805	5,236,263	200,510	-	19,097,578
18-19	13,619,667	4,836,842	114,569	(1,513,730)	17,057,348
19-20	14,518,535	4,604,776	507,044	(1,249,271)	18,381,084
20-21	14,924,266	4,830,240	394,643	(1,420,507)	18,728,642
21-22	15,231,426	4,710,878	253,957	(1,442,924)	18,753,337
22-23	16,325,362	5,435,115	221,023	(909,730)	21,071,770

Source: Annual Comprehensive Financial Report: Budgetary Schedules at Legal Level of Budgetary Control – General Funds

Schedule of General Government Revenues by Source

Fiscal Year	Taxes (a)	Intergovernmental (a)	Licenses/ Permits	Use of Money & Property	Other	Total
13-14	\$ 6,095,314	\$ 4,082,326	\$ 6,741,800	\$ 9,934	\$ -	\$ 16,929,374
14-15	6,283,412	3,516,824	7,416,470	25,241	-	17,241,947
15-16	6,609,429	3,739,523	7,779,365	5,438	-	18,133,755
16-17	6,764,376	3,437,689	8,001,079	81,700	-	18,284,844
17-18	6,859,462	3,336,946	9,016,456	153,968	-	19,366,832
18-19	1,940,485	8,238,416	8,281,069	257,341	95,238	18,812,549
19-20	1,938,341	11,097,630	8,823,399	853,233	58,605	22,771,208
20-21	2,264,451	8,678,334	8,484,401	195,224	49,530	19,671,940
21-22	2,551,772	9,591,877	8,765,312	540,764	42,958	21,492,683
22-23	2,569,539	8,562,389	9,799,466	608,738	24,015	21,564,147

Notes: Before FY2019, the DMV surcharge was included in the Taxes revenue category. Starting in FY2019, the DMV surcharge is more appropriately classified as Intergovernmental revenue.

Source: Annual Comprehensive Report: Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds (General Fund)

Permit Revenue

Year	Active Permits (a)	Actual Revenue (b)
2014	4,331	4,465,746
2015	4,346	5,059,167
2016	4,344	5,098,778
2017	4,397	5,622,626
2018	4,411	6,393,690
2019	4,461	6,197,766
2020	4,437	7,231,406
2021	4,434	6,977,427
2022	4,446	7,045,970
2023	4,425	7,975,746

Note: (a) Stationary Source Database as of June 30. Active permits are Annual Renewal only.

(b) Annual permit revenue from Annual Report Working Trial Balance for FY 2014-2018. Annual permit revenue from Revenue by Payment Type report from Tyler New World (NW) system for FY2019 forward. NW Report on Receipts by Payment Code Report for the reporting FY with the following status: Posted; Report Detail: Detail; Selected Payment Code(s): RNW (Air Toxics, Permit, Reinspection, Source Test & Title V).

Source: Sacramento Metropolitan Air Quality Management District

Full-Time Equivalent Employees as of June 30

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Classification										
Accountant I/II	-	-	-	-	-	-	-	-	-	-
Administrative Assistant I/II	2.0	2.0	2.0	2.0	-	-	-	-	-	-
Administrative Specialist I/II	-	-	-	-	2.0	2.0	2.0	3.0	3.0	4.0
Administrative Supervisor/Clerk of the Board	-	-	-	-	1.0	1.0	1.0	1.0	1.0	1.0
Air Pollution Control Officer /Executive Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Air Quality Engineer	19.5	19.5	20.5	20.5	20.5	19.5	19.5	15.5	16.5	19.0
Air Quality Engineer/Specialist/Planner	-	-	-	-	-	5.5	5.5	5.0	3.0	3.0
Air Quality Instrument Specialist I/II	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Air Quality Planner/Analyst	10.0	10.0	11.0	11.0	10.0	10.0	10.0	10.0	10.0	10.0
Air Quality Specialist	18.6	18.6	18.6	18.6	19.6	18.6	18.6	18.6	19.6	19.6
Assistant Air Pollution Control Officer	-	-	-	1.0	1.0	-	-	-	-	-
Clerical Services Supervisor	1.0	1.0	1.0	1.0	-	-	-	-	-	-
Communications & Marketing Specialist	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.0	1.0	1.0
Controller	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
District Counsel	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Division Manager	3.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Executive Assistant/Clerk to the Board	1.0	1.0	1.0	1.0	-	-	-	-	-	-
Financial Analyst	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Fiscal Assistant I/II	1.0	1.0	1.0	1.0	1.0	1.0	1.0	-	-	-
Human Resource Assistant I/II	2.0	2.0	2.0	2.0	-	-	-	-	-	-
Human Resource Technician I/II	-	-	-	-	2.0	1.0	1.0	1.0	1.0	1.0
Human Resources Officer	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Information Systems Administrator	1.0	1.0	1.0	-	-	-	-	-	-	-
Information Systems Analyst	2.0	2.0	2.0	2.0	3.0	3.0	3.0	3.0	3.0	3.0
Information Systems Manager	-	-	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Legal Assistant I/II	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Office Assistant I/II	2.0	2.0	2.0	2.0	3.0	3.0	3.0	3.0	3.0	3.0
Program Coordinator	12.0	12.0	12.0	12.0	-	-	-	-	-	-
Program Manager	-	-	-	-	5.0	5.0	5.0	5.0	5.0	5.0
Program Supervisor	5.0	5.0	5.0	5.0	12.0	12.0	12.0	12.0	12.0	12.0
Senior Accountant	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Statistician	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Subtotal Funded Positions	93.0	94.0	96.0	97.0	98.0	99.5	99.5	94.1	94.1	97.6
Administrative/Legal Analyst	1.0	1.0	1.0	1.0	1.0	-	-	-	-	-
Air Quality Engineer	2.0	2.0	1.0	1.0	1.0	1.0	1.0	5.0	4.0	-
Air Quality Engineer/Specialist/Planner	-	-	-	-	-	-	-	0.5	-	-
Air Quality Planner/Analyst	1.0	1.0	-	-	1.0	-	-	-	-	-
Air Quality Specialist	2.0	2.0	2.0	1.0	1.0	1.0	1.0	1.0	2.0	-
Communication & Marketing Specialist	-	-	-	-	-	-	-	1.0	1.0	-
Division Manager	1.0	-	-	-	-	-	-	-	-	-
Human Resource Technician I/II	-	-	-	-	-	1.0	1.0	1.0	1.0	-
Information Systems Analyst	-	-	-	-	-	-	-	-	1.0	-
Office Assistant I/II	1.0	1.0	1.0	1.0	-	-	-	-	-	-
Program Coordinator	1.0	1.0	1.0	-	-	-	-	-	-	-
Program Supervisor	-	-	-	1.0	1.0	-	-	-	-	-
Subtotal Unfunded Positions	9.0	8.0	6.0	5.0	5.0	3.0	3.0	8.5	9.0	-
Total Funded + Unfunded Positions	102.0	102.0	102.0	102.0	103.0	102.5	102.5	102.6	103.1	97.6

Source: Approved/Amended Budget

The Positions by Classification and Positions by Operating Division tables previously included unfunded positions. Beginning with this budget cycle, FY22/23, only funded positions are included in the budget.

SECTION 9 - Appendices

APPENDIX A – FINANCIAL MANAGEMENT POLICIES

PURPOSE

The Financial Management Policies are the tools used to ensure that the District is financially able to meet its immediate and long-term service objectives. The policies contained herein serve as guidelines for both the financial planning and internal financial management of the District, including regulation, supervision, and oversight of the financial and payment systems. These policies safeguard the fiscal stability necessary to achieve the District's goals and have the following objectives:

- Guide the Board of Directors (Board) and management policy decisions that have a significant fiscal impact
- Set forth operating principles that minimize the cost of government and financial risk
- Maintain appropriate financial capacity for present and future needs
- Promote sound financial management by providing accurate and timely information on the District's financial condition
- Provide adequate resources to meet the provisions of the District's debt obligations
- Ensure the legal use of financial resources through an effective system of internal controls

GOVERNING AUTHORITY

The District's financial activities for all funds must be operated in conformance with applicable federal, state, and other legal requirements, including authorizing sections of the California Health and Safety Code, and relevant covenants of any existing debt.

Unless specifically stated in these policies or otherwise authorized by resolution of the Board of Directors, the Board assigns its responsibility for managing and coordinating all financial activities to the District Executive Director/Air Pollution Control Officer and/or their designee (referred to hereafter collectively as APCO). As necessary, the APCO will consult District Counsel, i.e., selecting and managing outside legal counsel (e.g., bond and/or disclosure counsel), providing independent verification of the District's compliance with all applicable laws and regulations, and document preparation and review.

POLICIES

Budget Adoption

The District shall prepare and make available to the public at least 30 days before a public hearing a summary of its budget and any supporting documents, including, but not limited to, a schedule of fees to be imposed by the district to fund its programs per California Health and Safety Code (HSC §40131). The District shall notify each person who was subject to fees imposed by the District in the preceding year of the availability of information. The District shall notice and hold two public hearings at a meeting of the Sacramento Metropolitan Air Quality Management District Board (Board) for the exclusive purpose of reviewing the budget and providing the public with the opportunity to comment upon the proposed District budget.

The Board adopts the District budget on a basis that includes encumbrances and expenditures at the fund level. Expenditure authority is at the fund level. All regular and limited-term positions and capital projects require Board approval, normally through the budget process. The APCO is authorized to modify FTE classifications as necessary to implement reclassifications and studies as authorized by the Board-approved Human Resources policies. All appropriations that remain unspent and unencumbered (unobligated) on June 30, will revert to the available fund balance of the respective funds.

Structurally Balanced Budget

The APCO presents a "balanced" budget to the Board annually, where funding sources (including the use of reserves if applicable) match expenditures. The budget includes revenues and expenditures for the prior year (actual), current year (budget), and upcoming year (approved budget). If a structural imbalance exists in which the Financial Forecast indicates the use of reserves beyond the established minimums, a plan will be developed and implemented to bring the budget back into structural balance.

Budget Amendments

Changes to the budget and service levels during the fiscal year will be minimized. Changes during the fiscal year will generally be limited to technical adjustments, emergency funding, unforeseen circumstances, time-sensitive opportunities or issues, or new grants or awards. Requests for a new program, modification in service levels, staffing, or other increases in expenditures, without associated revenues or reimbursements, must include a proposed spending offset at the time of the request (if costs are known) or justification for the use of reserves. Changes outside of the annual budget process should primarily be considered during a mid-year budget review.

Unexpected revenue shortfalls or other significant issues that may create a budget shortfall during the fiscal year are to be reported to the Board with recommendations by the APCO as to whether a mid-year budget adjustment should be made. Budget amendments are considered and adopted by the Board.

General and Internal Service Funds Reserves

The District shall make every effort to maintain a General Fund Operating Reserve equivalent to a minimum of 120 days, but no less than 60 days, of General Fund expenditures. The District must maintain sufficient unencumbered fund balance to allow for: (1) unforeseen operational or capital needs, (2) cash flow requirements, (3) local disasters, and/or (4) other economic uncertainties or financial hardships. If these reserves are projected to fall below these levels as a result of Board-approved budgets, a plan will be developed and implemented to replenish the funds used. The Special Revenue Fund accounts for various incentive grants that are intended to be fully expended. Therefore, no reserve targets are established for the Special Revenue Fund.

Debt Management

Long-term debt may be used to finance the costs of acquiring or improving land, infrastructure, facilities, or equipment if it is appropriate to spread these costs over more than one budget year. Long-term debt may also be used to fund capitalized interest, costs of issuance, required reserves, and any other financing-related costs that may be legally capitalized. Long-term debt may not be used to fund District operating costs.

Short-term debt may be used as an interim source of funding before the issuance of long-term debt, to address short-term cash-flow requirements during a given fiscal year, or to bridge the gap in financing before long-term debt is issued to meet the ongoing capital needs of a project or series of projects. Short-term debt may not exceed three years.

The District may pursue other financing mechanisms—such as pay-as-you-go financing, inter-fund borrowing, lines of credit, and lease financing—for debt less than three million dollars. Small-equipment lease financing may occur with a demonstrated need (e.g., legal, environmental, cash flow).

Annual payments of principal and interest (debt service payments) on General Fund long-term debt shall not exceed five percent of annual general fund operating revenues. The APCO may obligate the District to long-term debt, such as the purchase of real property, only with sufficient justification and prior Board approval. The APCO may obligate the District to short-term debt and/or other financing mechanisms within the APCO purchasing authority. Short-term debt or other financing mechanisms above the APCO's purchasing authority require Board approval. The APCO is not authorized to "issue" long-term debt.

Investments

The District invests funds in the Local Agency Investment Fund (LAIF) under the California State Treasurer's Office and the California Asset Management Program (CAMP) in accordance with Board resolution. The APCO may research and propose alternative investment strategies, such as community banking, but may only invest funds in those alternatives with prior Board approval.

Per California Government Code §53646(a)(2), the District may annually present to the Board a statement of investment policy for consideration at a public meeting. The Investment Policy of the Pooled Money Investment Account (PMIA) is published by the Office of State Treasurer. The LAIF represents one of three primary sources of funds in the PMIA. Therefore, the PMIA Investment Policy applies to investments made in the LAIF. The CAMP fund is a short-term cash reserve fund that invests in obligations of the United States Government and its agencies, high-quality debt obligations of U.S. Companies and financial institutions, and reports its investment policy in their Program Guide.

Long-Term Financial Planning

Each year, staff performs multi-year (for the next three to five years) forecasts of operating expenditures and revenue, and capital expenditures to promote long-term planning of resources. The forecast will be updated and included in the annual budget process. As part of the budget message, the APCO will advise the Board of potential long-term positive and adverse trends along with his/her analysis of the trends.

Accounting, Auditing, and Financial Reporting

State law requires that a certified public accountant or public accountant annually audit the accounts and records of every special district. The District conforms with accounting principles generally accepted in the United States (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). An Annual Comprehensive Financial Report (Annual Report) will be prepared each fiscal year per GAAP and audited by an independent public accounting firm. Additional financial reporting may include the following:

- Interim Financial Reports: Staff will prepare interim reports for the Budget and Personnel Committee of the Board that analyze and evaluate financial performance, and forward them to the full Board as directed by the Committee
- Mid-year Budget Update: Staff will prepare a Mid-year Budget report to advise the Board if a troubling and/or positive financial situation exists or is anticipated, including an assessment of the impact on the District budget and financial condition

Internal Control and Risk Management

The District is committed to the identification, monitoring, and management of risks associated with its business activities, and will maintain a system of internal control to safeguard its assets against loss, check the accuracy and reliability of its accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies.

The APCO is ultimately responsible to the Board for the District's system of internal controls and risk management. District managers are accountable to the APCO and have established several controls within its management and reporting systems to provide reasonable assurance that control measures are being met, including:

- A clear organizational structure detailing lines of authority and control responsibilities
- Operating and strategic planning processes
- Annual budgeting and periodic reporting systems to monitor progress against financial and operational performance targets
- Guidelines and limits for approval of purchases and capital expenditures
- A Conflict-of-Interest policy and codes of conduct that apply to all employees
- Other internal controls practices, including segregation of duties in accounting functions; account reconciliation and analysis; physical and inventory controls; hiring and termination checklists; security controls to protect against unauthorized access to systems, networks and data; and desk procedures and cross-training

Procurement

The authority to develop and maintain the Procurement Manual, which includes purchasing procedures consistent with the Board-approved Purchasing Policy, along with other procurement procedures, is delegated to the APCO. The APCO may modify the Procurement Manual as needed to reflect administrative updates, changes in regulation or law, and/or to maintain compliance with the Board-approved Purchasing Policy. The Purchasing Policy outlines the protocols and authority to procure materials, supplies, equipment, and services in the District's best interest through diligent action and fair dealing, thus securing the best price within a reasonable time frame to adequately meet the District's needs.

Capital Asset Management

The District shall operate and maintain its physical assets in a manner that protects the public investment and ensures the achievement of their maximum useful life. A capital asset is defined as land, building structures, leasehold improvements, vehicles, equipment, machinery, furnishings, or other property having a value of \$5,000 or more and intended for long-term use. Leases will be accounted for under the guidelines established by the GASB.

Capital expenditures of \$5,000 or more are initially recorded as assets, and are then subject to the following general types of accounting transactions:

- Periodic depreciation (for tangible assets) or amortization (for intangible assets); land is not depreciated
- Impairment write-downs (if the value of an asset declines below its net book value)
- Disposition (once assets are disposed of)

For financial reporting purposes, the District maintains a schedule of capital assets with values of \$5,000 or more and having a useful (depreciable life) of one year or more. All items with an original value of less than \$5,000, or with an estimated useful life of less than one year, are recorded as operating expenditures.

Tangible assets, primarily technology-related, valued at less than \$5,000, are subject to regular monitoring and documentation to ensure accountability and prevent loss or misuse.

The APCO is authorized to dispose of unused District Property and administers the disposition process.

Petty Cash

The District does not operate a Petty Cash fund. Most minor, inexpensive District purchases made during the normal course of operations are performed using a District purchase card. Small purchases made by employees are reimbursed by check or ACH following District purchasing procedures.

Collaborations

The APCO is authorized to approve collaboration requests, i.e., provide funds to other entities when funds are used to further the mission of the District, per the District's Purchasing Policy and within the approved collaboration budget.

User Fees and Charges

The District is empowered to recapture, through fees, up to the full cost of providing specific services. Regular and consistent review of all fees is necessary to ensure that the costs associated with the delivery of individual services have been appropriately identified and that the District is fully recovering those costs. It is the District's policy to set user fees at full cost recovery levels, except where a greater public benefit is demonstrated to the satisfaction of the Board, or when it is not cost-effective to do so. The District will follow established laws and rules in adopting fees, including California Health and Safety Code (HSC §42311), related to Stationary Source Permit Fees. Under this section, the District may adopt a schedule of annual fees for the evaluation, issuance, and renewal of permits to cover the cost of district programs related to permitted stationary sources. The fees assessed for any fiscal year may not exceed the actual costs for District programs for the immediately preceding fiscal year with an adjustment up to the change in the annual California Consumer Price Index (CPI) for the preceding year, as determined according to Section 2212 of the Revenue and Taxation Code. Fee revenues received by the District that exceed the cost of the programs shall be carried over for expenditure in the subsequent fiscal year, and the schedule of fees shall be changed to reflect that carryover.

Memorandum of Understanding (MoU)

The APCO may enter into an MoU with local, state, or federal agencies, non-governmental organizations, or non-profits to further the mission of the District. Acceptance and/or obligation of funds, if applicable, and/or terms and conditions of the MoU must comply with the APCO's contracting authority as outlined within the District's Purchasing Policy.

Grants

District staff will seek out, apply for and effectively administer federal, state, and other grants that address the District's priorities and policy objectives and provide a positive benefit to the District. Before any grant is pursued, staff shall make a good faith effort to prepare a detailed pro forma that addresses the immediate and long-term costs and benefits to the District.

Federal Awards

In the performance of its mission, the District utilizes several funding sources including grants provided by the Federal government. To utilize these funds for the reimbursement of costs, the District and its sub-recipients are required to follow Uniform Guidance in 2 CFR, Part 200, Subpart E - Cost Principles when accounting for expenditures. The District charges costs that are reasonable, allowable, and allocable to an award directly or indirectly. All unallowable costs are appropriately segregated from allowable costs in the general ledger to ensure that unallowable costs are not charged to any awards. The District's sub-recipients are required to follow these same practices.

In addition to the Cost Principles related to allowable costs, the District is responsible for maintaining internal controls regarding the management of Federal program funds, and ensuring that subgrantees are aware of the cash management and requirements in 2 CFR part 200, subpart D. The District will monitor its cash drawdowns and those of its sub-recipients to assure substantial compliance with the standards of timing and amount of advances. Additionally, the District will minimize the amount of time between the drawdown and the expenditure of funds from their bank accounts. Funds must be drawn only to meet a District's immediate cash needs for each grant. Finally, the District will periodically complete a sub-recipient risk assessment to guide oversight efforts.

Acceptance of Non-District Funds

The APCO may accept funds from local, state, or federal agencies, nongovernmental sources, or any other entity as long as the funds will be used to further the mission of the District and, where applicable, the use of the funds complies with any terms, conditions or guidelines imposed by the funding source.

APPENDIX B – DESCRIPTION OF FUNDING SOURCES

Agricultural Burning — Burn permit fees are collected from growers and other agricultural interests to partially fund the District's Agricultural Burn Permit program.

Air Quality Improvement Program Funds — A voluntary incentive program administered by the California Air Resources Board (CARB) to fund clean vehicle and equipment projects, research biofuel production and the air quality impacts of alternative fuels, and workforce training.

Asbestos Plan Check Fees — Fees collected from building owners and contractors undertaking demolitions or renovations subject to regulation under the District's asbestos rules. Fees generate revenues used for the review of abatement plans, site inspections, complaint responses, and enforcement case development.

Assembly Bill 197 Emission Inventory (AB 197) — State funds provided to the District to review facility information and emission data.

CARB Subvention and Enforcement Grant — Grant funds used for Stationary Source program expenditures not offset by permit fees, including Engineering, Compliance/Enforcement, Air Monitoring, Rule Development, and Planning.

City of Sacramento Air Monitoring Program — Funds provided by the City of Sacramento to be used for the deployment of portable air quality monitors, and a one-time air monitoring program that includes street-level mobile air quality monitoring and related outreach, research, and education in underserved communities.

Civil Settlements — Revenues derived from penalties for violations of federal, state, and District regulations. Amounts are determined by the Mutual Settlement Program approved by the Board.

Climate Pollution Reduction Grants (CPRG) Program — Federal funds provided by EPA to design priority climate action plans that incorporate greenhouse gas reduction measures. Phase 2 of the program is a competitive process to apply for funds to implement greenhouse gas reduction measures included in an applicable priority climate action plan.

Community Air Protection Program — Authorized by AB 617 (C. Garcia), funded by the Greenhouse Gas Reduction Fund, and overseen by the California Air Resources Board (CARB), this program conducts stakeholder and community outreach in impacted communities (designated by CARB) to guide the creation and implementation of monitoring plans (CAMP) and community emission reduction plans (CERP).

Community Air Protection Program Incentives — California State grants, funded by the Greenhouse Gas Reduction Fund and overseen by the California Air Resources Board, are appropriated for this program to conduct stakeholder and community outreach in impacted communities designated by the Sac Metro Air District that guides the spending of incentives funds on eligible emission-reducing projects impacting these communities.

Community Air Protection Program Incentives (Enhanced) — Funds received through the authorized sale of salvaged vehicles turned in through the Community Air Protection Incentive program. Revenue from the vehicle sales is reintroduced into the Community Air Protection Program to continue funding vehicles.

Congestion Mitigation and Air Quality Improvement (CMAQ) Grants — Federal funds used to support the Spare The Air program, the State Implementation Plan, and heavy-duty, low-emission vehicle and infrastructure programs through the federal SECAT program.

DMV Surcharge — Per enacting legislation AB4355, revenues are used to implement the Air Quality Improvement Strategy with respect to the reduction in emissions from vehicular sources, including a clean fuels program, motor vehicle use reduction measures, and a public education program. Additional revenues will be provided by AB923 - \$2 surcharge. Revenues are restricted to programs that achieve emission reductions from vehicular sources and off-road engines, replacing old polluting engines with new cleaner engines.

Enhanced Fleet Modernization Program - Green House Gas Reduction Fund — The 2018 California Air Resources Board Climate Investments are used to implement a diverse set of investments while maintaining the transparency of outcomes and ensuring meaningful community benefits from these investments and reflect the increasingly important role of California Climate Investments in facilitating the reduction of greenhouse gases while also reducing air pollution, helping communities adapt to the impacts of climate change, and providing meaningful benefits to disadvantaged communities, low-income communities, and low-income households.

EPA 103 Grant — Revenues are restricted to uses achieving the program objectives of the fine particulate monitoring network and community toxics grant.

EPA 105 Grant — Revenues are restricted to uses achieving the program objectives as submitted to US EPA but may not be used to cover costs associated with Title V permitting. Allowed uses include compliance and enforcement, air monitoring, transportation, land-use programs, and development and maintenance of AIRS data.

Funding Agriculture Replacement for Emission Reductions (FARMER) Program — California State grants, funded by the Greenhouse Gas Reduction Fund, and overseen by the California Air Resources Board, are appropriated for this program to replace old agricultural equipment with cleaner agricultural equipment.

Funding Agriculture Replacement for Emission Reductions (FARMER) - Enhanced Program — Funds received through the authorized sale of salvaged vehicles turned in through the FARMER program. Revenue from the vehicle sales is reintroduced into the FARMER program to continue funding vehicles.

Interest Income — Interest is generated annually from District-invested reserves and the resulting revenue is allocated to the source fund generating the interest.

Lease Property Net Revenues — Revenues resulting from the lease of space in the District-owned building located at 777 12th Street. This revenue includes rents and parking fees and is net of all upkeep and maintenance expenditures of the building and parking area and is used to pay the interest and principal obligations of the bonds and to build a reserve for improvements.

Local Government — Funds provided by local agencies/governments in the form of grants or matching funds such as neighboring air districts' matching funds for CMAQ grants (Spare The Air) and an air monitoring grant from the City of Sacramento.

Measure A — Per enacting legislation ordinance number STA-0002 dated October 6, 1988, one-half of one percent of total Measure A monies collected by the Sacramento Transportation Authority (STA) will be used for mitigation of motor vehicle emissions or evaluation of mitigation measures. The revenues are used to support heavy-duty low-emission vehicle and infrastructure projects, air monitoring, transportation control measure planning, and the Sacramento Transportation and Air Quality Collaborative. The STA placed a measure on the November 2004 ballot to renew the Measure for 30 more years after the original measure expires. Voters overwhelmingly approved the new Measure A, with more than 75 percent of voters in favor of it. The "new" Measure A took effect in April 2009.

Mitigation Fees — Fees paid by land-use project developers to mitigate the construction and/or operational emissions of their project. Revenues are used to secure emission reductions to offset land use development.

Moyer (Carl Moyer Memorial A.Q. Standards Attainment) Program — Funds are available through California Smog Check and new tire purchase fees and are administered through the California Air Resources Board. Revenues are used to provide market-based incentives for the introduction and use of lower-emission technologies for heavy-duty vehicles, off-road vehicles and equipment, and locomotive engines.

Moyer (Enhanced) Program — Funds received through the authorized sale of salvaged vehicles turned in through the Moyer Program. Revenue from the vehicle sales is reintroduced into the Moyer Program to continue funding vehicles.

Naturally Occurring Asbestos (NOA) Fees — Fees are collected from those required to comply with Title 17 of the California Code of Regulations, § 93105 ATCM. Revenues are to be used to recover costs associated with the NOA program, which includes reviewing dust mitigation plans and inspections.

Oil and Gas — Grant received from the California Air Resources Board to fund the District's enforcement activities. The District and CARB have a memorandum of understanding for the District to enforce CARB's Oil and Gas regulation in Sacramento County.

Our Community CarShare Program (CarShare) — Grant funds used to place eight battery electric vehicles at three affordable housing communities and the Sac Valley Train Station. The members of the CarShare Program will include residents of selected communities. These members will have access to the electric CarShare vehicles for zero-emission mobility.

Planning Service Charges — Fees collected from the County of Sacramento and the Cities of Folsom and Sacramento to review planning applications for their impact on air quality.

Port and Freight Infrastructure — Grant funds are used to expand on its current efforts and develop, demonstrate, and test three additional hydrogen-fueled, zero-emissions switcher locomotives to be constructed on a test track in Sierra Northern Railway's West Sacramento rail yard. The project includes the construction of approximately 2,000 feet of ancillary test trackage, the conversion of three locomotives, and the development of refueling infrastructure and protocols.

Portable Equipment Registration Program (PERP) — Fee revenue collected by the California Air Resources Board from owners or operators of portable engines, and certain other types of equipment, to operate their equipment throughout California without having to obtain individual permits from local air districts is passed through to Districts that have equipment registered under CARB's Portable Equipment Registration Program.

Power Plant Fees — Hourly rate fees paid by power plant project proponents for District staff to determine the legitimacy/accuracy of Emission Reduction Credits (ERCs) proposed for use to offset new plant emissions, and to process Authority to Construct and Permit to Operate documents.

Prescribed Burn Reporting and Monitoring Support — The program provides resources to enhance the District's smoke management program by increasing regulation, outreach, and reporting of prescribed fires in Sacramento County.

Proposition 1B (GMERP/LESBP) — Proposition 1B, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, authorized the Legislature to appropriate \$1 billion in bond funding to the California Air Resources Board to reduce emissions from freight movement in California and \$200 million for school bus retrofit and replacement to reduce air pollution and to reduce children's exposure to diesel exhaust. Examples for the goods movement program include the replacement and/or retrofit of trucks moving goods and locomotives (non-passenger) within the Sacramento, San Joaquin, and Bay Area regions.

Proposition 1B (Enhanced) Program — Funds received through the authorized sale of salvaged vehicles turned in through the Proposition 1B Program. Revenue from the vehicle sales is reintroduced into the Proposition 1B Program to continue funding vehicles.

Sacramento Emergency Clean Air & Transportation (SECAT) Program — The program replaces on-road heavy-duty diesel vehicles with cleaner emission vehicles. The goal of the SECAT program is to reduce the harmful surplus emissions from on-road heavy-duty vehicles operating in the Sacramento Federal Nonattainment Area (SFNA).

Sacramento Emergency Clean Air & Transportation (SECAT) Enhanced Program — Funds received through the authorized sale of salvaged trucks turned in through the SECAT program. Revenue from the truck sales is used to fund the Sacramento Region Air Quality and Infill Streamlining Program (ISP), which is an innovative program that provides cities and counties in the Sacramento Region with technical assistance to address key infill barriers.

SB1 Building Handbook and CalEEMod — Funded by a grant from the California Department of Transportation, this project focuses on updating the California Emissions Estimator Model (CalEEMod), as well as the Quantifying GHG Mitigation Measures Handbook. These tools are used by local governments across California to quantify and reduce GHG and criteria air pollutants from new land use development, as well as to assist with climate action planning and other activities. The updates include updated data and methodologies as well as new measures to address GHG mitigation, climate adaptation, equity, and health.

Solutions for the Environment and Economic Development (SEED) Program — Revenue generated from the lease of Emission Reduction Credits (ERCs) under Rule 205 – Community Bank and Priority Reserve Bank. ERCs resulting from SEED-funded programs are deposited in the Community Bank. Fees are charged to cover various expenditures:

Initial Fees — Process initial ERCs.

Loan Fees — Meet Rule 205 mandates, which require, via a Request for Proposals, additional emission reductions to be secured.

Renewal Fees — Process ERC renewals, oversee ERC contracts and operate SEED. revenue disbursement process.

Source Test — Fees collected from any source required to conduct emission testing to demonstrate continued compliance with rules and or permit requirements.

State Toxics Emission Fees — Fees collected through Rule 306 – Air Toxic Fees are paid by facilities identified as having the potential to pose a health risk to the community, either as individual stationary sources or collectively as an industry. These sources are subject to the requirements of AB2588, the Air Toxics "Hot Spots" program for sources of toxic air pollutants. Fees are collected by the District on behalf of CARB and are to be used to help cover costs incurred by the District and the state in administering and enforcing the program.

Stationary Source Initial Fees — Fees paid by permit holders based on a defined fee schedule to cover expenditures to process Authorities to Construct and Permits to Operate. Fees may also cover the costs of other programs, such as rule development, emission inventory development, and air monitoring.

Stationary Source Permit Renewal Fees — Permit renewal fees consist of two parts; one is based on the type and size of the equipment and the other is based on the number of tons of pollutants emitted. Renewal fee revenues are used to support the stationary sources program, including the annual review of permits, the inspection of permitted and unpermitted sources, responding to complaints, general surveillance, etc. Fees also cover other related programs such as rule development, emission inventory development, and air monitoring.

Stationary Source Re-inspection Fees — Initial and renewal fees are based on the assumption of one annual inspection, and as such, an hourly rate fee is collected for any equipment/site requiring additional inspections, whether for non-compliance issues and/or additional source tests, etc.

Targeted Airshed Grants (TAG) — Federal EPA grants under the Non-Attainment Area Community Airshed Grant program to fund projects in neighboring air Districts to reduce particulate matter emissions within our non-attainment region. The District is the recipient of the grant funds and distributes funds to the sub-recipients.

Title V Fees — Local permit fees paid by Title V sources to cover the cost of developing Authorities to Construct and Permits to Operate. Additional fees may be charged to the large sources to cover expenditures for review and analysis associated with the complicated Title V permitting process.

Toxics Mobile Grant — This grant is awarded as part of the Environmental Protection Agency's (EPA) Community-Scale Air Toxics Ambient Monitoring Program to quantify mobile source air toxics in two environmental justice communities in Sacramento. Outcomes from the results will help determine the overall risk from mobile toxics in the communities and will provide recommendations on how to improve methodologies to develop community-scale emission inventories.

Variances — Fees collected when permitted sources apply for variances from District rules. Revenues cover the costs of Hearing Board meetings.

APPENDIX C – GLOSSARY

Account — A record in the budget that is used to collect and describe the type of financial transaction.

Accrual Basis — Revenue and expenditures are recorded in the period earned or incurred regardless of whether cash is received or disbursed in that period.

Actual — The real financial transaction that occurred, for example, the actual amount received and the actual amount spent.

Amended Budget — Authorized adjustments made to the Approved Budget within the same fiscal year.

Audit — An official inspection of an organization's accounts, typically by an independent body.

Balanced Budget — The amount of budgeted expenditures is equal to the amount of budgeted revenue sources (including fund balance reserves).

Bond Premium — Amount of bond proceeds above the face value of the bond.

Budget — A financial plan for a defined period, usually a year that summarizes planned expenses, revenues, and resources.

Capital Expenses/Expenditures — Property of any kind, tangible or intangible, with a cost equal to or greater than \$5,000 and that has an initial useful life extending beyond a single reporting period (fiscal year), e.g., land, buildings, vehicles, and machinery.

Certificate of Participation (COP) — An alternative to municipal bonds in which an investor buys a share in the improvements or infrastructure the government entity intends to fund.

Cognizant Agency — A federal agency that, on behalf of all Federal agencies, is responsible for establishing final indirect cost rates.

Annual Comprehensive Financial Report (Annual Report) — Provides a thorough and detailed audit report of the District's financial condition.

Consumer Price Index (CPI) — A measure of the average change over time in the prices paid by urban consumers for a fixed market basket of goods and services used as a basis for adjusting fees; the CPI value for fee adjustments is obtained through the California Division of Labor Statistics and Research, All Urban Consumers.

Debt Service — The amount of money required in a given period to pay the principal and interest on debt (borrowed money), generally according to a predetermined payment schedule.

Division — Term used to define the different areas of operation within the District.

Employee Services — The personnel costs of the District, including salaries, wages, and benefits, such as health insurance, social security costs, retirement contributions, workers' compensation, unemployment insurance, etc.

Expenditure — The actual spending of funds authorized by an appropriation and generally divided into various categories such as employee services, services and supplies, debt service, and capital improvements.

Federal Fiscal Year (FFY) — A period designated by the Federal government signifying the beginning and ending period for recording financial transactions. The Federal Fiscal Year is from October 1 through September 30.

Fiscal Year (FY) — A period designated by the District signifying the beginning and ending period for recording financial transactions. The District has a fiscal year from July 1 through June 30.

Full-Time Equivalent (FTE) — A unit indicating the workload of a position to distinguish workloads comparable to a full-time position (i.e., an FTE of 1.0 means that the position is equivalent to a full-time workload, while an FTE of 0.50 signals that the position is only half-time).

Fund — A group of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. Each fund has its own budget and tracks revenues and expenditures separately.

Fund Balance — The net worth of a fund, measured by total assets minus total liabilities. A projected ending fund balance for a period is the total value remaining after current requirements (expenditures for operations and capital improvements) are subtracted from the sum of the beginning fund balance and current resources. Fund balance can be complicated by the fact that part of the fund balance may be reserved, or restricted, for specific purposes. Fund balance may be used to balance the budget when new revenues are insufficient to fund budgeted expenditures.

General Fund (100) — The District's principal operating fund, supported by federal grants, California State funds, and permit fees, and funds ongoing program costs, such as employee services, equipment, and capital expenses.

Government Finance Officers Association (GFOA) — An organization that enhances and promotes the professional management of governments for the public benefit by identifying and developing financial policies and best practices and promoting their use through education, training, facilitation of member networking, and leadership.

Governmental Fund — A grouping used in accounting for government activities that are not business-like activities. For the District, this includes the General Fund and the Special Revenue Fund.

Grant — Contributions of cash or other assets provided by external agencies, which are restricted to a specific purpose, have a time limit for use, and frequently are reimbursed after incurring eligible costs.

Indirect Cost — A cost that is not readily identified to the specific good or service, such as administration. For many of the District's programs, the percentage of indirect cost allowed is set by the EPA as a cognizant agency.

Modified Accrual — A combination of cash basis and full accrual basis accounting used for governmental funds. Revenues are recognized when they are both measurable and available, and expenditures are recorded on a full accrual basis, as they are measurable when incurred.

Nitrogen Oxides (NOx) — Highly reactive gas that forms quickly from emissions from cars, trucks and buses, power plants, and off-road equipment.

Ozone — A gas that occurs both in the Earth's upper atmosphere and at ground level. Ozone can be "good" or "bad" for people's health and the environment, depending on its location in the atmosphere.

Program Distribution — EPA Grants — Amounts paid to an Environment Protection Agency grant sub-recipient under the grant contractual requirements.

Proprietary Fund (400) — Accounts for the District's business-like activities and currently reflects the financial activities of the District's administrative facility, the Covell Building. Also known as an Internal Service Fund.

Special Revenue Fund (500) — Records the proceeds from certain revenue sources that have expenditure restrictions and provides an extra level of accountability and transparency to the revenue source that the funds will go towards its intended purpose.

Structural Deficit — Occurs when expenditures exceed revenues — a fundamental imbalance in government receipts and expenditures — not generally a result of one-time or short-term factors.

Resolution — A formal declaration, usually after voting, by an organization (District's Board of Directors).

Revenues — Income received from various sources including charges for fees and services, intergovernmental, interest, grants, and other miscellaneous categories.

Services and Supplies — Costs of contractual or outside services, supplies, rent, utilities, equipment, etc.

Transfers — Financial resources are moved from one account/fund to another account/fund.

Types of Funds — Restricted funds are restricted by legal or contractual requirements to a specific area. Unrestricted funds are not restricted by legal or contractual requirements and may be used in multiple areas. Assigned funds are intended for a specific purpose but do not meet the criteria to be classified as restricted. Non-spendable fund balance reflects assets not in spendable form, either because they will never convert to cash (e.g., prepaid items) or must remain intact under legal or contractual requirements. Unassigned funds are spendable funds in the District's General Fund not included in the other fund classifications.

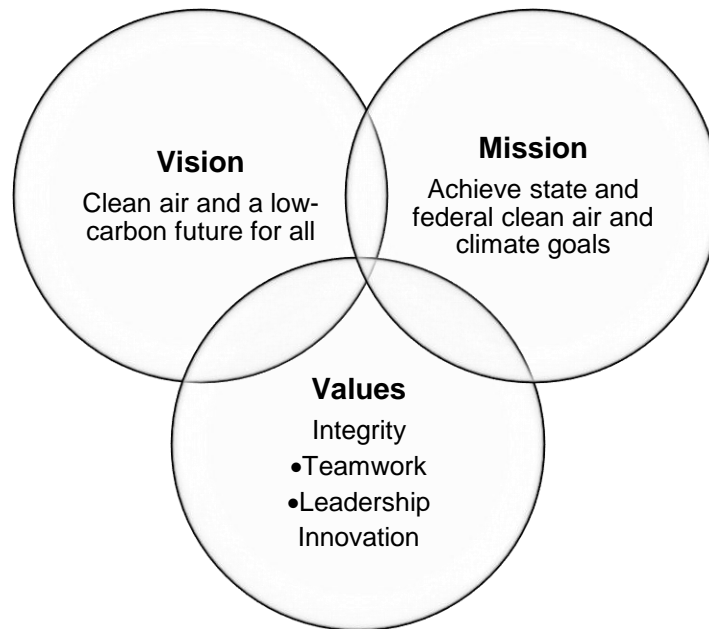
Variance — The difference between the budgeted or baseline amount of expense or revenue, and the actual amount.

Volatile Organic Compounds (VOC) — Gases emitted from certain solids or liquids.

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VISION = SOME DAY

MISSION = EVERY DAY



Sac Metro Air District working hard for your health

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SACRAMENTO METROPOLITAN



Proposed Fees for FY2024/25 Effective July 01, 2024
CPI Adjustment of 4.17%

FeeID	Fee Category	Authority (Rule)	Fee Name	FY 24/25 Proposed Fee
1	Equipment - ATC	301	Schedule 1 (Electric Motor), Level 1 (<5 HP) - ATC	\$ 602.10
2	Equipment - PTO	301	Schedule 1 (Electric Motor), Level 1 (<5 HP) - PTO	602.10
3	Equipment - Renewal	301	Schedule 1 (Electric Motor), Level 1 (<5 HP) - Renewal	602.10
4	Equipment - Change of Ownership	301	Schedule 1 (Electric Motor), Level 1 (<5 HP) - Change of Ownership	602.10
5	Equipment - ATC	301	Schedule 1 (Electric Motor), Level 2 (5 - <50 HP) - ATC	1,206.28
6	Equipment - PTO	301	Schedule 1 (Electric Motor), Level 2 (5 - <50 HP) - PTO	1,206.28
7	Equipment - Renewal	301	Schedule 1 (Electric Motor), Level 2 (5 - <50 HP) - Renewal	1,206.28
8	Equipment - Change of Ownership	301	Schedule 1 (Electric Motor), Level 2 (5 - <50 HP) - Change of Ownership	1,206.28
9	Equipment - ATC	301	Schedule 1 (Electric Motor), Level 3 (50 - <200 HP) - ATC	2,416.74
10	Equipment - PTO	301	Schedule 1 (Electric Motor), Level 3 (50 - <200 HP) - PTO	2,416.74
11	Equipment - Renewal	301	Schedule 1 (Electric Motor), Level 3 (50 - <200 HP) - Renewal	2,416.74
12	Equipment - Change of Ownership	301	Schedule 1 (Electric Motor), Level 3 (50 - <200 HP) - Change of Ownership	2,416.74
13	Equipment - ATC	301	Schedule 1 (Electric Motor), Level 4 (>200 HP) - ATC	4,835.57
14	Equipment - PTO	301	Schedule 1 (Electric Motor), Level 4 (>200 HP) - PTO	4,835.57
15	Equipment - Renewal	301	Schedule 1 (Electric Motor), Level 4 (>200 HP) - Renewal	4,835.57
16	Equipment - Change of Ownership	301	Schedule 1 (Electric Motor), Level 4 (>200 HP) - Change of Ownership	4,835.57
17	Equipment - ATC	301	Schedule 2 (Fuel Burning), Level 1 (<1 MMBtu/hr) - ATC	298.96
18	Equipment - Renewal	301	Schedule 2 (Fuel Burning), Level 1 (<1 MMBtu/hr) - Renewal	298.96
19	Equipment - PTO	301	Schedule 2 (Fuel Burning), Level 1 (<1 MMBtu/hr) - PTO	298.96
20	Equipment - Change of Ownership	301	Schedule 2 (Fuel Burning), Level 1 (<1 MMBtu/hr) - Change of Ownership	298.96
21	Equipment - ATC	301	Schedule 2 (Fuel Burning), Level 2 (1 - <10 MMBtu/hr) - ATC	602.10
22	Equipment - Renewal	301	Schedule 2 (Fuel Burning), Level 2 (1 - <10 MMBtu/hr) - Renewal	602.10
23	Equipment - PTO	301	Schedule 2 (Fuel Burning), Level 2 (1 - <10 MMBtu/hr) - PTO	602.10
24	Equipment - Change of Ownership	301	Schedule 2 (Fuel Burning), Level 2 (1 - <10 MMBtu/hr) - Change of Ownership	602.10
25	Equipment - ATC	301	Schedule 2 (Fuel Burning), Level 3 (10 - <50 MMBtu/hr) - ATC	1,206.28
26	Equipment - Renewal	301	Schedule 2 (Fuel Burning), Level 3 (10 - <50 MMBtu/hr) - Renewal	1,206.28
27	Equipment - PTO	301	Schedule 2 (Fuel Burning), Level 3 (10 - <50 MMBtu/hr) - PTO	1,206.28
28	Equipment - Change of Ownership	301	Schedule 2 (Fuel Burning), Level 3 (10 - <50 MMBtu/hr) - Change of Ownership	1,206.28
29	Equipment - ATC	301	Schedule 2 (Fuel Burning), Level 4 (50 - <100 MMBtu/hr) - ATC	2,416.74
30	Equipment - Renewal	301	Schedule 2 (Fuel Burning), Level 4 (50 - <100 MMBtu/hr) - Renewal	2,416.74
31	Equipment - PTO	301	Schedule 2 (Fuel Burning), Level 4 (50 - <100 MMBtu/hr) - PTO	2,416.74
32	Equipment - Change of Ownership	301	Schedule 2 (Fuel Burning), Level 4 (50 - <100 MMBtu/hr) - Change of Ownership	2,416.74
33	Equipment - ATC	301	Schedule 2 (Fuel Burning), Level 5 (>100 MMBtu/hr) - ATC	4,835.57
34	Equipment - Renewal	301	Schedule 2 (Fuel Burning), Level 5 (>100 MMBtu/hr) - Renewal	4,835.57
35	Equipment - PTO	301	Schedule 2 (Fuel Burning), Level 5 (>100 MMBtu/hr) - PTO	4,835.57
36	Equipment - Change of Ownership	301	Schedule 2 (Fuel Burning), Level 5 (>100 MMBtu/hr) - Change of Ownership	4,835.57
37	Equipment - ATC	301	Schedule 3 (Electrical Energy), Level 1 (<150 KVA) - ATC	1,581.30
38	Equipment - Renewal	301	Schedule 3 (Electrical Energy), Level 1 (<150 KVA) - Renewal	1,581.30
39	Equipment - PTO	301	Schedule 3 (Electrical Energy), Level 1 (<150 KVA) - PTO	1,581.30
40	Equipment - Change of Ownership	301	Schedule 3 (Electrical Energy), Level 1 (<150 KVA) - Change of Ownership	1,581.30
41	Equipment - ATC	301	Schedule 3 (Electrical Energy), Level 2 (>=150 KVA) - ATC	4,835.57
42	Equipment - Renewal	301	Schedule 3 (Electrical Energy), Level 2 (>=150 KVA) - Renewal	4,835.57
43	Equipment - PTO	301	Schedule 3 (Electrical Energy), Level 2 (>=150 KVA) - PTO	4,835.57
44	Equipment - Change of Ownership	301	Schedule 3 (Electrical Energy), Level 2 (>=150 KVA) - Change of Ownership	4,835.57
45	Equipment - ATC	301	Schedule 4 (Incinerator), Level 1 (<10 Sq Ft) - ATC	1,206.28
46	Equipment - Renewal	301	Schedule 4 (Incinerator), Level 1 (<10 Sq Ft) - Renewal	1,206.28
47	Equipment - PTO	301	Schedule 4 (Incinerator), Level 1 (<10 Sq Ft) - PTO	1,206.28
48	Equipment - Change of Ownership	301	Schedule 4 (Incinerator), Level 1 (<10 Sq Ft) - Change of Ownership	1,206.28
49	Equipment - ATC	301	Schedule 4 (Incinerator), Level 2 (10 - <40 Sq Ft) - ATC	3,638.65
50	Equipment - Renewal	301	Schedule 4 (Incinerator), Level 2 (10 - <40 Sq Ft) - Renewal	3,638.65

Proposed Fees for FY2024/25 Effective July 01, 2024
CPI Adjustment of 4.17%

FeeID	Fee Category	Authority (Rule)	Fee Name	FY 24/25 Proposed Fee
51	Equipment - PTO	301	Schedule 4 (Incinerator), Level 2 (10 - <40 Sq Ft) - PTO	3,638.65
52	Equipment - Change of Ownership	301	Schedule 4 (Incinerator), Level 2 (10 - <40 Sq Ft) - Change of Ownership	3,638.65
53	Equipment - ATC	301	Schedule 4 (Incinerator), Level 3 (40 - <100 Sq Ft) - ATC	4,835.57
54	Equipment - Renewal	301	Schedule 4 (Incinerator), Level 3 (40 - <100 Sq Ft) - Renewal	4,835.57
55	Equipment - PTO	301	Schedule 4 (Incinerator), Level 3 (40 - <100 Sq Ft) - PTO	4,835.57
56	Equipment - Change of Ownership	301	Schedule 4 (Incinerator), Level 3 (40 - <100 Sq Ft) - Change of Ownership	4,835.57
57	Equipment - ATC	301	Schedule 4 (Incinerator), Level 4 (>100 Sq Ft) - ATC	6,063.73
58	Equipment - Renewal	301	Schedule 4 (Incinerator), Level 4 (>100 Sq Ft) - Renewal	6,063.73
59	Equipment - PTO	301	Schedule 4 (Incinerator), Level 4 (>100 Sq Ft) - PTO	6,063.73
60	Equipment - Change of Ownership	301	Schedule 4 (Incinerator), Level 4 (>100 Sq Ft) - Change of Ownership	6,063.73
61	Equipment - ATC	301	Schedule 5 (Storage Container), Level 1 (<40K Gallons) - ATC	1,206.28
62	Equipment - Renewal	301	Schedule 5 (Storage Container), Level 1 (<40K Gallons) - Renewal	1,206.28
63	Equipment - PTO	301	Schedule 5 (Storage Container), Level 1 (<40K Gallons) - PTO	1,206.28
64	Equipment - Change of Ownership	301	Schedule 5 (Storage Container), Level 1 (<40K Gallons) - Change of Ownership	1,206.28
65	Equipment - ATC	301	Schedule 5 (Storage Container), Level 2 (40K - <400K Gallons) - ATC	4,835.57
66	Equipment - Renewal	301	Schedule 5 (Storage Container), Level 2 (40K - <400K Gallons) - Renewal	4,835.57
67	Equipment - PTO	301	Schedule 5 (Storage Container), Level 2 (40K - <400K Gallons) - PTO	4,835.57
68	Equipment - Change of Ownership	301	Schedule 5 (Storage Container), Level 2 (40K - <400K Gallons) - Change of Ownership	4,835.57
69	Equipment - ATC	301	Schedule 5 (Storage Container), Level 3 (>400K Gallons) - ATC	9,674.26
70	Equipment - Renewal	301	Schedule 5 (Storage Container), Level 3 (>400K Gallons) - Renewal	9,674.26
71	Equipment - PTO	301	Schedule 5 (Storage Container), Level 3 (>400K Gallons) - PTO	9,674.26
72	Equipment - Change of Ownership	301	Schedule 5 (Storage Container), Level 3 (>400K Gallons) - Change of Ownership	9,674.26
73	Equipment - Renewal	301	Schedule 6.A (Gasoline Dispensing), Level 1 (Phase II Exempt) - Renewal	580.22
74	Equipment - Change of Ownership	301	Schedule 6.A (Gasoline Dispensing), Level 1 (Phase II Exempt) - Change of Ownership	580.22
75	Equipment - ATC	301	Schedule 6.A (Gasoline Dispensing), Level 2 (<8 Nozzles - Minimum Fee) - ATC	1,132.32
76	Equipment - PTO	301	Schedule 6.A (Gasoline Dispensing), Level 2 (<8 Nozzles - Minimum Fee) - PTO	1,132.32
77	Equipment - Renewal	301	Schedule 6.A (Gasoline Dispensing), Level 2 (<8 Nozzles - Minimum Fee) - Renewal	1,132.32
78	Equipment - Change of Ownership	301	Schedule 6.A (Gasoline Dispensing), Level 2 (<8 Nozzles - Minimum Fee) - Change of Ownership	1,132.32
79	Equipment - ATC	301	Schedule 6.A (Gasoline Dispensing), Level 3 (>=8 Nozzles - Per Nozzle Fee) - ATC	158.33
80	Equipment - PTO	301	Schedule 6.A (Gasoline Dispensing), Level 3 (>=8 Nozzles - Per Nozzle Fee) - PTO	158.33
81	Equipment - Renewal	301	Schedule 6.A (Gasoline Dispensing), Level 3 (>=8 Nozzles - Per Nozzle Fee) - Renewal	158.33
82	Equipment - Change of Ownership	301	Schedule 6.A (Gasoline Dispensing), Level 3 (>=8 Nozzles - Per Nozzle Fee) - Change of Ownership	158.33
83	Equipment - Renewal	301	Schedule 6.B (Gasoline Dispensing Tank) - Phase I only - Renewal	132.29
84	Equipment - Renewal	301	Schedule 6.B (Gasoline Dispensing Tank) - Underground tanks - Renewal	402.09
85	Equipment - Renewal	301	Schedule 6.B (Gasoline Dispensing Tank) - Aboveground tanks - Renewal	198.96
86	Equipment - ATC	301	Schedule 7 (IC Engines), Level 1 (<50 HP) - ATC	298.96
87	Equipment - PTO	301	Schedule 7 (IC Engines), Level 1 (<50 HP) - PTO	298.96
88	Equipment - Renewal	301	Schedule 7 (IC Engines), Level 1 (<50 HP) - Renewal	298.96
89	Equipment - Change of Ownership	301	Schedule 7 (IC Engines), Level 1 (<50 HP) - Change of Ownership	298.96
90	Equipment - ATC	301	Schedule 7 (IC Engines), Level 2 (50 - <250 HP) - ATC	602.10
91	Equipment - PTO	301	Schedule 7 (IC Engines), Level 2 (50 - <250 HP) - PTO	602.10
92	Equipment - Renewal	301	Schedule 7 (IC Engines), Level 2 (50 - <250 HP) - Renewal	602.10
93	Equipment - Change of Ownership	301	Schedule 7 (IC Engines), Level 2 (50 - <250 HP) - Change of Ownership	602.10
94	Equipment - ATC	301	Schedule 7 (IC Engines), Level 3 (250 - <500 HP) - ATC	1,206.28
95	Equipment - PTO	301	Schedule 7 (IC Engines), Level 3 (250 - <500 HP) - PTO	1,206.28
96	Equipment - Renewal	301	Schedule 7 (IC Engines), Level 3 (250 - <500 HP) - Renewal	1,206.28
97	Equipment - Change of Ownership	301	Schedule 7 (IC Engines), Level 3 (250 - <500 HP) - Change of Ownership	1,206.28
98	Equipment - ATC	301	Schedule 7 (IC Engines), Level 4 (500 - <1000 HP) - ATC	2,416.74
99	Equipment - PTO	301	Schedule 7 (IC Engines), Level 4 (500 - <1000 HP) - PTO	2,416.74
100	Equipment - Renewal	301	Schedule 7 (IC Engines), Level 4 (500 - <1000 HP) - Renewal	2,416.74

Proposed Fees for FY2024/25 Effective July 01, 2024
CPI Adjustment of 4.17%

FeeID	Fee Category	Authority (Rule)	Fee Name	FY 24/25 Proposed Fee
101	Equipment - Change of Ownership	301	Schedule 7 (IC Engines), Level 4 (500 - <1000 HP) - Change of Ownership	2,416.74
102	Equipment - ATC	301	Schedule 7 (IC Engines), Level 5 (>1000 HP) - ATC	4,835.57
103	Equipment - PTO	301	Schedule 7 (IC Engines), Level 5 (>1000 HP) - PTO	4,835.57
104	Equipment - Renewal	301	Schedule 7 (IC Engines), Level 5 (>1000 HP) - Renewal	4,835.57
105	Equipment - Change of Ownership	301	Schedule 7 (IC Engines), Level 5 (>1000 HP) - Change of Ownership	4,835.57
106	Equipment - ATC	301	Schedule 9 (Misc) - ATC	1,206.28
107	Equipment - PTO	301	Schedule 9 (Misc) - PTO	1,206.28
108	Equipment - Renewal	301	Schedule 9 (Misc) - Renewal	1,206.28
109	Equipment - Change of Ownership	301	Schedule 9 (Misc) - Change of Ownership	1,206.28
110	Equipment	301	Schedule 10 (Time and Materials Labor Rate)	264.59
111	Equipment	301	Schedule 11 (Time and Material Labor Rate), Electrical Generating Equipment Greater than 5 MW (Schedule 8)	264.59
112	Equipment	301	Schedule 11 (Time and Material Labor Rate), Emission Reduction Credit Banking Fee	264.59
113	Equipment	301	Schedule 11 (Time and Material Labor Rate), Reinspection Fee	264.59
114	Time & Material	301	Schedule 11 (Time and Material Labor Rate), Reinspection Fee - Renewal	264.59
115	Initial Permit	301	Permit Alternative Compliance Fee (hourly rate)	236.46
116	Initial Permit	301	Permit Source Test Observation and Evaluation Report (first 10 hours)	2,416.74
117	Initial Permit	301	Permit Source Test Observation and Evaluation Report (additional time, per hour)	264.59
118	Initial Permit	301	Public Notification Fee (Hourly Labor Rate)	264.59
119	Equipment - ATC	301	Permit Revisions of Conditions with No Increase	1,206.28
120	Initial Permit	301	Duplicate Permits	34.37
121	Initial Permit	301	Permit Change of Name (first permit)	111.46
122	Initial Permit	301	Permit Change of Name (for each additional permit)	46.87
123	Emission Fee	301	Renewal Emission Fee Schedule 6, per ton of CO	106.25
124	Emission Fee	301	Renewal Emission Fee Schedule 6, per ton of NOx	106.25
125	Emission Fee	301	Renewal Emission Fee Schedule 6, per ton of ROg	106.25
126	Emission Fee	301	Renewal Emission Fee Schedule 6, per ton of SOx	106.25
127	Emission Fee	301	Renewal Emission Fee Schedule 6, per ton of TSP	106.25
128	Emission Fee	301	Renewal Emission Fee All Other, per ton of CO	108.33
129	Emission Fee	301	Renewal Emission Fee All Other, per ton of NOx	108.33
130	Emission Fee	301	Renewal Emission Fee All Other, per ton of ROg	108.33
131	Emission Fee	301	Renewal Emission Fee All Other, per ton of SOx	108.33
132	Emission Fee	301	Renewal Emission Fee All Other, per ton of TSP	108.33
133	Emission Fee - Change of Ownership	301	Renewal Emission Fee Schedule 6, per ton of CO - Change of Ownership	106.25
134	Emission Fee - Change of Ownership	301	Renewal Emission Fee Schedule 6, per ton of NOx - Change of Ownership	106.25
135	Emission Fee - Change of Ownership	301	Renewal Emission Fee Schedule 6, per ton of ROg - Change of Ownership	106.25
136	Emission Fee - Change of Ownership	301	Renewal Emission Fee Schedule 6, per ton of SOx - Change of Ownership	106.25
137	Emission Fee - Change of Ownership	301	Renewal Emission Fee Schedule 6, per ton of TSP - Change of Ownership	106.25
138	Emission Fee - Change of Ownership	301	Renewal Emission Fee All Other, per ton of CO - Change of Ownership	108.33
139	Emission Fee - Change of Ownership	301	Renewal Emission Fee All Other, per ton of NOx - Change of Ownership	108.33
140	Emission Fee - Change of Ownership	301	Renewal Emission Fee All Other, per ton of ROg - Change of Ownership	108.33
141	Emission Fee - Change of Ownership	301	Renewal Emission Fee All Other, per ton of SOx - Change of Ownership	108.33
142	Emission Fee - Change of Ownership	301	Renewal Emission Fee All Other, per ton of TSP - Change of Ownership	108.33
143	Title V	301	Application filing fee (per application)	1,843.80
144	Title V	301	Initial Title V operating permit (per Permit to Operate)	1,786.51
145	Title V	301	Title V operating permit renewal (per Permit to Operate)	777.10
146	Permit Annual Renewal	301	Annual Title V Fee (per Permit to Operate)	391.67
147	Title V	301	Significant Title V permit modification (per Permit to Operate - modified or added)	4,892.86
148	Title V	301	Minor Title V permit modification (per Permit to Operate - modified or added)	2,621.95
149	Title V	301	Enhanced new source review (NSR) (per Permit to Operate - modified or added)	1,310.45
150	Title V	301	Other than enhanced NSR (per application)	519.80

Proposed Fees for FY2024/25 Effective July 01, 2024
CPI Adjustment of 4.17%

FeeID	Fee Category	Authority (Rule)	Fee Name	FY 24/25 Proposed Fee
151	Hearing Board	302	Small Businesses Hearing Board - Initial fees	1,035.00
152	Hearing Board	302	Small Businesses Hearing Board - Newspaper publication fees	60.00
153	Hearing Board	302	Small Businesses Hearing Board - Staff time above 7.5 hours	91.00
154	Hearing Board	302	Small Businesses Hearing Board - Excess Duration Fees (per month)	165.00
155	Hearing Board	302	Other Businesses Hearing Board - Initial fees	1,035.00
156	Hearing Board	302	Other Businesses Hearing Board - Newspaper publication fees	60.00
157	Hearing Board	302	Other Businesses Hearing Board - Staff time above 7.5 hours	91.00
158	Hearing Board	302	Other Businesses Hearing Board - Excess Duration Fees (per month)	275.00
159	Agriculture Burning	303	Agriculture Burning Permit (basic fee)	50.00
160	Agriculture Burning	303	Agriculture Burning Permit (Orchard or vineyard pruning waste, per acre)	0.50
161	Agriculture Burning	303	Agriculture Burning Permit (Orchard removal waste, per acre)	3.50
162	Agriculture Burning	303	Agriculture Burning Permit (All other burnable waste, per acre)	1.75
163	Asbestos Renovation and Demolition	304	0-259 linear feet 0-159 square feet 0-34 cubic feet asbestos to be removed/disturbed	435.00
164	Asbestos Renovation and Demolition	304	260-499 linear feet 160-499 square feet 35-109 cubic feet asbestos to be removed/disturbed	435.00
165	Asbestos Renovation and Demolition	304	500-999 linear feet 500-999 square feet 110-218 cubic feet asbestos to be removed/disturbed	635.00
166	Asbestos Renovation and Demolition	304	1,000-2,499 linear feet 1,000-2,499 square feet 219-547 cubic feet asbestos to be removed/disturbed	935.00
167	Asbestos Renovation and Demolition	304	2,500-4,999 linear feet 2,500-4,999 square feet 548-1,094 cubic feet asbestos to be removed/disturbed	1,335.00
168	Asbestos Renovation and Demolition	304	5,000-9,999 linear feet 5,000-9,999 square feet 1,095-2,188 cubic feet asbestos to be removed/disturbed	1,835.00
169	Asbestos Renovation and Demolition	304	10,000 or more linear feet 10,000 or more square feet 2,189 or more cubic feet asbestos to be removed/disturbed	2,335.00
170	Natural Occurring Asbestos Plan Fees	304	Asbestos Dust Mitigation Plan Review - Application review/inspection fees	535.43
171	Natural Occurring Asbestos Plan Fees	304	Asbestos Dust Mitigation Plan Review - Additional per acre	28.12
172	Natural Occurring Asbestos	304	Asbestos Dust Mitigation Plan Review - No dust mitigation plan submitted (per hour)	176.04
173	Natural Occurring Asbestos	304	Asbestos Dust Mitigation Plan Review - Additional - more than 18 hours per acres (per hour)	176.04
174	Natural Occurring Asbestos Plan Fees	304	Geologic Evaluation Application review/inspection fees	692.73
175	Equipment - ATC	310	Schedule AG1-A (Agricultural Source Fuel Burning), Level 1 (<1 MMBtu/hr) - ATC	209.38
176	Equipment - PTO	310	Schedule AG1-A (Agricultural Source Fuel Burning), Level 1 (<1 MMBtu/hr) - PTO	209.38
177	Equipment - Renewal	310	Schedule AG1-A (Agricultural Source Fuel Burning), Level 1 (<1 MMBtu/hr) - Renewal	209.38
178	Equipment - ATC	310	Schedule AG1-A (Agricultural Source Fuel Burning), Level 2 (1 - <10 MMBtu/hr) - ATC	420.84
179	Equipment - PTO	310	Schedule AG1-A (Agricultural Source Fuel Burning), Level 2 (1 - <10 MMBtu/hr) - PTO	420.84
180	Equipment - Renewal	310	Schedule AG1-A (Agricultural Source Fuel Burning), Level 2 (1 - <10 MMBtu/hr) - Renewal	420.84
181	Equipment - ATC	310	Schedule AG1-A (Agricultural Source Fuel Burning), Level 3 (>=10 MMBtu/hr) - ATC	845.86
182	Equipment - PTO	310	Schedule AG1-A (Agricultural Source Fuel Burning), Level 3 (>=10 MMBtu/hr) - PTO	845.86
183	Equipment - Renewal	310	Schedule AG1-A (Agricultural Source Fuel Burning), Level 3 (>=10 MMBtu/hr) - Renewal	845.86
184	Equipment - ATC	310	Schedule AG1-B (Agricultural Source Fuel Burning), Level 1 (<10 Sq Ft) - ATC	845.86
185	Equipment - PTO	310	Schedule AG1-B (Agricultural Source Fuel Burning), Level 1 (<10 Sq Ft) - PTO	845.86
186	Equipment - Renewal	310	Schedule AG1-B (Agricultural Source Fuel Burning), Level 1 (<10 Sq Ft) - Renewal	845.86
187	Equipment - ATC	310	Schedule AG1-B (Agricultural Source Fuel Burning), Level 2 (>=10 Sq Ft) - ATC	2,544.87
188	Equipment - PTO	310	Schedule AG1-B (Agricultural Source Fuel Burning), Level 2 (>=10 Sq Ft) - PTO	2,544.87
189	Equipment - Renewal	310	Schedule AG1-B (Agricultural Source Fuel Burning), Level 2 (>=10 Sq Ft) - Renewal	2,544.87
190	Equipment - ATC	310	Schedule AG2 (Agricultural Source IC Engines), Level 1 (<50 HP) - ATC	209.38
191	Equipment - PTO	310	Schedule AG2 (Agricultural Source IC Engines), Level 1 (<50 HP) - PTO	209.38
192	Equipment - Renewal	310	Schedule AG2 (Agricultural Source IC Engines), Level 1 (<50 HP) - Renewal	209.38
193	Equipment - ATC	310	Schedule AG2 (Agricultural Source IC Engines), Level 2 (50 - <250 HP) - ATC	420.84
194	Equipment - PTO	310	Schedule AG2 (Agricultural Source IC Engines), Level 2 (50 - <250 HP) - PTO	420.84
195	Equipment - Renewal	310	Schedule AG2 (Agricultural Source IC Engines), Level 2 (50 - <250 HP) - Renewal	420.84
196	Equipment - ATC	310	Schedule AG2 (Agricultural Source IC Engines), Level 3 (250 - <500 HP) - ATC	845.86
197	Equipment - PTO	310	Schedule AG2 (Agricultural Source IC Engines), Level 3 (250 - <500 HP) - PTO	845.86
198	Equipment - Renewal	310	Schedule AG2 (Agricultural Source IC Engines), Level 3 (250 - <500 HP) - Renewal	845.86
199	Equipment - ATC	310	Schedule AG2 (Agricultural Source IC Engines), Level 4 (500 - <1000 HP) - ATC	1,692.76
200	Equipment - PTO	310	Schedule AG2 (Agricultural Source IC Engines), Level 4 (500 - <1000 HP) - PTO	1,692.76

Proposed Fees for FY2024/25 Effective July 01, 2024
CPI Adjustment of 4.17%

FeeID	Fee Category	Authority (Rule)	Fee Name	FY 24/25 Proposed Fee
201	Equipment - Renewal	310	Schedule AG2 (Agricultural Source IC Engines), Level 4 (500 - <1000 HP) - Renewal	1,692.76
202	Equipment - ATC	310	Schedule AG2 (Agricultural Source IC Engines), Level 5 (>=1000 HP) - ATC	3,389.69
203	Equipment - PTO	310	Schedule AG2 (Agricultural Source IC Engines), Level 5 (>=1000 HP) - PTO	3,389.69
204	Equipment - Renewal	310	Schedule AG2 (Agricultural Source IC Engines), Level 5 (>=1000 HP) - Renewal	3,389.69
205	Toxics	306	AB2588 Industrywide Facility Fee - District	154.17
206	Toxics	306	AB2588 Core Facility Fee Category 2 - Complex facility - District	1,395.87
207	Toxics	306	AB2588 Core Facility Fee Category 2 - Intermediate facility - District	998.99
208	Toxics	306	AB2588 Core Facility Fee Category 2 - Simple facility - District	735.44
209	Toxics	306	AB2588 Core Facility Fee Category 3 - Complex facility - District	2,577.16
210	Toxics	306	AB2588 Core Facility Fee Category 3 - Intermediate facility - District	1,285.45
211	Toxics	306	AB2588 Core Facility Fee Category 3 - Simple facility - District	660.43
212	Toxics	306	AB2588 Core Facility Fee Category 301.2 (4 year cycle) - Complex facility - District	162.50
213	Toxics	306	AB2588 Core Facility Fee Category 301.2 (4 year cycle) - Intermediate facility - District	162.50
214	Toxics	306	AB2588 Core Facility Fee Category 301.2 (4 year cycle) - Simple facility - District	162.50
215	Toxics	306	AB2588 Core Facility Fee Category 4 - Complex facility - District	3,439.69
216	Toxics	306	AB2588 Core Facility Fee Category 4 - Intermediate facility - District	2,643.83
217	Toxics	306	AB2588 Core Facility Fee Category 4 - Simple facility - District	1,316.70
218	Toxics	306	AB2588 Core Facility Fee Category 5 - Complex facility - District	12,599.36
219	Toxics	306	AB2588 Core Facility Fee Category 5 - Intermediate facility - District	11,803.50
220	Toxics	306	AB2588 Core Facility Fee Category 5 - Simple facility - District	11,139.93
221	Toxics	306	AB2588 Core Facility Fee Category 6 - Complex facility - District	14,587.96
222	Toxics	306	AB2588 Core Facility Fee Category 6 - Intermediate facility - District	13,924.40
223	Toxics	306	AB2588 Core Facility Fee Category 6 - Simple facility - District	13,131.67
224	Agricultural Engines	311	Agricultural Engines with Control Device, Level 1 (<50)	404.17
225	Agricultural Engines	311	Agricultural Engines with Control Device, Level 1 (<50) - Renewal	202.08
226	Agricultural Engines	311	Agricultural Engines with Control Device, Level 2 (51 - <249)	814.60
227	Agricultural Engines	311	Agricultural Engines with Control Device, Level 2 (51 - <249) - Renewal	407.30
228	Agricultural Engines	311	Agricultural Engines with Control Device, Level 3 (250 - <499)	1,635.46
229	Agricultural Engines	311	Agricultural Engines with Control Device, Level 3 (250 - <499) - Renewal	817.73
230	Agricultural Engines	311	Agricultural Engines with Control Device, Level 4 (500 - <999)	3,277.18
231	Agricultural Engines	311	Agricultural Engines with Control Device, Level 4 (500 - <999) - Renewal	1,638.59
232	Agricultural Engines	311	Agricultural Engines with Control Device, Level 5 (>=1000)	6,560.62
233	Agricultural Engines	311	Agricultural Engines with Control Device, Level 5 (>=1000) - Renewal	3,280.31
234	Agricultural Engines	311	Agricultural Engine Hourly rate for time and materials, and reinspections	211.46
235	Agricultural Engines	311	Agricultural Engine Self-Certification (First Engine)	82.29
236	Agricultural Engines	311	Agricultural Engine Self-Certification (Each Additional Engine)	45.83
237	Agricultural Engines	311	Agricultural Engine Source Test Observation and Report Evaluation (first 10 hours)	1,638.59
238	Agricultural Engines	311	Agricultural Engine Source Test Observation and Report Evaluation (additional time per hour)	211.46
239	Agricultural Engines	311	All other engines, each additional engine (first 1 hour)	205.21
240	Agricultural Engines	311	All other engines, each additional engine (first 1 hour) - Renewal	137.50
241	Agricultural Engines	311	All other engines, additional time (per hour)	211.46
242	Agricultural Engines	311	All other engines, first engine (first 3 hours)	398.97
243	Agricultural Engines	311	All other engines, first engine (first 3 hours) - Renewal	222.92
244	Agricultural Engines	311	Carl Moyer Engines (Ag Reg)	198.96
245	Agricultural Source	310	Agricultural Source Hourly rate for time and materials, and reinspections	173.96
246	Permit Annual Renewal	310	Agricultural Source Renewal Emission Fee, per ton	75.00
247	Agricultural Source	310	Agricultural Source Revisions of Conditions	420.84
248	Agricultural Source	310	Agricultural Source Test Observation and Report Evaluation (first 10 hours)	1,692.76
249	Agricultural Source	310	Agricultural Source Test Observation and Report Evaluation (additional time per hour)	173.96
250	Greenhouse Gas	350	Greenhouse Gas Program - CEQA Document Preparation (per hour)	252.09

Proposed Fees for FY2024/25 Effective July 01, 2024
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FeeID	Fee Category	Authority (Rule)	Fee Name	FY 24/25 Proposed Fee
251	Greenhouse Gas	350	Greenhouse Gas Program - District Verification (each additional hour, per hour)	252.09
252	Greenhouse Gas	350	Greenhouse Gas Program - District Verification (first 10 hours)	2,542.78
253	Greenhouse Gas	350	Greenhouse Gas Program - Project Plan Fee (each additional hour, per hour)	252.09
254	Greenhouse Gas	350	Greenhouse Gas Program - Project Plan Fee (first 5 hours)	1,269.83
255	Greenhouse Gas	350	Greenhouse Gas Program - Third Party Verification (each additional hour, per hour)	252.09
256	Greenhouse Gas	350	Greenhouse Gas Program - Third Party Verification (first 5 hours)	1,269.83
257	Greenhouse Gas	350	Greenhouse Gas Program - Transfer of Ownership - carbon credit certificate	252.09
258	Initial Permit	310	Schedule AG3 (Large Confined Animal Facility Report Evaluations), Application review (additional time per hour)	173.96
259	Permit Annual Renewal	310	Schedule AG3 (Large Confined Animal Facility Report Evaluations), Application review (additional time per hour) - Renewal	173.96
260	Initial Permit	310	Schedule AG3 (Large Confined Animal Facility Report Evaluations), Application review (first 10 hours)	1,692.76
261	Permit Annual Renewal	310	Schedule AG3 (Large Confined Animal Facility Report Evaluations), Application review (first 5 hours) - Renewal	845.86
262	Initial Permit	310	Large Confined Animal Facility Emission Mitigation Plan Update Fee (per hour)	173.96
263	Initial Permit	310	Schedule AG4-A (General Farming/Miscellaneous Equipment), Initial fee	1,691.72
264	Permit Annual Renewal	310	Schedule AG4-A (General Farming/Miscellaneous Equipment), Renewal	845.86
265	Initial Permit	310	Schedule AG4-B (Agricultural Source Gasoline Dispensing), Level 1 (Phase I and Phase II system)	1,583.38
266	Permit Annual Renewal	310	Schedule AG4-B (Agricultural Source Gasoline Dispensing), Level 1 (Phase I and Phase II system) - Renewal	791.69
267	Initial Permit	310	Schedule AG4-B (Agricultural Source Gasoline Dispensing), Level 2 (Phase II exempt)	785.44
268	Permit Annual Renewal	310	Schedule AG4-B (Agricultural Source Gasoline Dispensing), Level 2 (Phase II exempt) - Renewal	392.72
269	Hearing Board	302	Emergency Variance - Initial fee	495.00
270	Hearing Board	302	Emergency Variance - Staff time above 3 hours	91.00
271	SEED	205	SEED Loan Application Processing	264.59
272	SEED	205	SEED Loan Renewal	2,021.93
273	Fleet Inventory	304	Fleet Inventory Requirements (per fiscal year) _ Rule 1002	190.00
274	MERC	304	Rule 1005- Mobile Source Emission Reduction Credit/Banking Application, Hourly Rate	264.59
275	ERC Certificate	204	ERC Banking Application	264.59
276	Environmental Document Preparation & Processing	305	Environmental Document Preparation & Processing (hourly rate)	63.00
277	Environmental Document Preparation & Processing	305	Environmental Document Preparation & Processing, California Department of Fish and Game (Environmental impact report)	850.00
278	Environmental Document Preparation & Processing	305	Environmental Document Preparation & Processing, California Department of Fish and Game (Negative declaration)	1,250.00
279	Environmental Document Preparation & Processing	305	Environmental Document Preparation & Processing, California Department of Fish and Game (County Clerk's transmitting fee)	25.00

Fee Category Abbreviations:

ATC	Authority to Construct
PTO	Permit to Operate
MERC	Mobile Source Emission Reduction Credit
ERC	Emission Reduction Credit
SEED	Solutions for Environment & Economic Development

Proposed Fees for FY2024/25 Effective July 01, 2024
CPI Adjustment of 4.17%

FeeID	Fee Category	Authority (Rule)	Fee Name	FY 23/24 Approved Fee	FY 24/25 Proposed Fee	Variance
1	Equipment - ATC	301	Schedule 1 (Electric Motor), Level 1 (<5 HP) - ATC	\$ 578.00	\$ 602.10	\$ 24.10
2	Equipment - PTO	301	Schedule 1 (Electric Motor), Level 1 (<5 HP) - PTO	578.00	602.10	24.10
3	Equipment - Renewal	301	Schedule 1 (Electric Motor), Level 1 (<5 HP) - Renewal	578.00	602.10	24.10
4	Equipment - Change of Ownership	301	Schedule 1 (Electric Motor), Level 1 (<5 HP) - Change of Ownership	578.00	602.10	24.10
5	Equipment - ATC	301	Schedule 1 (Electric Motor), Level 2 (5 - <50 HP) - ATC	1,158.00	1,206.28	48.28
6	Equipment - PTO	301	Schedule 1 (Electric Motor), Level 2 (5 - <50 HP) - PTO	1,158.00	1,206.28	48.28
7	Equipment - Renewal	301	Schedule 1 (Electric Motor), Level 2 (5 - <50 HP) - Renewal	1,158.00	1,206.28	48.28
8	Equipment - Change of Ownership	301	Schedule 1 (Electric Motor), Level 2 (5 - <50 HP) - Change of Ownership	1,158.00	1,206.28	48.28
9	Equipment - ATC	301	Schedule 1 (Electric Motor), Level 3 (50 - <200 HP) - ATC	2,320.00	2,416.74	96.74
10	Equipment - PTO	301	Schedule 1 (Electric Motor), Level 3 (50 - <200 HP) - PTO	2,320.00	2,416.74	96.74
11	Equipment - Renewal	301	Schedule 1 (Electric Motor), Level 3 (50 - <200 HP) - Renewal	2,320.00	2,416.74	96.74
12	Equipment - Change of Ownership	301	Schedule 1 (Electric Motor), Level 3 (50 - <200 HP) - Change of Ownership	2,320.00	2,416.74	96.74
13	Equipment - ATC	301	Schedule 1 (Electric Motor), Level 4 (>200 HP) - ATC	4,642.00	4,835.57	193.57
14	Equipment - PTO	301	Schedule 1 (Electric Motor), Level 4 (>200 HP) - PTO	4,642.00	4,835.57	193.57
15	Equipment - Renewal	301	Schedule 1 (Electric Motor), Level 4 (>200 HP) - Renewal	4,642.00	4,835.57	193.57
16	Equipment - Change of Ownership	301	Schedule 1 (Electric Motor), Level 4 (>200 HP) - Change of Ownership	4,642.00	4,835.57	193.57
17	Equipment - ATC	301	Schedule 2 (Fuel Burning), Level 1 (<1 MMBtu/hr) - ATC	287.00	298.96	11.96
18	Equipment - Renewal	301	Schedule 2 (Fuel Burning), Level 1 (<1 MMBtu/hr) - Renewal	287.00	298.96	11.96
19	Equipment - PTO	301	Schedule 2 (Fuel Burning), Level 1 (<1 MMBtu/hr) - PTO	287.00	298.96	11.96
20	Equipment - Change of Ownership	301	Schedule 2 (Fuel Burning), Level 1 (<1 MMBtu/hr) - Change of Ownership	287.00	298.96	11.96
21	Equipment - ATC	301	Schedule 2 (Fuel Burning), Level 2 (1 - <10 MMBtu/hr) - ATC	578.00	602.10	24.10
22	Equipment - Renewal	301	Schedule 2 (Fuel Burning), Level 2 (1 - <10 MMBtu/hr) - Renewal	578.00	602.10	24.10
23	Equipment - PTO	301	Schedule 2 (Fuel Burning), Level 2 (1 - <10 MMBtu/hr) - PTO	578.00	602.10	24.10
24	Equipment - Change of Ownership	301	Schedule 2 (Fuel Burning), Level 2 (1 - <10 MMBtu/hr) - Change of Ownership	578.00	602.10	24.10
25	Equipment - ATC	301	Schedule 2 (Fuel Burning), Level 3 (10 - <50 MMBtu/hr) - ATC	1,158.00	1,206.28	48.28
26	Equipment - Renewal	301	Schedule 2 (Fuel Burning), Level 3 (10 - <50 MMBtu/hr) - Renewal	1,158.00	1,206.28	48.28
27	Equipment - PTO	301	Schedule 2 (Fuel Burning), Level 3 (10 - <50 MMBtu/hr) - PTO	1,158.00	1,206.28	48.28
28	Equipment - Change of Ownership	301	Schedule 2 (Fuel Burning), Level 3 (10 - <50 MMBtu/hr) - Change of Ownership	1,158.00	1,206.28	48.28
29	Equipment - ATC	301	Schedule 2 (Fuel Burning), Level 4 (50 - <100 MMBtu/hr) - ATC	2,320.00	2,416.74	96.74
30	Equipment - Renewal	301	Schedule 2 (Fuel Burning), Level 4 (50 - <100 MMBtu/hr) - Renewal	2,320.00	2,416.74	96.74
31	Equipment - PTO	301	Schedule 2 (Fuel Burning), Level 4 (50 - <100 MMBtu/hr) - PTO	2,320.00	2,416.74	96.74
32	Equipment - Change of Ownership	301	Schedule 2 (Fuel Burning), Level 4 (50 - <100 MMBtu/hr) - Change of Ownership	2,320.00	2,416.74	96.74
33	Equipment - ATC	301	Schedule 2 (Fuel Burning), Level 5 (>100 MMBtu/hr) - ATC	4,642.00	4,835.57	193.57
34	Equipment - Renewal	301	Schedule 2 (Fuel Burning), Level 5 (>100 MMBtu/hr) - Renewal	4,642.00	4,835.57	193.57
35	Equipment - PTO	301	Schedule 2 (Fuel Burning), Level 5 (>100 MMBtu/hr) - PTO	4,642.00	4,835.57	193.57
36	Equipment - Change of Ownership	301	Schedule 2 (Fuel Burning), Level 5 (>100 MMBtu/hr) - Change of Ownership	4,642.00	4,835.57	193.57
37	Equipment - ATC	301	Schedule 3 (Electrical Energy), Level 1 (<150 KVA) - ATC	1,518.00	1,581.30	63.30
38	Equipment - Renewal	301	Schedule 3 (Electrical Energy), Level 1 (<150 KVA) - Renewal	1,518.00	1,581.30	63.30
39	Equipment - PTO	301	Schedule 3 (Electrical Energy), Level 1 (<150 KVA) - PTO	1,518.00	1,581.30	63.30
40	Equipment - Change of Ownership	301	Schedule 3 (Electrical Energy), Level 1 (<150 KVA) - Change of Ownership	1,518.00	1,581.30	63.30
41	Equipment - ATC	301	Schedule 3 (Electrical Energy), Level 2 (>=150 KVA) - ATC	4,642.00	4,835.57	193.57
42	Equipment - Renewal	301	Schedule 3 (Electrical Energy), Level 2 (>=150 KVA) - Renewal	4,642.00	4,835.57	193.57
43	Equipment - PTO	301	Schedule 3 (Electrical Energy), Level 2 (>=150 KVA) - PTO	4,642.00	4,835.57	193.57
44	Equipment - Change of Ownership	301	Schedule 3 (Electrical Energy), Level 2 (>=150 KVA) - Change of Ownership	4,642.00	4,835.57	193.57
45	Equipment - ATC	301	Schedule 4 (Incinerator), Level 1 (<10 Sq Ft) - ATC	1,158.00	1,206.28	48.28
46	Equipment - Renewal	301	Schedule 4 (Incinerator), Level 1 (<10 Sq Ft) - Renewal	1,158.00	1,206.28	48.28
47	Equipment - PTO	301	Schedule 4 (Incinerator), Level 1 (<10 Sq Ft) - PTO	1,158.00	1,206.28	48.28
48	Equipment - Change of Ownership	301	Schedule 4 (Incinerator), Level 1 (<10 Sq Ft) - Change of Ownership	1,158.00	1,206.28	48.28
49	Equipment - ATC	301	Schedule 4 (Incinerator), Level 2 (10 - <40 Sq Ft) - ATC	3,493.00	3,638.65	145.65
50	Equipment - Renewal	301	Schedule 4 (Incinerator), Level 2 (10 - <40 Sq Ft) - Renewal	3,493.00	3,638.65	145.65
51	Equipment - PTO	301	Schedule 4 (Incinerator), Level 2 (10 - <40 Sq Ft) - PTO	3,493.00	3,638.65	145.65
52	Equipment - Change of Ownership	301	Schedule 4 (Incinerator), Level 2 (10 - <40 Sq Ft) - Change of Ownership	3,493.00	3,638.65	145.65
53	Equipment - ATC	301	Schedule 4 (Incinerator), Level 3 (40 - <100 Sq Ft) - ATC	4,642.00	4,835.57	193.57

Proposed Fees for FY2024/25 Effective July 01, 2024
CPI Adjustment of 4.17%

FeeID	Fee Category	Authority (Rule)	Fee Name	FY 23/24 Approved Fee	FY 24/25 Proposed Fee	Variance
54	Equipment - Renewal	301	Schedule 4 (Incinerator), Level 3 (40 - <100 Sq Ft) - Renewal	4,642.00	4,835.57	193.57
55	Equipment - PTO	301	Schedule 4 (Incinerator), Level 3 (40 - <100 Sq Ft) - PTO	4,642.00	4,835.57	193.57
56	Equipment - Change of Ownership	301	Schedule 4 (Incinerator), Level 3 (40 - <100 Sq Ft) - Change of Ownership	4,642.00	4,835.57	193.57
57	Equipment - ATC	301	Schedule 4 (Incinerator), Level 4 (>100 Sq Ft) - ATC	5,821.00	6,063.73	242.73
58	Equipment - Renewal	301	Schedule 4 (Incinerator), Level 4 (>100 Sq Ft) - Renewal	5,821.00	6,063.73	242.73
59	Equipment - PTO	301	Schedule 4 (Incinerator), Level 4 (>100 Sq Ft) - PTO	5,821.00	6,063.73	242.73
60	Equipment - Change of Ownership	301	Schedule 4 (Incinerator), Level 4 (>100 Sq Ft) - Change of Ownership	5,821.00	6,063.73	242.73
61	Equipment - ATC	301	Schedule 5 (Storage Container), Level 1 (<40K Gallons) - ATC	1,158.00	1,206.28	48.28
62	Equipment - Renewal	301	Schedule 5 (Storage Container), Level 1 (<40K Gallons) - Renewal	1,158.00	1,206.28	48.28
63	Equipment - PTO	301	Schedule 5 (Storage Container), Level 1 (<40K Gallons) - PTO	1,158.00	1,206.28	48.28
64	Equipment - Change of Ownership	301	Schedule 5 (Storage Container), Level 1 (<40K Gallons) - Change of Ownership	1,158.00	1,206.28	48.28
65	Equipment - ATC	301	Schedule 5 (Storage Container), Level 2 (40K - <400K Gallons) - ATC	4,642.00	4,835.57	193.57
66	Equipment - Renewal	301	Schedule 5 (Storage Container), Level 2 (40K - <400K Gallons) - Renewal	4,642.00	4,835.57	193.57
67	Equipment - PTO	301	Schedule 5 (Storage Container), Level 2 (40K - <400K Gallons) - PTO	4,642.00	4,835.57	193.57
68	Equipment - Change of Ownership	301	Schedule 5 (Storage Container), Level 2 (40K - <400K Gallons) - Change of Ownership	4,642.00	4,835.57	193.57
69	Equipment - ATC	301	Schedule 5 (Storage Container), Level 3 (>400K Gallons) - ATC	9,287.00	9,674.26	387.26
70	Equipment - Renewal	301	Schedule 5 (Storage Container), Level 3 (>400K Gallons) - Renewal	9,287.00	9,674.26	387.26
71	Equipment - PTO	301	Schedule 5 (Storage Container), Level 3 (>400K Gallons) - PTO	9,287.00	9,674.26	387.26
72	Equipment - Change of Ownership	301	Schedule 5 (Storage Container), Level 3 (>400K Gallons) - Change of Ownership	9,287.00	9,674.26	387.26
73	Equipment - Renewal	301	Schedule 6.A (Gasoline Dispensing), Level 1 (Phase II Exempt) - Renewal	557.00	580.22	23.22
74	Equipment - Change of Ownership	301	Schedule 6.A (Gasoline Dispensing), Level 1 (Phase II Exempt) - Change of Ownership	557.00	580.22	23.22
75	Equipment - ATC	301	Schedule 6.A (Gasoline Dispensing), Level 2 (<8 Nozzles - Minimum Fee) - ATC	1,087.00	1,132.32	45.32
76	Equipment - PTO	301	Schedule 6.A (Gasoline Dispensing), Level 2 (<8 Nozzles - Minimum Fee) - PTO	1,087.00	1,132.32	45.32
77	Equipment - Renewal	301	Schedule 6.A (Gasoline Dispensing), Level 2 (<8 Nozzles - Minimum Fee) - Renewal	1,087.00	1,132.32	45.32
78	Equipment - Change of Ownership	301	Schedule 6.A (Gasoline Dispensing), Level 2 (<8 Nozzles - Minimum Fee) - Change of Ownership	1,087.00	1,132.32	45.32
79	Equipment - ATC	301	Schedule 6.A (Gasoline Dispensing), Level 3 (>=8 Nozzles - Per Nozzle Fee) - ATC	152.00	158.33	6.33
80	Equipment - PTO	301	Schedule 6.A (Gasoline Dispensing), Level 3 (>=8 Nozzles - Per Nozzle Fee) - PTO	152.00	158.33	6.33
81	Equipment - Renewal	301	Schedule 6.A (Gasoline Dispensing), Level 3 (>=8 Nozzles - Per Nozzle Fee) - Renewal	152.00	158.33	6.33
82	Equipment - Change of Ownership	301	Schedule 6.A (Gasoline Dispensing), Level 3 (>=8 Nozzles - Per Nozzle Fee) - Change of Ownership	152.00	158.33	6.33
83	Equipment - Renewal	301	Schedule 6.B (Gasoline Dispensing Tank) - Phase I only - Renewal	127.00	132.29	5.29
84	Equipment - Renewal	301	Schedule 6.B (Gasoline Dispensing Tank) - Underground tanks - Renewal	386.00	402.09	16.09
85	Equipment - Renewal	301	Schedule 6.B (Gasoline Dispensing Tank) - Aboveground tanks - Renewal	191.00	198.96	7.96
86	Equipment - ATC	301	Schedule 7 (IC Engines), Level 1 (<50 HP) - ATC	287.00	298.96	11.96
87	Equipment - PTO	301	Schedule 7 (IC Engines), Level 1 (<50 HP) - PTO	287.00	298.96	11.96
88	Equipment - Renewal	301	Schedule 7 (IC Engines), Level 1 (<50 HP) - Renewal	287.00	298.96	11.96
89	Equipment - Change of Ownership	301	Schedule 7 (IC Engines), Level 1 (<50 HP) - Change of Ownership	287.00	298.96	11.96
90	Equipment - ATC	301	Schedule 7 (IC Engines), Level 2 (50 - <250 HP) - ATC	578.00	602.10	24.10
91	Equipment - PTO	301	Schedule 7 (IC Engines), Level 2 (50 - <250 HP) - PTO	578.00	602.10	24.10
92	Equipment - Renewal	301	Schedule 7 (IC Engines), Level 2 (50 - <250 HP) - Renewal	578.00	602.10	24.10
93	Equipment - Change of Ownership	301	Schedule 7 (IC Engines), Level 2 (50 - <250 HP) - Change of Ownership	578.00	602.10	24.10
94	Equipment - ATC	301	Schedule 7 (IC Engines), Level 3 (250 - <500 HP) - ATC	1,158.00	1,206.28	48.28
95	Equipment - PTO	301	Schedule 7 (IC Engines), Level 3 (250 - <500 HP) - PTO	1,158.00	1,206.28	48.28
96	Equipment - Renewal	301	Schedule 7 (IC Engines), Level 3 (250 - <500 HP) - Renewal	1,158.00	1,206.28	48.28
97	Equipment - Change of Ownership	301	Schedule 7 (IC Engines), Level 3 (250 - <500 HP) - Change of Ownership	1,158.00	1,206.28	48.28
98	Equipment - ATC	301	Schedule 7 (IC Engines), Level 4 (500 - <1000 HP) - ATC	2,320.00	2,416.74	96.74
99	Equipment - PTO	301	Schedule 7 (IC Engines), Level 4 (500 - <1000 HP) - PTO	2,320.00	2,416.74	96.74
100	Equipment - Renewal	301	Schedule 7 (IC Engines), Level 4 (500 - <1000 HP) - Renewal	2,320.00	2,416.74	96.74
101	Equipment - Change of Ownership	301	Schedule 7 (IC Engines), Level 4 (500 - <1000 HP) - Change of Ownership	2,320.00	2,416.74	96.74
102	Equipment - ATC	301	Schedule 7 (IC Engines), Level 5 (>1000 HP) - ATC	4,642.00	4,835.57	193.57
103	Equipment - PTO	301	Schedule 7 (IC Engines), Level 5 (>1000 HP) - PTO	4,642.00	4,835.57	193.57
104	Equipment - Renewal	301	Schedule 7 (IC Engines), Level 5 (>1000 HP) - Renewal	4,642.00	4,835.57	193.57
105	Equipment - Change of Ownership	301	Schedule 7 (IC Engines), Level 5 (>1000 HP) - Change of Ownership	4,642.00	4,835.57	193.57
106	Equipment - ATC	301	Schedule 9 (Misc) - ATC	1,158.00	1,206.28	48.28

Proposed Fees for FY2024/25 Effective July 01, 2024

CPI Adjustment of 4.17%

FeeID	Fee Category	Authority (Rule)	Fee Name	FY 23/24 Approved Fee	FY 24/25 Proposed Fee	Variance
107	Equipment - PTO	301	Schedule 9 (Misc) - PTO	1,158.00	1,206.28	48.28
108	Equipment - Renewal	301	Schedule 9 (Misc) - Renewal	1,158.00	1,206.28	48.28
109	Equipment - Change of Ownership	301	Schedule 9 (Misc) - Change of Ownership	1,158.00	1,206.28	48.28
110	Equipment	301	Schedule 10 (Time and Materials Labor Rate)	254.00	264.59	10.59
111	Equipment	301	Schedule 11 (Time and Material Labor Rate), Electrical Generating Equipment Greater than 5 MW (Schedule 8)	254.00	264.59	10.59
112	Equipment	301	Schedule 11 (Time and Material Labor Rate), Emission Reduction Credit Banking Fee	254.00	264.59	10.59
113	Equipment	301	Schedule 11 (Time and Material Labor Rate), Reinspection Fee	254.00	264.59	10.59
114	Time & Material	301	Schedule 11 (Time and Material Labor Rate), Reinspection Fee - Renewal	254.00	264.59	10.59
115	Initial Permit	301	Permit Alternative Compliance Fee (hourly rate)	227.00	236.46	9.46
116	Initial Permit	301	Permit Source Test Observation and Evaluation Report (first 10 hours)	2,320.00	2,416.74	96.74
117	Initial Permit	301	Permit Source Test Observation and Evaluation Report (additional time, per hour)	254.00	264.59	10.59
118	Initial Permit	301	Public Notification Fee (Hourly Labor Rate)	254.00	264.59	10.59
119	Equipment - ATC	301	Permit Revisions of Conditions with No Increase	1,158.00	1,206.28	48.28
120	Initial Permit	301	Duplicate Permits	33.00	34.37	1.37
121	Initial Permit	301	Permit Change of Name (first permit)	107.00	111.46	4.46
122	Initial Permit	301	Permit Change of Name (for each additional permit)	45.00	46.87	1.87
123	Emission Fee	301	Renewal Emission Fee Schedule 6, per ton of CO	102.00	106.25	4.25
124	Emission Fee	301	Renewal Emission Fee Schedule 6, per ton of NOx	102.00	106.25	4.25
125	Emission Fee	301	Renewal Emission Fee Schedule 6, per ton of ROg	102.00	106.25	4.25
126	Emission Fee	301	Renewal Emission Fee Schedule 6, per ton of SOx	102.00	106.25	4.25
127	Emission Fee	301	Renewal Emission Fee Schedule 6, per ton of TSP	102.00	106.25	4.25
128	Emission Fee	301	Renewal Emission Fee All Other, per ton of CO	104.00	108.33	4.33
129	Emission Fee	301	Renewal Emission Fee All Other, per ton of NOx	104.00	108.33	4.33
130	Emission Fee	301	Renewal Emission Fee All Other, per ton of ROg	104.00	108.33	4.33
131	Emission Fee	301	Renewal Emission Fee All Other, per ton of SOx	104.00	108.33	4.33
132	Emission Fee	301	Renewal Emission Fee All Other, per ton of TSP	104.00	108.33	4.33
133	Emission Fee - Change of Ownership	301	Renewal Emission Fee Schedule 6, per ton of CO - Change of Ownership	102.00	106.25	4.25
134	Emission Fee - Change of Ownership	301	Renewal Emission Fee Schedule 6, per ton of NOx - Change of Ownership	102.00	106.25	4.25
135	Emission Fee - Change of Ownership	301	Renewal Emission Fee Schedule 6, per ton of ROg - Change of Ownership	102.00	106.25	4.25
136	Emission Fee - Change of Ownership	301	Renewal Emission Fee Schedule 6, per ton of SOx - Change of Ownership	102.00	106.25	4.25
137	Emission Fee - Change of Ownership	301	Renewal Emission Fee Schedule 6, per ton of TSP - Change of Ownership	102.00	106.25	4.25
138	Emission Fee - Change of Ownership	301	Renewal Emission Fee All Other, per ton of CO - Change of Ownership	104.00	108.33	4.33
139	Emission Fee - Change of Ownership	301	Renewal Emission Fee All Other, per ton of NOx - Change of Ownership	104.00	108.33	4.33
140	Emission Fee - Change of Ownership	301	Renewal Emission Fee All Other, per ton of ROg - Change of Ownership	104.00	108.33	4.33
141	Emission Fee - Change of Ownership	301	Renewal Emission Fee All Other, per ton of SOx - Change of Ownership	104.00	108.33	4.33
142	Emission Fee - Change of Ownership	301	Renewal Emission Fee All Other, per ton of TSP - Change of Ownership	104.00	108.33	4.33
143	Title V	301	Application filing fee (per application)	1,770.00	1,843.80	73.80
144	Title V	301	Initial Title V operating permit (per Permit to Operate)	1,715.00	1,786.51	71.51
145	Title V	301	Title V operating permit renewal (per Permit to Operate)	746.00	777.10	31.10
146	Permit Annual Renewal	301	Annual Title V Fee (per Permit to Operate)	376.00	391.67	15.67
147	Title V	301	Significant Title V permit modification (per Permit to Operate - modified or added)	4,697.00	4,892.86	195.86
148	Title V	301	Minor Title V permit modification (per Permit to Operate - modified or added)	2,517.00	2,621.95	104.95
149	Title V	301	Enhanced new source review (NSR) (per Permit to Operate - modified or added)	1,258.00	1,310.45	52.45
150	Title V	301	Other than enhanced NSR (per application)	499.00	519.80	20.80
151	Hearing Board	302	Small Businesses Hearing Board - Initial fees	1,035.00	1,035.00	-
152	Hearing Board	302	Small Businesses Hearing Board - Newspaper publication fees	60.00	60.00	-
153	Hearing Board	302	Small Businesses Hearing Board - Staff time above 7.5 hours	91.00	91.00	-
154	Hearing Board	302	Small Businesses Hearing Board - Excess Duration Fees (per month)	165.00	165.00	-
155	Hearing Board	302	Other Businesses Hearing Board - Initial fees	1,035.00	1,035.00	-
156	Hearing Board	302	Other Businesses Hearing Board - Newspaper publication fees	60.00	60.00	-
157	Hearing Board	302	Other Businesses Hearing Board - Staff time above 7.5 hours	91.00	91.00	-
158	Hearing Board	302	Other Businesses Hearing Board - Excess Duration Fees (per month)	275.00	275.00	-
159	Agriculture Burning	303	Agriculture Burning Permit (basic fee)	50.00	50.00	-

Proposed Fees for FY2024/25 Effective July 01, 2024

CPI Adjustment of 4.17%

FeeID	Fee Category	Authority (Rule)	Fee Name	FY 23/24 Approved Fee	FY 24/25 Proposed Fee	Variance
160	Agriculture Burning	303	Agriculture Burning Permit (Orchard or vineyard pruning waste, per acre)	0.50	0.50	-
161	Agriculture Burning	303	Agriculture Burning Permit (Orchard removal waste, per acre)	3.50	3.50	-
162	Agriculture Burning	303	Agriculture Burning Permit (All other burnable waste, per acre)	1.75	1.75	-
163	Asbestos Renovation and Demolition	304	0-259 linear feet 0-159 square feet 0-34 cubic feet asbestos to be removed/disturbed	435.00	435.00	-
164	Asbestos Renovation and Demolition	304	260-499 linear feet 160-499 square feet 35-109 cubic feet asbestos to be removed/disturbed	435.00	435.00	-
165	Asbestos Renovation and Demolition	304	500-999 linear feet 500-999 square feet 110-218 cubic feet asbestos to be removed/disturbed	635.00	635.00	-
166	Asbestos Renovation and Demolition	304	1,000-2,499 linear feet 1,000-2,499 square feet 219-547 cubic feet asbestos to be removed/disturbed	935.00	935.00	-
167	Asbestos Renovation and Demolition	304	2,500-4,999 linear feet 2,500-4,999 square feet 548-1,094 cubic feet asbestos to be removed/disturbed	1,335.00	1,335.00	-
168	Asbestos Renovation and Demolition	304	5,000-9,999 linear feet 5,000-9,999 square feet 1,095-2,188 cubic feet asbestos to be removed/disturbed	1,835.00	1,835.00	-
169	Asbestos Renovation and Demolition	304	10,000 or more linear feet 10,000 or more square feet 2,189 or more cubic feet asbestos to be removed/disturbed	2,335.00	2,335.00	-
170	Natural Occurring Asbestos Plan Fees	304	Asbestos Dust Mitigation Plan Review - Application review/inspection fees	514.00	535.43	21.43
171	Natural Occurring Asbestos Plan Fees	304	Asbestos Dust Mitigation Plan Review - Additional per acre	27.00	28.12	1.12
172	Natural Occurring Asbestos	304	Asbestos Dust Mitigation Plan Review - No dust mitigation plan submitted (per hour)	169.00	176.04	7.04
173	Natural Occurring Asbestos	304	Asbestos Dust Mitigation Plan Review - Additional - more than 18 hours per acres (per hour)	169.00	176.04	7.04
174	Natural Occurring Asbestos Plan Fees	304	Geologic Evaluation Application review/inspection fees	665.00	692.73	27.73
175	Equipment - ATC	310	Schedule AG1-A (Agricultural Source Fuel Burning), Level 1 (<1 MMBtu/hr) - ATC	201.00	209.38	8.38
176	Equipment - PTO	310	Schedule AG1-A (Agricultural Source Fuel Burning), Level 1 (<1 MMBtu/hr) - PTO	201.00	209.38	8.38
177	Equipment - Renewal	310	Schedule AG1-A (Agricultural Source Fuel Burning), Level 1 (<1 MMBtu/hr) - Renewal	201.00	209.38	8.38
178	Equipment - ATC	310	Schedule AG1-A (Agricultural Source Fuel Burning), Level 2 (1 - <10 MMBtu/hr) - ATC	404.00	420.84	16.84
179	Equipment - PTO	310	Schedule AG1-A (Agricultural Source Fuel Burning), Level 2 (1 - <10 MMBtu/hr) - PTO	404.00	420.84	16.84
180	Equipment - Renewal	310	Schedule AG1-A (Agricultural Source Fuel Burning), Level 2 (1 - <10 MMBtu/hr) - Renewal	404.00	420.84	16.84
181	Equipment - ATC	310	Schedule AG1-A (Agricultural Source Fuel Burning), Level 3 (>=10 MMBtu/hr) - ATC	812.00	845.86	33.86
182	Equipment - PTO	310	Schedule AG1-A (Agricultural Source Fuel Burning), Level 3 (>=10 MMBtu/hr) - PTO	812.00	845.86	33.86
183	Equipment - Renewal	310	Schedule AG1-A (Agricultural Source Fuel Burning), Level 3 (>=10 MMBtu/hr) - Renewal	812.00	845.86	33.86
184	Equipment - ATC	310	Schedule AG1-B (Agricultural Source Fuel Burning), Level 1 (<10 Sq Ft) - ATC	812.00	845.86	33.86
185	Equipment - PTO	310	Schedule AG1-B (Agricultural Source Fuel Burning), Level 1 (<10 Sq Ft) - PTO	812.00	845.86	33.86
186	Equipment - Renewal	310	Schedule AG1-B (Agricultural Source Fuel Burning), Level 1 (<10 Sq Ft) - Renewal	812.00	845.86	33.86
187	Equipment - ATC	310	Schedule AG1-B (Agricultural Source Fuel Burning), Level 2 (>=10 Sq Ft) - ATC	2,443.00	2,544.87	101.87
188	Equipment - PTO	310	Schedule AG1-B (Agricultural Source Fuel Burning), Level 2 (>=10 Sq Ft) - PTO	2,443.00	2,544.87	101.87
189	Equipment - Renewal	310	Schedule AG1-B (Agricultural Source Fuel Burning), Level 2 (>=10 Sq Ft) - Renewal	2,443.00	2,544.87	101.87
190	Equipment - ATC	310	Schedule AG2 (Agricultural Source IC Engines), Level 1 (<50 HP) - ATC	201.00	209.38	8.38
191	Equipment - PTO	310	Schedule AG2 (Agricultural Source IC Engines), Level 1 (<50 HP) - PTO	201.00	209.38	8.38
192	Equipment - Renewal	310	Schedule AG2 (Agricultural Source IC Engines), Level 1 (<50 HP) - Renewal	201.00	209.38	8.38
193	Equipment - ATC	310	Schedule AG2 (Agricultural Source IC Engines), Level 2 (50 - <250 HP) - ATC	404.00	420.84	16.84
194	Equipment - PTO	310	Schedule AG2 (Agricultural Source IC Engines), Level 2 (50 - <250 HP) - PTO	404.00	420.84	16.84
195	Equipment - Renewal	310	Schedule AG2 (Agricultural Source IC Engines), Level 2 (50 - <250 HP) - Renewal	404.00	420.84	16.84
196	Equipment - ATC	310	Schedule AG2 (Agricultural Source IC Engines), Level 3 (250 - <500 HP) - ATC	812.00	845.86	33.86
197	Equipment - PTO	310	Schedule AG2 (Agricultural Source IC Engines), Level 3 (250 - <500 HP) - PTO	812.00	845.86	33.86
198	Equipment - Renewal	310	Schedule AG2 (Agricultural Source IC Engines), Level 3 (250 - <500 HP) - Renewal	812.00	845.86	33.86
199	Equipment - ATC	310	Schedule AG2 (Agricultural Source IC Engines), Level 4 (500 - <1000 HP) - ATC	1,625.00	1,692.76	67.76
200	Equipment - PTO	310	Schedule AG2 (Agricultural Source IC Engines), Level 4 (500 - <1000 HP) - PTO	1,625.00	1,692.76	67.76
201	Equipment - Renewal	310	Schedule AG2 (Agricultural Source IC Engines), Level 4 (500 - <1000 HP) - Renewal	1,625.00	1,692.76	67.76
202	Equipment - ATC	310	Schedule AG2 (Agricultural Source IC Engines), Level 5 (>=1000 HP) - ATC	3,254.00	3,389.69	135.69
203	Equipment - PTO	310	Schedule AG2 (Agricultural Source IC Engines), Level 5 (>=1000 HP) - PTO	3,254.00	3,389.69	135.69
204	Equipment - Renewal	310	Schedule AG2 (Agricultural Source IC Engines), Level 5 (>=1000 HP) - Renewal	3,254.00	3,389.69	135.69
205	Toxics	306	AB2588 Industrywide Facility Fee - District	148.00	154.17	6.17
206	Toxics	306	AB2588 Core Facility Fee Category 2 - Complex facility - District	1,340.00	1,395.87	55.87
207	Toxics	306	AB2588 Core Facility Fee Category 2 - Intermediate facility - District	959.00	998.99	39.99
208	Toxics	306	AB2588 Core Facility Fee Category 2 - Simple facility - District	706.00	735.44	29.44
209	Toxics	306	AB2588 Core Facility Fee Category 3 - Complex facility - District	2,474.00	2,577.16	103.16
210	Toxics	306	AB2588 Core Facility Fee Category 3 - Intermediate facility - District	1,234.00	1,285.45	51.45
211	Toxics	306	AB2588 Core Facility Fee Category 3 - Simple facility - District	634.00	660.43	26.43
212	Toxics	306	AB2588 Core Facility Fee Category 301.2 (4 year cycle) - Complex facility - District	156.00	162.50	6.50

Proposed Fees for FY2024/25 Effective July 01, 2024
CPI Adjustment of 4.17%

FeeID	Fee Category	Authority (Rule)	Fee Name	FY 23/24 Approved Fee	FY 24/25 Proposed Fee	Variance
213	Toxics	306	AB2588 Core Facility Fee Category 301.2 (4 year cycle) - Intermediate facility - District	156.00	162.50	6.50
214	Toxics	306	AB2588 Core Facility Fee Category 301.2 (4 year cycle) - Simple facility - District	156.00	162.50	6.50
215	Toxics	306	AB2588 Core Facility Fee Category 4 - Complex facility - District	3,302.00	3,439.69	137.69
216	Toxics	306	AB2588 Core Facility Fee Category 4 - Intermediate facility - District	2,538.00	2,643.83	105.83
217	Toxics	306	AB2588 Core Facility Fee Category 4 - Simple facility - District	1,264.00	1,316.70	52.70
218	Toxics	306	AB2588 Core Facility Fee Category 5 - Complex facility - District	12,095.00	12,599.36	504.36
219	Toxics	306	AB2588 Core Facility Fee Category 5 - Intermediate facility - District	11,331.00	11,803.50	472.50
220	Toxics	306	AB2588 Core Facility Fee Category 5 - Simple facility - District	10,694.00	11,139.93	445.93
221	Toxics	306	AB2588 Core Facility Fee Category 6 - Complex facility - District	14,004.00	14,587.96	583.96
222	Toxics	306	AB2588 Core Facility Fee Category 6 - Intermediate facility - District	13,367.00	13,924.40	557.40
223	Toxics	306	AB2588 Core Facility Fee Category 6 - Simple facility - District	12,606.00	13,131.67	525.67
224	Agricultural Engines	311	Agricultural Engines with Control Device, Level 1 (<50)	388.00	404.17	16.17
225	Agricultural Engines	311	Agricultural Engines with Control Device, Level 1 (<50) - Renewal	194.00	202.08	8.08
226	Agricultural Engines	311	Agricultural Engines with Control Device, Level 2 (51 - <249)	782.00	814.60	32.60
227	Agricultural Engines	311	Agricultural Engines with Control Device, Level 2 (51 - <249) - Renewal	391.00	407.30	16.30
228	Agricultural Engines	311	Agricultural Engines with Control Device, Level 3 (250 - <499)	1,570.00	1,635.46	65.46
229	Agricultural Engines	311	Agricultural Engines with Control Device, Level 3 (250 - <499) - Renewal	785.00	817.73	32.73
230	Agricultural Engines	311	Agricultural Engines with Control Device, Level 4 (500 - <999)	3,146.00	3,277.18	131.18
231	Agricultural Engines	311	Agricultural Engines with Control Device, Level 4 (500 - <999) - Renewal	1,573.00	1,638.59	65.59
232	Agricultural Engines	311	Agricultural Engines with Control Device, Level 5 (>=1000)	6,298.00	6,560.62	262.62
233	Agricultural Engines	311	Agricultural Engines with Control Device, Level 5 (>=1000) - Renewal	3,149.00	3,280.31	131.31
234	Agricultural Engines	311	Agricultural Engine Hourly rate for time and materials, and reinspections	203.00	211.46	8.46
235	Agricultural Engines	311	Agricultural Engine Self-Certification (First Engine)	79.00	82.29	3.29
236	Agricultural Engines	311	Agricultural Engine Self-Certification (Each Additional Engine)	44.00	45.83	1.83
237	Agricultural Engines	311	Agricultural Engine Source Test Observation and Report Evaluation (first 10 hours)	1,573.00	1,638.59	65.59
238	Agricultural Engines	311	Agricultural Engine Source Test Observation and Report Evaluation (additional time per hour)	203.00	211.46	8.46
239	Agricultural Engines	311	All other engines, each additional engine (first 1 hour)	197.00	205.21	8.21
240	Agricultural Engines	311	All other engines, each additional engine (first 1 hour) - Renewal	132.00	137.50	5.50
241	Agricultural Engines	311	All other engines, additional time (per hour)	203.00	211.46	8.46
242	Agricultural Engines	311	All other engines, first engine (first 3 hours)	383.00	398.97	15.97
243	Agricultural Engines	311	All other engines, first engine (first 3 hours) - Renewal	214.00	222.92	8.92
244	Agricultural Engines	311	Carl Moyer Engines (Ag Reg)	191.00	198.96	7.96
245	Agricultural Source	310	Agricultural Source Hourly rate for time and materials, and reinspections	167.00	173.96	6.96
246	Permit Annual Renewal	310	Agricultural Source Renewal Emission Fee, per ton	72.00	75.00	3.00
247	Agricultural Source	310	Agricultural Source Revisions of Conditions	404.00	420.84	16.84
248	Agricultural Source	310	Agricultural Source Test Observation and Report Evaluation (first 10 hours)	1,625.00	1,692.76	67.76
249	Agricultural Source	310	Agricultural Source Test Observation and Report Evaluation (additional time per hour)	167.00	173.96	6.96
250	Greenhouse Gas	350	Greenhouse Gas Program - CEQA Document Preparation (per hour)	242.00	252.09	10.09
251	Greenhouse Gas	350	Greenhouse Gas Program - District Verification (each additional hour, per hour)	242.00	252.09	10.09
252	Greenhouse Gas	350	Greenhouse Gas Program - District Verification (first 10 hours)	2,441.00	2,542.78	101.78
253	Greenhouse Gas	350	Greenhouse Gas Program - Project Plan Fee (each additional hour, per hour)	242.00	252.09	10.09
254	Greenhouse Gas	350	Greenhouse Gas Program - Project Plan Fee (first 5 hours)	1,219.00	1,269.83	50.83
255	Greenhouse Gas	350	Greenhouse Gas Program - Third Party Verification (each additional hour, per hour)	242.00	252.09	10.09
256	Greenhouse Gas	350	Greenhouse Gas Program - Third Party Verification (first 5 hours)	1,219.00	1,269.83	50.83
257	Greenhouse Gas	350	Greenhouse Gas Program - Transfer of Ownership - carbon credit certificate	242.00	252.09	10.09
258	Initial Permit	310	Schedule AG3 (Large Confined Animal Facility Report Evaluations), Application review (additional time per hour)	167.00	173.96	6.96
259	Permit Annual Renewal	310	Schedule AG3 (Large Confined Animal Facility Report Evaluations), Application review (additional time per hour) - Renewal	167.00	173.96	6.96
260	Initial Permit	310	Schedule AG3 (Large Confined Animal Facility Report Evaluations), Application review (first 10 hours)	1,625.00	1,692.76	67.76
261	Permit Annual Renewal	310	Schedule AG3 (Large Confined Animal Facility Report Evaluations), Application review (first 5 hours) - Renewal	812.00	845.86	33.86
262	Initial Permit	310	Large Confined Animal Facility Emission Mitigation Plan Update Fee (per hour)	167.00	173.96	6.96
263	Initial Permit	310	Schedule AG4-A (General Farming/Miscellaneous Equipment), Initial fee	1,624.00	1,691.72	67.72
264	Permit Annual Renewal	310	Schedule AG4-A (General Farming/Miscellaneous Equipment), Renewal	812.00	845.86	33.86
265	Initial Permit	310	Schedule AG4-B (Agricultural Source Gasoline Dispensing), Level 1 (Phase I and Phase II system)	1,520.00	1,583.38	63.38

Proposed Fees for FY2024/25 Effective July 01, 2024
CPI Adjustment of 4.17%

FeeID	Fee Category	Authority (Rule)	Fee Name	FY 23/24 Approved Fee	FY 24/25 Proposed Fee	Variance
266	Permit Annual Renewal	310	Schedule AG4-B (Agricultural Source Gasoline Dispensing), Level 1 (Phase I and Phase II system) - Renewal	760.00	791.69	31.69
267	Initial Permit	310	Schedule AG4-B (Agricultural Source Gasoline Dispensing), Level 2 (Phase II exempt)	754.00	785.44	31.44
268	Permit Annual Renewal	310	Schedule AG4-B (Agricultural Source Gasoline Dispensing), Level 2 (Phase II exempt) - Renewal	377.00	392.72	15.72
269	Hearing Board	302	Emergency Variance - Initial fee	495.00	495.00	-
270	Hearing Board	302	Emergency Variance - Staff time above 3 hours	91.00	91.00	-
271	SEED	205	SEED Loan Application Processing	254.00	264.59	10.59
272	SEED	205	SEED Loan Renewal	1,941.00	2,021.93	80.93
273	Fleet Inventory	304	Fleet Inventory Requirements (per fiscal year) _ Rule 1002	190.00	190.00	-
274	MERC	304	Rule 1005- Mobile Source Emission Reduction Credit/Banking Application, Hourly Rate	254.00	264.59	10.59
275	ERC Certificate	204	ERC Banking Application	254.00	264.59	10.59
276	Environmental Document Preparation & Processing	305	Environmental Document Preparation & Processing (hourly rate)	63.00	63.00	-
277	Environmental Document Preparation & Processing	305	Environmental Document Preparation & Processing, California Department of Fish and Game (Environmental impact report)	850.00	850.00	-
278	Environmental Document Preparation & Processing	305	Environmental Document Preparation & Processing, California Department of Fish and Game (Negative declaration)	1,250.00	1,250.00	-
279	Environmental Document Preparation & Processing	305	Environmental Document Preparation & Processing, California Department of Fish and Game (County Clerk's transmitting fee)	25.00	25.00	-

Fee Category Abbreviations:

ATC	Authority to Construct
PTO	Permit to Operate
MERC	Mobile Source Emission Reduction Credit
ERC	Emission Reduction Credit
SEED	Solutions for Environment & Economic Development



FY 24/25 PROPOSED BUDGET & FEE SCHEDULE

Board of Directors

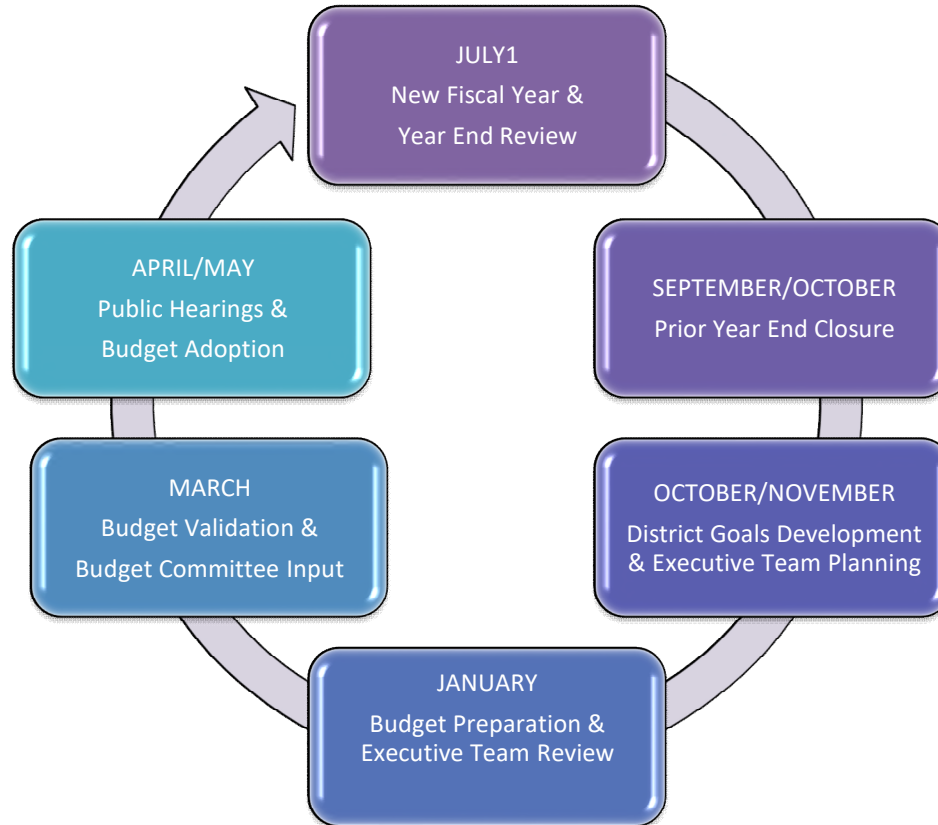
April 25, 2024

Presenter: Patty Kepner, Controller

Presentation Outline

- Annual Budget Process
- District Goals and Priorities
- FY 24/25 Proposed Budget
 - General Fund – Notable Changes from FY 23/24
 - Fund Balance Trends
- Five-Year Forecast
- FY 24/25 Proposed Fee Schedule

Annual Budget Process



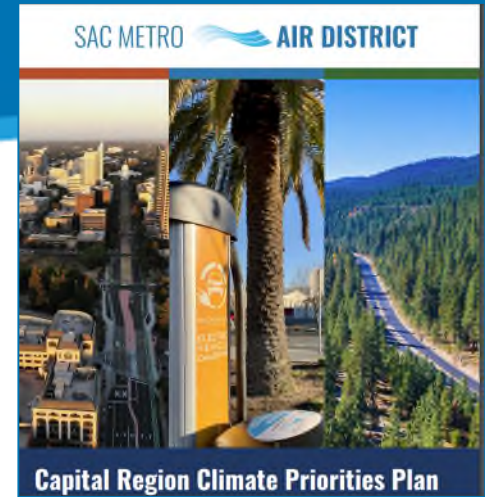
FY24/25 Proposed Budget

District Goals

- Meeting and Maintaining Federal Air Quality Standards and State and National Climate Targets
- AB 617 Community Air Protection Program and Environmental Justice
- Core Programs: Permitting, Enforcement, Air Monitoring, Land Use CEQA Review and Low-carbon Transportation Initiatives (e.g., Mobility, EV, Light/Heavy Duty Equipment)
- Regional Partnerships
- Recruit, develop, and retain excellent diverse staff
- Ensure fiscal responsibility and viability

FY24/25 Proposed Budget Budget Priorities

- Expand AB617 scope to include the Community Emissions Reduction Plan (CERP)
- Obtain implementation grant under the federal Climate Pollution Reduction Grant (CPRG)
- Distribute increased number of incentives for Clean Cars for All grant
- Finish renovation of Del Paso air monitoring facility
- Complete implementation of AiriA software solution
- Relocate the District headquarters



FY24/25 Budget Strategy

Items Excluded – Pending Outcomes

- **Climate Pollution Reduction (CPRG) Federal Implementation Grant**
 - Regional application for \$93M in EPA funding
 - To be awarded in Summer 2024
- **Sale of the HQ building and relocation**
 - Purchase and Sale Agreement in process
 - Deal to close in Summer 2024
- **Increase in State Moyer grant administrative funds**
 - Admin rate proposed to double (from 6.25% to 12%)

Note: Items are also excluded from the 5-year forecast

**Going
Beyond Green:**
Cultivating Community,
Connections, and Crops

FY24/25 Proposed Staffing Strategy

Increase of 4.0 Full-Time Equivalents (FTE) from FY23/24 Amended FTE Budget to 105.8 FTE in support of increased grant activity

	FY23/24 Approved	FY23/24 Amended (March 28)	FY24/25 Proposed
FTE	97.6	101.8	105.8
Classifications		Comms Specialist (1) AQ Specialist (2.2) AQ Engineer (1)	Office Assistant (2) AQ Engineer (-1) AQ Specialist/Planner (2) Finance TBD (1) <i>AQ Engineer (LT to REG) – no FTE impact</i>

FY24/25 Proposed Budget

All Funds

FUND	Revenues	Expenditures	Fund Balance Source/(Use)	Fund Balance at 6/30/25
General	\$26,942,104	\$30,020,199	\$(3,078,095) ¹	\$24,362,314
Proprietary (Covell Building)	1,075,834	1,075,834	-	5,575,402
Special Revenue (Incentives)	31,022,194	36,501,422	(5,479,228) ¹	86,082,245
Total	\$59,040,132	\$67,597,455	\$(8,557,323)	\$116,019,961

¹Use of reserves to balance the General and Special Revenue Funds for FY24/25

SACRAMENTO METROPOLITAN



General Fund Notable Changes

FY23/24 Approved to FY24/25 Proposed

REVENUES

- *Increases:* Federal & State grants, Stationary Sources fees
- *Decreases:* Fines/Penalties

EXPENDITURES

- *Increases:* FTE increase, 3.6% COLA, retirement and group insurance contributions, federal grant distributions, professional services for grant support
- *Decreases:* IS Software as a Service, capital expenditures (lab equipment)

FY24/25 Proposed Budget

General Fund

GENERAL FUND	FY23/24 Approved	FY23/24 Projected	FY24/25 Proposed	Budget-to-Budget Change
Revenue	\$ 25,097,233	\$ 33,564,814	\$ 26,942,104	\$ 1,844,871
Expenditures	27,824,832	27,019,909	30,020,199	2,195,367
Surplus /(Deficit)	\$ (2,727,599)	\$ 6,544,905	\$ (3,078,095)	\$ (350,496)
Ending Fund Balance*	\$ 18,167,905	\$ 27,440,409	\$ 24,362,314	\$ 6,194,409

* Audited ending fund balance as of 6/30/23: \$20.9 million

Proprietary (Building) Fund Notable Changes FY23/24 Approved to FY24/25 Proposed

Building is currently for sale and FY24/25 budget is break even

REVENUES

- Decrease: Tenant lease income (lease expired); District lease revenue is slightly less in FY24/25 due to the reduction in building expenditures

EXPENDITURES

- Decrease: FY23/24 budget assumed renovation of building; with building held for sale no renovations are planned for FY24/25

FY24/25 Proposed Budget Proprietary (Building) Fund

PROPRIETARY FUND	FY23/24 Approved	FY23/24 Projected	FY24/25 Proposed	Budget-to-Budget Change
Revenue	\$ 1,170,002	\$ 1,317,199	\$ 1,075,834	\$ (94,168)
Expense	1,870,002	1,044,406	1,075,834	(794,168)
Surplus /(Deficit)	\$ (700,000)	\$ 272,793	\$ -	\$ (700,000)
Ending Fund Balance*	\$ 4,602, 609	\$ 5,575,402	\$ 5,575,402	\$ 972,793

* Audited ending fund balance as of 6/30/23: \$5.3 million

Special Revenue Fund Notable Changes FY23/24 Approved to FY24/25 Proposed

Grant revenues and expenditures fluctuate based on incentive activity

REVENUES

- Increase: State incentive grants
- Decrease: Federal clean transportation program
- No Change: DMV \$2

EXPENDITURES

- Increases: Timing for all State incentive grants

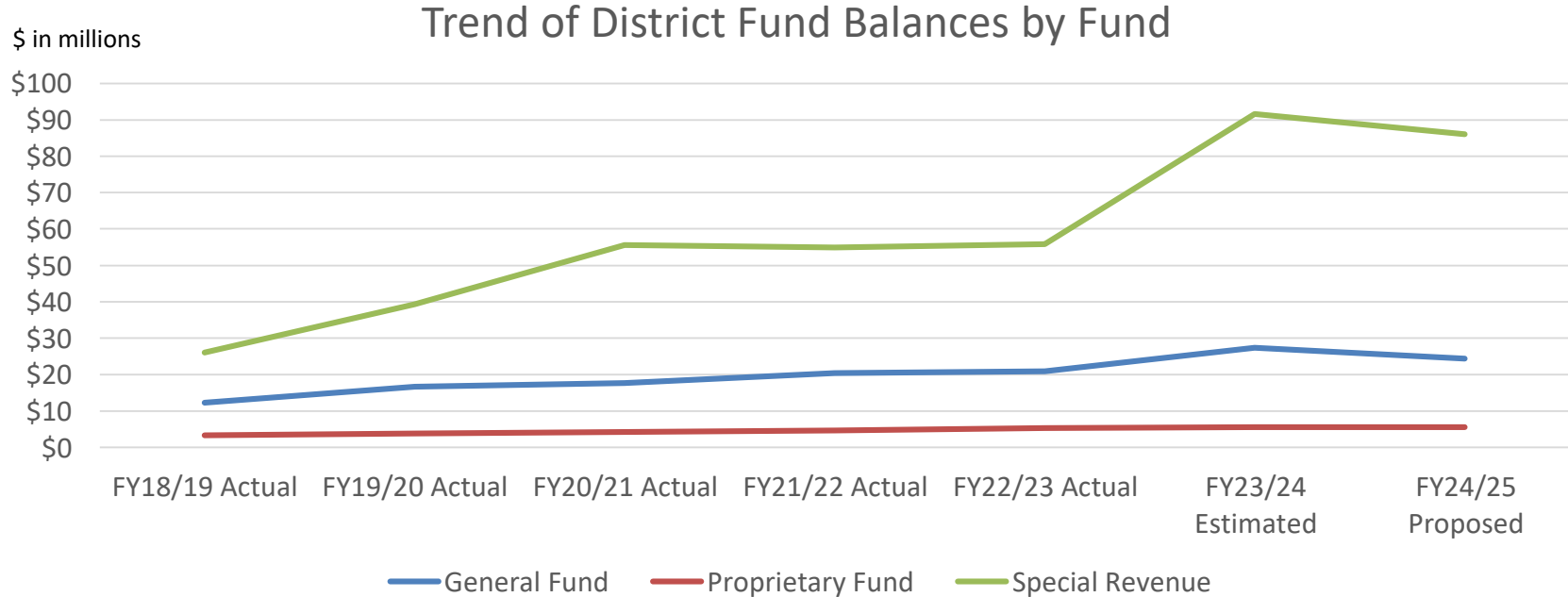
FY24/25 Proposed Budget

Special Revenue Fund

SPECIAL REVENUE FUND	FY23/24 Approved	FY23/24 Projected	FY24/25 Proposed	Budget-to-Budget Change
Revenue	\$ 30,840,382	\$ 58,964,635	\$ 31,022,194	\$ 181,812
Expenditures	29,032,269	23,267,141	36,501,422	7,469,153
Surplus /(Deficit)	\$ 1,808,113	\$ 35,697,494	\$ (5,479,228)	\$ (7,287,341)
Ending Fund Balance*	\$ 57,672,092	\$ 91,561,473	\$ 86,082,245	\$ 28,410,153

* Audited ending fund balance as of 6/30/23: \$55.9 million

Fund Balance Trends *



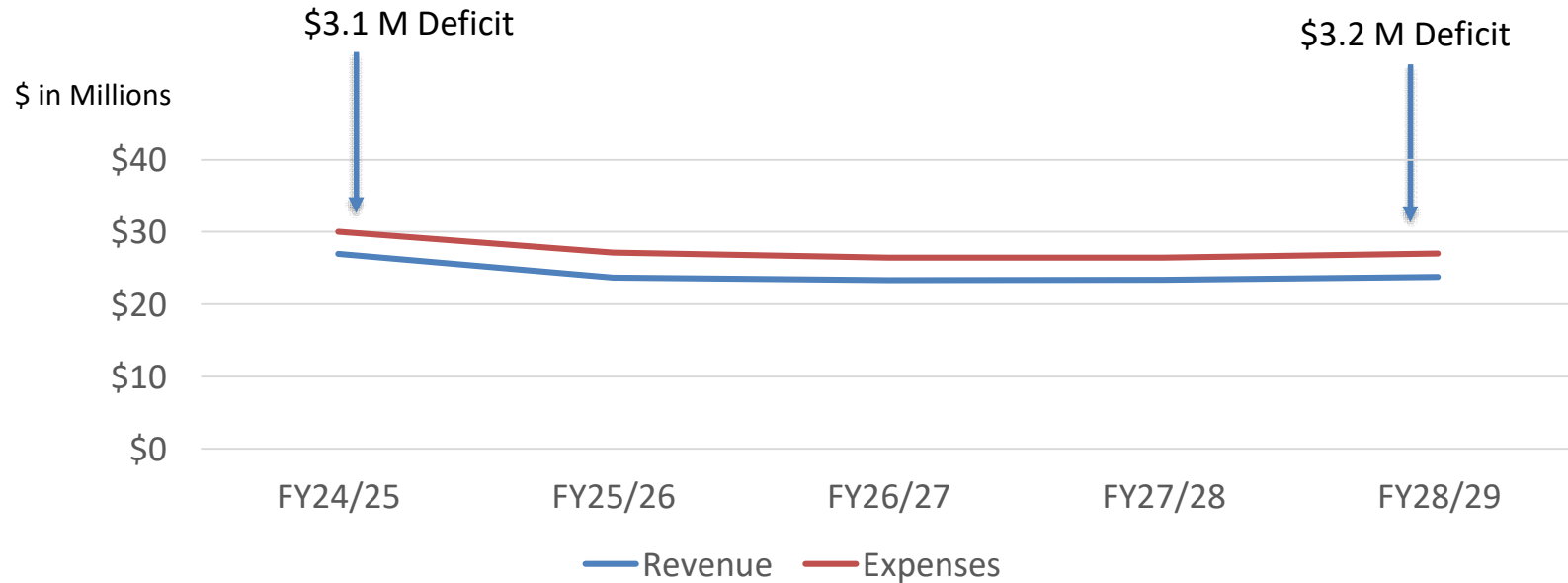
**Proposed General Fund Balance complies with the District's policy of an Operating Reserve equivalent to a minimum of 120 days of expenditures*

Five-Year Forecast Overview by Fund

- General Fund – Structural deficit forecasted
 - Revenues stable; no new revenue sources included in forecast
 - Expenditures grow with COLA and CPI (normal inflationary trends), no change in headcount
- Proprietary Fund – Stable with break-even operational results over the planning horizon
- Special Revenue Fund – Recurring DMV revenues held constant with decrease in State incentive grant funding in FY25/26; State funding is stable in later years

Five-Year Forecast

General Fund - Revenues and Expenditures



FY24/25 Proposed Fee Schedule

- CPI adjustment to various fees allowed by Rules
- Adjusted based on California CPI, All Urban Consumers
- Proposed FY24/25 increase of 4.17% effective July 1, 2024



FY24/25 Proposed Budget Summary

- Staff proposes a sound and balanced budget for FY24/25
- Proposed budget ensures successful continuity of operations and implementation of new opportunities
- Healthy reserves adequate for projected deficit

Recommended Board Action

- Open and Close the Public Hearing on the FY24/25 Proposed Budget & Fee Schedule
- Provide direction to staff regarding development of the final budget
- Set the public hearing for the adoption of the FY24/25 Budget and Fee Schedule for May 25, 2024

Thank You

Meeting Date: 4/25/2024
Report Type: DISCUSSION / INFORMATION
Report ID: 2024-0425-8.



Title: Sacramento Valley Basinwide Air Pollution Control Council New Alternate Member Appointment

Recommendation: Designate a member of the Sac Metro Air District Board of Directors to serve as the alternate council member to the Sacramento Valley Basinwide Air Pollution Control Council (BCC).

Rationale for Recommendation: The BCC is comprised of one member from each of the nine member Districts. At the January 26, 2023 Board of Directors meeting, the Board passed a motion appointing Director Eric Guerra to serve as the council member for the Sac Metro Air District and Director Patrick Hume as the alternate.

Director Patrick Hume has a standing conflict and is unable to attend the BCC meetings as an alternate. Staff is recommending that the Board appoint a new alternate member.

Contact: Amy Roberts, Engineering & Compliance Division, 916-825-6840

Presentation: Yes

Approvals/Acknowledgements

Executive Director or Designee: Alberto Ayala, Report Approved 4/16/2024

District Counsel or Designee: Kathrine Pittard, Approved as to Form 4/8/2024

Discussion / Justification: The Sac Metro Air District is geographically part of the Sacramento Valley Air Basin. As such, the District is one of nine participating air districts that make up the BCC. Pursuant to State law and the California Code of Regulations (CCR), the BCC is responsible for carrying out various activities related to the Smoke Management Program (SMP) and Conditional Rice Straw Burning Permit Program with the purpose of (1) reducing smoke impacts from agricultural and prescribed burning, and (2) to ensuring that the Sacramento Valley Air Basin is, or will be, in compliance with the requirements of State and Federal law.

The BCC is an important entity in the region for coordination and information sharing among multiple air districts, the California Air Resources Board and the Environmental Protection Agency. The District's participation in the BCC is an important duty to assure consistency in implementation of the SMP and other air quality programs related to air quality attainment in the region.

Meeting Date: 4/25/2024
Report Type: DISCUSSION / INFORMATION
Report ID: 2024-0425-9.

Title: Clean Car 4 All Program Update

Recommendation: Receive and file a presentation on Clean Cars 4 All (CC4A) program implementation changes and a relaunch of the program in spring of 2024.

Rationale for Recommendation: The Air District received an additional \$12 million grant from the California Air Resources Board to expand the CC4A program county-wide and include additional services, including e-bikes. Despite a county-wide expansion, the CC4A focus will remain on disadvantaged communities (DAC) using data from CalEnviroscreen 4.0. While all Sacramento residents are potentially eligible, grants will be awarded on a needs-based approach where applicants from DAC census tracts will be prioritized. Phasing out conventional hybrid vehicles and higher incentives for the cleanest technologies will increase this program's emissions reduction potential.

Contact: Cindy Mahon, Program Supervisor, Transportation & Climate Change, (916) 207-3457

Presentation: Yes

ATTACHMENTS:

Presentation: Clean Cars 4 All Program Update

Approvals/Acknowledgements

Executive Director or Designee: Alberto Ayala, Report Approved 4/16/2024

District Counsel or Designee: Kathrine Pittard, Approved as to Form 4/12/2024

Discussion / Justification: The CC4A program is an equity-based program that offers grants of up to \$9,500 to eligible income-qualified consumers living in communities disproportionately burdened by pollution to scrap an old vehicle and buy a zero emissions or near zero emissions vehicle. Participants are also eligible for home charger incentives or public charging credit.

Since launching the CC4A program in March 2019, the District has received \$7 million in funding and has awarded over 1,000 participants in disadvantaged communities throughout Sacramento County. On June 28, 2023, the District executed the most recent CC4A grant with CARB, which provided another \$12 million grant to continue implementing the CC4A program with new eligibility requirements through 2026. The District's program will stop taking new applications in May of 2024 to prepare for the program updates.

The District plans to relaunch CC4A in June 2024 to implement the new requirements. The new program will expand to all of Sacramento County, require stricter income thresholds, phase out replacement conventional hybrid vehicles, increase access to fair financing, and increase grant amounts for DAC participants. E-bikes will also be offered as an alternative clean mobility option. The District has already started work to recruit local bike dealers and with local bike advocacy groups to conduct outreach.

Emissions Impact: The CC4A program contributes to reductions in greenhouse gas (GHG) and criteria pollutant emissions from the transportation sector. Since 2019, a total of 901 vehicles have been replaced by a combination of conventional hybrid, PHEV, and BEV resulting in 9,573 tons of GHG and 8.42 tons of criteria

pollutants reduced over the project life.

Economic Impact: 80% of the new \$12 million dollar grant will be spent in direct program costs and stimulate the regional economy through our network of participating EV dealerships, e-bike retailers, vehicle dismantlers, and charging infrastructure providers and contractors.

Public Outreach/Comments: The program relaunch will use a multimedia community outreach campaign to communicate the changes in eligibility and benefits.

Clean Cars 4 All Program Update

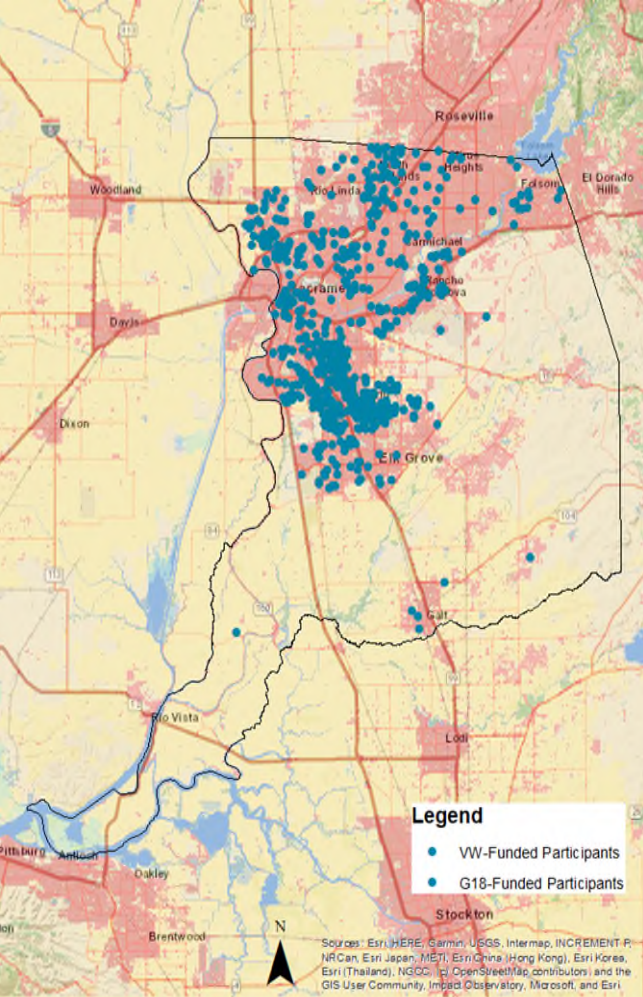
Sac Metro Air District Board Meeting
April 25, 2024

Presenter: Cindy Mahon
Program Supervisor

Board of Directors Regular Meeting - April 25, 2024 - 425

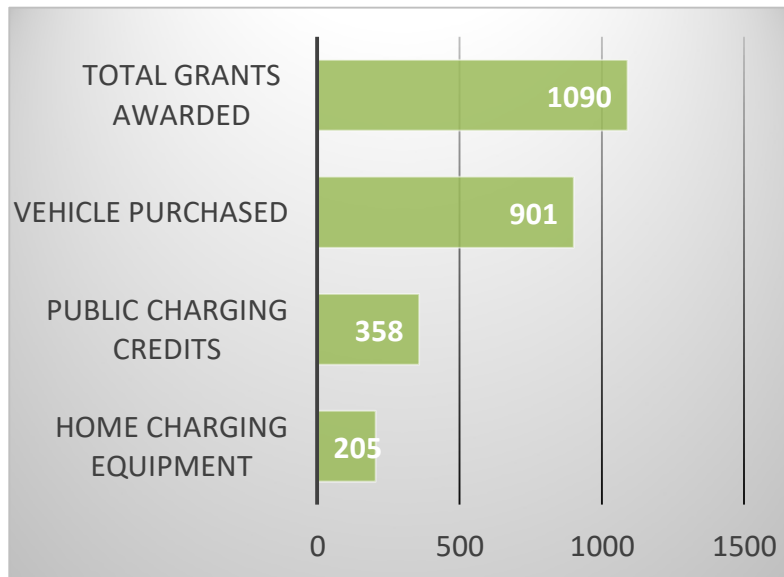


CC4A—Background



- Launched in March 2019
 - provides clean and reliable transportation to disadvantaged communities (DACs) in Sacramento County
 - 901 ICE cars scrapped and replaced by ZEV or near ZEV
- Stimulating the regional economy
 - ~\$7 million in funding so far
- Another \$12 million grant to continue funding CC4A from 2024 to 2028

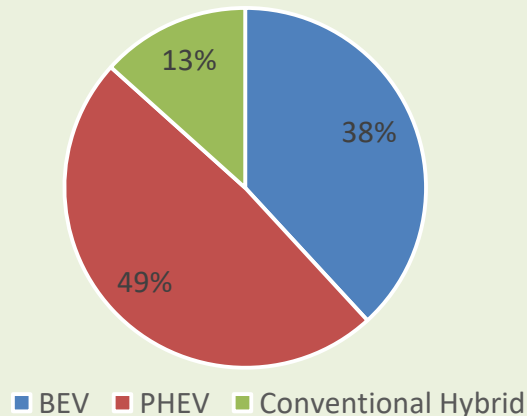
CC4A Program Snapshot



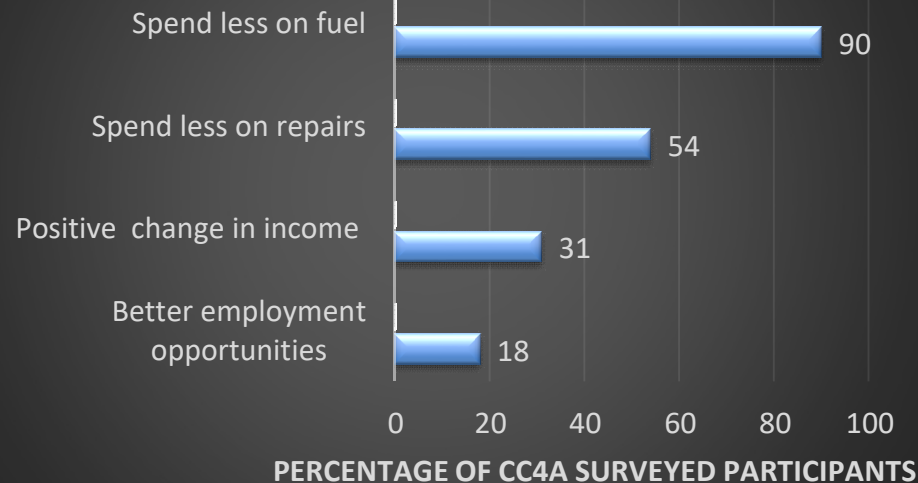
Pollutant	Emission Reductions during Project Life (tons)
GHG	9,573
NOx	6.71
PM 2.5	0.36
ROG	1.35

CC4A Program Snapshot

REPLACEMENT VEHICLES



Impacts on Program Participants



Upcoming Changes

Grant Amount Type	Hybrid Electric Vehicle 35+ MPG (Combined)	Plug-In Hybrid Electric Vehicle	Battery Electric Vehicle	Fuel Cell Electric Vehicle	Mobility Option**
Base Grant Amount	\$7,000	\$9,500*	\$10,000*	\$10,000	\$7,500
Increased Grant Amount (applicant lives in disadvantaged community census tract)	\$7,000	\$11,500*	\$12,000*	\$12,000	\$7,500

- Expand to all of Sacramento County
 - From 25 eligible zip codes to 61
 - Priority will remain with DAC
- Vehicle Technology
 - Phase out of conventional hybrid
 - Starting in 2025, only PHEV, BEV and FCEV
- Increased grant awards
 - 300 %FPL is now top income qualifier
 - Base grant increased to \$9,500
 - Max grant of \$12,000 for BEV and FCEV
- Fair Financing
 - Partnership with statewide CC4A administrator to access financing assistance program when needed

Upcoming Changes – E-Bikes

E-Bike Option

\$7,500 for e-bikes based on household size

In close alignment with statewide e-bike incentive program for consistency (eligibility, accessories, manufacturer warranty)

E-Bike Retailer Network

2 retailers; soliciting participation from more

Similar to regional EV network

Brick and mortar store required for increased consumer protection (continued maintenance and repair services)



Program Relaunch



Scheduled for June 2024

- Planned program pause in May
- Transition period to clear existing queue of applications, test and implement programming changes to CC4A database

Public Outreach

- CC4A Program staff will reach out to communicate upcoming pause and relaunch, new eligibility requirements, and benefits
- Partnership with Sacramento Area Bicycle Advocates and SMUD
- Advertise new mobility option; stage “ride and drive” events to demo e-bikes

Meeting Date: 4/25/2024
Report Type: AIR POLLUTION CONTROL OFFICER'S REPORT
Report ID: 2024-0425-10.

Title: Air Pollution Control Officer Presentation

Recommendation: Receive and file a presentation from the Air Pollution Control Officer, including the following topics: Sacramento Emergency Clean Air Transportation Program; Headquarters Relocation Status; and Sac Metro Air District Earth Day Activities.

Rationale for Recommendation: A primary responsibility of the Air Pollution Control Officer / Executive Director (APCO) is to keep the Board of Directors informed of important or incidental matters related to the Air District. Therefore, the APCO regularly presents to the Board during public meetings noteworthy items such as past successes, progress of current activities and future endeavors, updates regarding relevant legislation, anticipated media events, and material internal changes.

Contact: Alberto Ayala, Executive Director/Air Pollution Control Officer, 279-207-1122

Presentation: Yes

ATTACHMENTS:

APCO Presentation

Approvals/Acknowledgements

Executive Director or Designee: Alberto Ayala, Report Approved 4/19/2024

District Counsel or Designee: Kathrine Pittard, Approved as to Form 4/19/2024

Air Pollution Control Officer Report

Board of Directors Meeting

April 25, 2024

Sacramento Emergency Clean Air Transportation (SECAT) Program

Regional Zero Emission Vehicle Funding- Opening May 9, 2024



Light



\$20,000

Medium



\$35,000

Heavy



\$100,000

- Grants to deploy more zero emission vehicles in region
- New option for light- and medium-duty fleet vehicles
- Governments, non-profits, and local businesses can apply – no vehicle scrap required!
- Innovative partnership with SACOG and regional air districts

Headquarters Relocation Status

- Purchase and Sale Agreement (PSA) being finalized
- 6 months from PSA to vacate current headquarters
- Toured potential new locations
- Retained relocation consultant to ensure smooth transition
- Engaging employees in relocation process
- Contingency plan will ensure continuity of essential operations
- Continue to engage Board Ad Hoc Committee throughout the Project



Sac Metro Air District Earth Day Activities



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