

**RESOLUTION NO. AQM \_\_\_\_\_**

**RULE 205 – COMMUNITY BANK AND PRIORITY RESERVE BANK**

**THE BOARD OF DIRECTORS  
OF THE SACRAMENTO METROPOLITAN AIR QUALITY  
MANAGEMENT DISTRICT**

WHEREAS, the Board of Directors of the Sacramento Metropolitan Air Quality Management District is authorized to amend Rule 205 – COMMUNITY BANK AND PRIORITY RESERVE BANK, by Sections 40001, 40702, 40709, 40709.5, 40709.7, 40711, and 41080 of the California Health and Safety Code (Health and Safety Code Section 40727(b)(2)); and

WHEREAS, the Board of Directors of the Sacramento Metropolitan Air Quality Management District has determined that a need exists to amend Rule 205 to recover the program costs to renew and update emission reduction credit loans and implement the emission reduction project and to authorize the Air Pollution Control Officer to adjust the annual renewal fee relative to change in the Consumer Price Index (Health and Safety Code Section 40727(b)(1)); and

WHEREAS, the Board of Directors of the Sacramento Metropolitan Air Quality Management District has determined that the meaning of Rule 205 can be easily understood by the persons affected by it (Health and Safety Code Section 40727(b)(3)); and

WHEREAS, the Board of Directors of the Sacramento Metropolitan Air Quality Management District has determined that the rule is in harmony with, and not in conflict with or contradictory to, existing statutes, court decisions, or state or federal regulations (Health and Safety Code Section 40727(b)(4)); and

WHEREAS, the Board of Directors of the Sacramento Metropolitan Air Quality Management District has determined that the rule does not impose the same requirements as any existing state or federal rule or regulation that applies to affected sources within the District (Health and Safety Code Section 40727(b)(5)); and

WHEREAS, the Board of Directors of the Sacramento Metropolitan Air Quality Management District has determined that Rule 205 implements Health and Safety Code Sections 40709, 40709.5, and 40709.7 (Health and Safety Code Section 40727(b)(6)); and

WHEREAS, the Board of Directors of the Sacramento Metropolitan Air Quality Management District has determined that a written analysis is not required because the proposed amendments to Rule 205 do not impose any emission limits, standards, monitoring, reporting, or recordkeeping requirements (Health and Safety Code Section 40727.2(g)); and

WHEREAS, the Board of Directors of the Sacramento Metropolitan Air Quality Management District has maintained records of the rulemaking proceedings (Health and Safety Code Section 40728); and

WHEREAS, the Board of Directors of the Sacramento Metropolitan Air Quality Management District held a duly noticed public hearing on May 23, 2013 and considered public comments on the proposed amendments to Rule 205 (Health and Safety Code Sections 40725 and 40726); and

WHEREAS, a socioeconomic impact analysis is not required for a rule that does not establish emission limits, interfere with the District's attainment plan, or result in any significant increase in emissions (Health and Safety Code Section 40728.5); and

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WHEREAS, the California Environmental Quality Act (CEQA) under Section 15273(a)(1) of the State CEQA Guidelines exempts actions by public agencies that establish or modify fees for the purpose of meeting operating expenses.

NOW, THEREFORE, BE IT RESOLVED THAT the adoption of Rule 205 is exempt from the California Environmental Quality Act (CEQA); and

BE IT FURTHER RESOLVED THAT the Board of Directors of the Sacramento Metropolitan Air Quality Management District modifies Option 3 to increase the allocation from 50% to 70% of the program cost to be covered by the fees paid by borrowers of emission reduction credits from the Community Bank and Priority Reserve Bank and the remaining program cost to be covered by the permit fees paid by all stationary source permit holders; and

BE IT FURTHER RESOLVED THAT the Board of Directors of the Sacramento Metropolitan Air Quality Management District approves and adopts the amendments to Rule 205 – COMMUNITY BANK AND PRIORITY RESERVE BANK including Section 313.1 that contains the annual renewal fee described as modified Option 3; and

BE IT ORDERED that Rule 205 be effective on May 23, 2013.

ON A MOTION by Director \_\_\_\_\_, seconded by Director \_\_\_\_\_, the foregoing Resolution was passed and adopted by the Board of Directors of the Sacramento Metropolitan Air Quality Management District, State of California, this 23<sup>th</sup> day of May, 2013, by the following vote, to wit:

AYES: Directors  
NOES: Directors  
ABSENT: Directors

\_\_\_\_\_  
Chairperson of the Board  
Sacramento Metropolitan Air Quality Management District  
State of California

(SEAL)

ATTEST: \_\_\_\_\_  
Clerk of the Board  
Sacramento Metropolitan Air Quality Management District