



**MONTEREY BAY AIR
RESOURCES DISTRICT
FISCAL 2024-2025
BUDGET**





FISCAL YEAR 2024 – 2025

FINAL BUDGET

June 19, 2024



24580 Silver Cloud Court, Monterey, CA 93940
(831) 647-9411 | www.mbard.org

MONTEREY BAY AIR RESOURCES DISTRICT

BOARD OF DIRECTORS

NAME AND JURISDICTION	AREA OF REPRESENTATION
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	Kollin Kosmicki, Vice Chair Supervisor, San Benito County Budget Committee Vice Chair San Benito County
	Mary Adams Supervisor, Monterey County Monterey County
	Wendy Root Askew Supervisor, Monterey County Monterey County
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	Mary Ann Carbone Mayor, Sand City Budget Committee Member Monterey Peninsula Cities
	Zach Friend Supervisor, Santa Cruz County Santa Cruz County
	Felipe Hernandez Supervisor, Santa Cruz County Budget Committee Alternate Member Santa Cruz County
	Mike LeBarre Mayor, King City Budget Committee Member South Monterey County Cities
	Orlando Osornio Councilmember, City of Salinas City of Salinas
	Rick Perez Councilmember, City of Hollister San Benito County Cities (rotates with Santa Cruz County Cities)

Richard A. Stedman, Air Pollution Control Officer



Monterey Bay Air Resources District Fiscal Year 2024-2025 Budget

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FY 2024-2025 BUDGET ADOPTION SCHEDULE

- April 1, 2024 – Budget Workshops
 - 11:00 am – San Benito County
Board of Supervisors Chambers, 481 4th St. Hollister
 - 3:00 pm – Monterey County
MBARD Board Chambers, 24580 Silver Cloud Court, Monterey
- April 3, 2024 – Budget Workshops
 - 11:00 am – Santa Cruz County
Watsonville Public Library, 275 Main St. Suite 100, Watsonville
- April 17, 2024: Review first Draft with Budget and Personnel Committee
 - 12:30 pm– Monterey Bay Air Resources District
MBARD Board Chambers, 24580 Silver Cloud Court, Monterey
 - First Board of Directors Hearing
 - 1:30 pm– Monterey Bay Air Resources District
MBARD Board Chambers, 24580 Silver Cloud Court, Monterey
- June 19, 2024: Second Board of Directors Hearing and Adoption of Final Budget
 - 1:30 pm– Monterey Bay Air Resources District
MBARD Board Chambers, 24580 Silver Cloud Court, Monterey
- July 1, 2024 – MBARD Fiscal Year Begins



AIR POLLUTION CONTROL OFFICER'S BUDGET MEMORANDUM

Date: June 19, 2024

Dear Chair Lopez, Board members,

I respectfully submit the Fiscal Year 2024-2025 (FY 24-25) proposed budget for the Monterey Bay Air Resources District (MBARD). This budget was prepared according to the state and federal legal requirements and policy framework and direction provided by the Board of Directors and the Budget Personnel and Nominating Committee. The following represents the highlights for revenue and expenditures in MBARD's FY 24-25 budget.

MBARD's FY 24-25 budget is estimated at \$22.4 million, consisting of \$8.3 million in operational and \$14.1 million in non-operational (Grant Programs) costs. This represents a ten percent increase from the FY 23-24 budget. Operational costs have increased due to a four percent pay increase negotiated with the employee bargaining unit and the addition of two new staff positions. MBARD also anticipates passing through an additional \$1.2 million in grants compared to the previous fiscal year.

The following lists some of the highlights of the proposed FY 24-25 budget:

- Permit fee increase of 2.6 percent based on the Consumer Price Index.
- Four percent cost of living allowance for staff.
- Per capita fee increase from \$.52 to \$.55.
- Increase from 32 to 34 full-time personnel.
- \$12 million for grant funding to reduce emissions for MBARD's ongoing AB 2766, AB 923, Carl Moyer, Community Air Protection (CAPP), Funding Agricultural Replacement Measures (FARMER) programs, and Central Coast Community Energy electric bus grant program.
- \$1 million to continue MBARD's Plug-In Monterey Bay program to install electric vehicle charging stations throughout Monterey, Santa Cruz, and San Benito counties. In addition, MBARD will continue its electric vehicle incentive program for residents in the three-county jurisdiction.
- An estimated \$300,000 to reduce PM_{2.5} wood smoke emissions through MBARD's Wood Stove Change Out Program.
- Fixed asset expenditures of \$423,000 for parking lot resurfacing, three vehicle replacements, and air monitoring equipment.

MBARD's commitment to protecting our air while balancing economic considerations is reflected in this proposed budget. Our focus is on core programs and maintaining strong internal controls to minimize financial risks. We seek the most economical and effective air quality management solutions on behalf of residents and businesses in Monterey, Santa Cruz, and San Benito counties. MBARD strives to collaborate with the community, industry, and regional partners to find reasonable and cost-effective approaches to protect air quality throughout the North Coast Central Air Basin.

Respectfully,



Richard A. Stedman
Air Pollution Control Officer

ADMINISTRATIVE DIVISION

The Administrative Division consists of the Air Pollution Control Officer (APCO), an Administrative Services Manager, an Executive Assistant, an Administrative and Fiscal Specialist, a Senior Fiscal Assistant, and an Office Assistant. The Division performs the following functions:

General Operations

The Division is responsible for all premises management including building and grounds, vehicle fleet management, Safety Program, administrative support, telephone systems, reception duties, mailroom, copy functions and office supplies. General Operations also includes human resource management and benefit administration for the 34 budgeted positions.

Finance and Accounting

The accounting section is responsible for all general accounting functions including accounts receivable, accounts payable, payroll, fixed asset management, grants, risk management, and related financial reporting.

An important function of this section is the preparation and tracking of the annual budget. All managers participate in a collaborative effort with the APCO and the Administrative Services Manager in compiling and presenting the annual proposal. Additional responsibilities include permit billing and risk management activities.

Another important function of the Finance and Accounting Division is to assist each year with the audit of the MBARD finances. The financial audit for Fiscal Year 2023-2024 was successfully completed in January 2024 with MBARD receiving a “clean” audit with no significant deficiencies or material weaknesses identified.

The Division also supports public education outreach and communications for all Divisions within MBARD.

MBARD Boards

The Division provides support to the MBARD Board of Directors, Hearing Board and Advisory Committee. This support and assistance include distribution and publication of agendas, notices and minutes and processing of public inquiries and information requests.

Monterey County Counsel provides contracted legal advice to the Board of Directors and its committees, the Advisory Committee, APCO and staff as well as representing MBARD in civil litigation, variance cases, abatement actions and permit revocations before the Hearing Board.

AIR MONITORING DIVISION

The Air Monitoring Division consists of one Air Monitoring Manager, Air Monitoring Supervisor, one Senior Air Monitoring Specialist, one Air Monitoring Specialist, and one Air Quality Technician. Moving forward into 2024/2025, MBARD will strive to continue to monitor, assess, advise, and improve air quality initiatives to help maintain public access to air monitoring data.

The Division performs the following functions:

Ambient Air Monitoring

The Monterey Bay Air Resources District (MBARD) operates an air monitoring network to determine compliance status with federal and state ambient air quality standards within the MBARD three-county jurisdiction deemed as the North Central Coast Air Basin (NCCAB). MBARD has also established and maintains a PM_{2.5} smoke sensor monitoring network to collect data for smoke management initiatives from various outdoor burning and wood burning for home heating. The data collected from these networks are presented on the Air Monitoring webpage on the MBARD website to provide information of air quality-based characterizations on the EPA's Air Quality Index (AQI). These air monitoring networks also provide support for MBARD pollutant forecasting and wood smoke curtailment programs.

Ozone

Ozone concentrations are monitored at six air monitoring stations within the MBARD jurisdiction. One station is operated by the National Parks Service where ozone measurements from this site are incorporated with the other collected ozone data to determine the MBARD's attainment status. Currently, the NCCAB is in attainment with the California one-hour ozone and California and federal eight-hour ozone Ambient Air Quality Standards (AAQS).

Particulate Matter

"PM₁₀" refers to particles that are 10 micrometers or less in aerodynamic diameter (about $\frac{1}{25}$ the diameter of a human hair). The Air Monitoring division conducts PM₁₀ monitoring using continuous measurement devices at the Hollister, King City, and San Juan Bautista stations. These sites continue to show periodic exceedances of the state attainment standard caused by fugitive dust emissions on windy days. A violation of the state standard occurs when PM₁₀ exceeds a 24-hour average of 50µg/m³. An exceedance does not necessarily indicate a violation of the standard if the exceedance is caused by an exceptional event such as smoke from a wildfire.

The NCCAB is currently in attainment with the federal AAQS for PM₁₀, however, it continues to be in non-attainment with the California AAQS. This status is a result of exceedances, mainly at the King City station in Monterey County due to fugitive soil dust from plowed agricultural fields and prevailing winds throughout the Salinas Valley. The other PM₁₀ monitors, located in Hollister and San Juan Bautista, may also experience high dust concentrations from prevailing wind events during the autumn months.

“PM_{2.5}” refers to particles that are 2.5 micrometers or less in aerodynamic diameter (about 1/70th the diameter of a human hair). The Air Monitoring Division monitors PM_{2.5} concentrations at stations located in Salinas, Santa Cruz, Hollister, Carmel Valley, King City, and Felton. The NCCAB is currently in attainment with the PM_{2.5} federal and California AAQs.

PM_{2.5} is also monitored in support of MBARD’s Smoke Management Program. A low-cost sensor network has been established throughout the NCCAB in all incorporated municipalities, certain populated areas, and various sites in the San Lorenzo Valley to support various wood-smoke monitoring. Temporary networks can be established as needed to detect fine particle emissions from planned burns, such as at the former Fort Ord area or other large, prescribed burns.

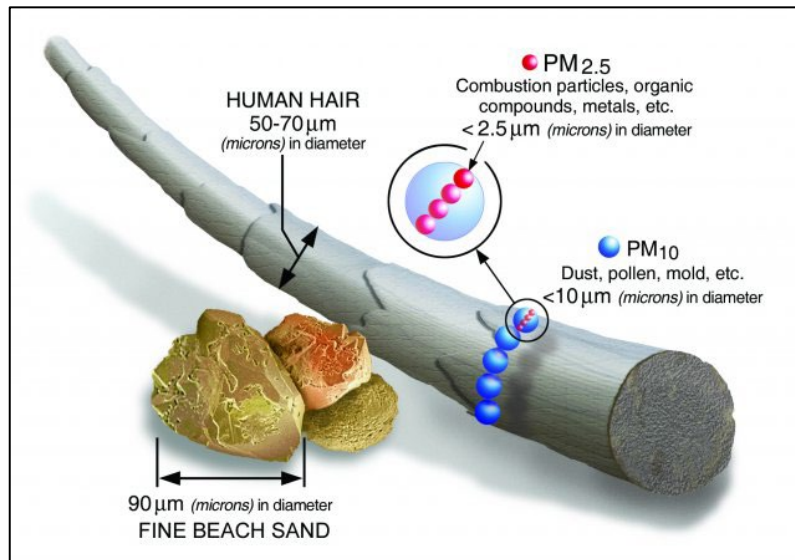


Figure 1: Size comparisons for PM₁₀ and PM_{2.5} Particles

Other Criteria Pollutants

Pollutants such as nitrogen dioxide, nitric oxide, oxides of nitrogen, and carbon monoxide are monitored at the Salinas station. MBARD is in attainment with both federal and state AAQs for these pollutants.

FY 23-24 Major Accomplishments	FY 24-25 Objectives
<ul style="list-style-type: none"> • Met all federal and state required data collection, reporting and quality assurance requirements at all MBARD Air Monitoring stations. • Reconfigured the MBARD Air Monitoring website for enhanced ease-of-use access to various air monitoring data, wildfire smoke and other air quality information and resources. • Refined operations and modernized air monitoring resources. • Updated PM_{2.5} monitors in Hollister. • Updated Ozone monitors at the King City and Santa Cruz Air Monitoring stations. • Continued to support wood smoke reduction efforts in the San Lorenzo Valley by monitoring PM_{2.5} levels during the winter home heating season. • Maintained a low-cost sensor network throughout the North Central Coast Air Basin to monitor smoke impacts from wildfires and prescribed burning. Data collected is published on the MBARD Air Monitoring website. • Continued with contracted operation, data collection, and maintenance with California State Parks and their PM10 network located within the Hollister Hills Recreational Vehicle Park in San Benito County. MBARD receives direct compensation for this work. • Maintained and evolved an electronic logbook system currently used for stations, monitors and transfer standards owned by MBARD. 	<ul style="list-style-type: none"> • Continue to meet all ARB and EPA monitoring requirements. • Continue modernization activities and apply for various grant funding to expand more efficient operations to meet MBARD needs. • Continue to optimize and tailor new data acquisition system capabilities to increase automation and remote-control capabilities for air monitoring tasks. • Update PM_{2.5} monitors for King City air monitoring station. • Update Ozone monitor for Carmel Valley air monitoring station. • Update Nitrogen Dioxide monitor for Salinas air monitoring station. • Update PM_{2.5} monitor and demolish/move the placement of the air monitoring station at the San Lorenzo Valley Middle School in Felton. • Update Ozone and Flow Transfer Standards. • Maintain the low-cost sensor network and expand coverage as needed. • Continue to research air monitoring database cloud capabilities. • Continue monitoring in the San Lorenzo Valley to support MBARD endeavors to reduce PM_{2.5} levels from wood smoke and backyard burning as part of the low-cost sensor network.

Meteorological Monitoring

The Air Monitoring Division monitors and reports hourly meteorological data at sites in Salinas, Hollister, Santa Cruz, King City, Carmel Valley, and Felton. Meteorological measurements are critical to understanding air quality in the NCCAB. Parameters such as wind speed, wind direction, and ambient temperature are recorded. These measurements directly affect and support MBARD air quality forecasting and smoke management programs. Meteorological data is also used to understand pollutant flux in the air basin during smoke impact events or when responding to citizen complaints.

Source Specific Monitoring

The Division supports remote smoke monitoring instruments to detect smoke emissions from controlled prescribed burns, wildfires, and other possible smoke source impacts. The Division may also assist in complaint response by using portable air monitoring equipment.

FY 23-24 Major Accomplishments	FY 24-25 Objectives
<ul style="list-style-type: none">• Met all data collection, reporting, and quality assurance objectives.• Continued the use of radiosondes for atmospheric vertical profiling to support smoke management projects.• Maintained a low-cost PM_{2.5} sensor network at various locations throughout the North Central Coast Air Basin (mentioned above).	<ul style="list-style-type: none">• Continue meteorological monitoring to meet MBARD needs.• Continue to upgrade meteorological monitoring and sensor systems as needed.• Continue to maintain the low-cost sensor network, and possibly expand it where needed.

COMPLIANCE DIVISION

The Compliance Division staff consists of an Engineering and Compliance Manager (0.5 Full-time Employee), a Supervising Inspector, seven Air Quality Compliance Inspectors, one Senior Administrative Assistant, and one Engineering & Compliance Specialist (0.75 FTE).

The Division performs the following functions:

Inspections of Stationary Sources

Compliance inspectors conduct inspections of over 3,000 permits to assure compliance with all of the permit requirements, applicable MBARD regulations, and state and federal laws.

Air quality violations trigger investigations and enforcement actions. To ensure compliance with MBARD permit and/or other regulatory requirements, the Division uses a suite of corrective actions including direct remediation, education, supplemental environmental projects and monetary penalties.

Under MBARD's inspection policy, inspections are assigned based on various factors, including whether the facility has a federal operating permit, potential for air quality impact, or responsibilities under agreements with the California Air Resources Board (CARB) such as the agreement to conduct annual inspections for oil and gas facilities subject to CARB's oil and gas regulation.

Observation of Source Tests

Inspectors oversee source tests conducted at stationary sources. Staff reviews the source test protocol prior to the test and ensures the source test contractor has the proper equipment and certification to conduct the test. Staff observe source tests to ensure the source test contractor follows the correct test procedures and staff reviews the source test results to ensure the data is properly reported and to act promptly on any compliance issues related to the testing.

Complaint Investigations

The Division receives several hundred complaints each year. Timely responses and investigations of alleged sources of non-compliance are top priorities.

Compliance Assistance

The Division devotes considerable resources to assist the public and regulated sources with their understanding of regulatory requirements. The primary focus of these activities is to notify, educate and offer solutions to avoid potential compliance problems and achieve the best possible air quality. During calendar year 2023, which covered part of FY 22-23 and part of FY 23-24, the Division performed 1,588 inspections of permitted equipment, responded to 254 public complaints, and addressed 19 reported facility equipment breakdowns.

FY 23-24 Major Accomplishments	FY 24-25 Objectives
<ul style="list-style-type: none"> • Increased the number of compliance inspections because we filled all vacant inspector positions. • Successfully transitioned to a new permit database with Accela. • Completed all major source inspections and report reviews. • Conducted inspections and enforced the California Air Resources Board Oil and Gas Regulation on the oil and gas industry. Observed and photographed gas leaks from the lens of the FLIR camera where these gas leaks are not visible by the naked eye. • Provided one-on-one help to businesses and individuals to ensure understanding of MBARD requirements. • Successfully onboarded and trained three new Air Quality Compliance Inspectors. • Responded to 154 public records requests in calendar year 2023. • Continued to expanded use of administrative assistance to perform office-based duties to allow field-based inspection staff to remain in the field conducting inspections. This includes responding to residential chimney smoke complaints. • Completed a project to allow for electronic compliance data transfer from the Accela database to the EPA's ICIS-AIR database which was funded with an EPA grant. 	<ul style="list-style-type: none"> • Continue improvements in efficiency and further streamlining of functions to meet new mandates without increasing staffing levels. • Continue to develop new policies/procedures and amend existing policies/procedures to enhance consistency and efficiency. • Continue to look for opportunities to reduce unnecessary redundancies and continue to expand the use of administrative assistance. • Continue to review source test protocols and test results and monitor source testers methods through source test observations. • Increase availability of MBARD information for stakeholders and the general public on the website. • Evaluate compliance assistance methods and apply findings towards improvement of MBARD customer support efforts. • Continue identifying unpermitted sources. • Cross-train Compliance Division staff to ensure continuity of operations. • Transition to paperless submission, processing, and review of reports.

Smoke Management Program

The Division actively contributes to MBARD’s smoke management activities. The Division handles complaints and enforcement actions on fireplace smoke, backyard burns, and prescribed burns and agricultural burns.

FY 23-24 Major Accomplishments	FY 24-25 Objectives
<ul style="list-style-type: none">• Staff responded to public inquiries concerning Rule 438 (Open Outdoor Fires) regulation, including providing compliance assistance brochures.• Mailed 23 fireplace smoke complaint letters and educational materials to residents.	<ul style="list-style-type: none">• Enforce MBARD rules governing excessive smoke and related nuisances.• Examine response objectives and continue to develop ways to effectively handle fireplace smoke complaints.• Expand partnerships with Fire Protection Agencies that issue burn permits to meet Rule 438 standards.

Hearing Board

The Hearing Board is comprised of five members appointed by MBARD’s Board of Directors. The Compliance Division staff may represent MBARD at variance hearings. Staff prepare draft orders, reports, and may provide testimony for variance hearings. Staff will track compliance with Hearing Board orders. During FY 23-24, the Hearing Board issued five variance orders and approved one abatement order.

Asbestos Program

The Division is the delegated authority to enforce the federal EPA Asbestos NESHAP program (National Emission Standards of Hazardous Air Pollutants). The mission of the program is to prevent and protect public health from unnecessary asbestos fiber releases and exposures associated with disturbing asbestos containing building materials during renovations and/or demolitions. This is conducted by compliance assistance, routine inspections, and complaint response.

Projects range from renovation asbestos removal to multi-structure demolition projects. Typically, projects that would be regulated by the program are schools, commercial and industrial facilities, and residential facilities. Stand-alone single-family dwellings are typically not regulated by the program.

The program partners with other governmental agencies such as city and county building departments, county environmental health departments, Cal/OSHA, Contractor State Licensing Board, and other air districts to help ensure compliance to protect public health.

When non-compliance is identified, staff in the program work to achieve compliance by working with stakeholders such as contractors, city and county building departments, and/or facility owners to correct issues as soon as possible to protect public health.

FY 23-24 Major Accomplishments	FY 24-25 Objectives
<ul style="list-style-type: none"> • Received and reviewed 361 project notifications and conducted 203 inspections. • Offered compliance assistance and conducted inspections of the demolition of Units 6 and 7 at the Moss Landing Power Plant, • Offered compliance assistance, conducted inspections for several large asbestos abatement and demolition projects at UCSC, City of Salinas West Wing, Hartnell College, and Marshall School. • Created new compliance outreach material documents to help assist the public with determining asbestos regulations and finding resources. These included Asbestos Consultant/Abatement Contractor list, Flowchart to determine regulated properties, and Asbestos Survey Minimum Requirements. • Distributed new compliance assistance documents to Building Departments in our air district, asbestos abatement consultants and contractors. • Conducted a presentation for the City of Monterey Building Department staff on MBARD Asbestos Regulations. • Enhanced the MBARD Asbestos section of the website with new wording and compliance outreach documents. • Continuing to be a statewide resource for information, assistance, and training to other air districts and attended meetings with regards to the Federal EPA Asbestos NESHAP regulation. • Conducted asbestos investigations and complaint response at several regulated facilities in the jurisdiction. • Worked closely with City building and Environmental Health departments on compliance assistance, investigations, complaints, emergency cleanups, and project permitting issues. • Continued to actively participate in the Tri-County Environmental Task Force. 	<ul style="list-style-type: none"> • Continue to provide assistance to ensure compliance with facility personnel, contractors, and consultants of the continuing asbestos abatement and demolition of Units 6 and 7 at the Moss Landing Power Plant. • Continue to ensure compliance with cities, consultants, and contractors on large scale upcoming building demolition projects at the Former Fort Ord. • Continue to maintain and build relationships with City/County Building and Environmental Health Departments to help assure compliance with asbestos regulations and permit requirements as part of the construction permit process. • Continue to assist and be a resource for other air districts throughout the State of California with the Federal EPA Asbestos NESHAP Program. • Continue to enhance the asbestos section of the MBARD website. • Continue to work on and finalize development of the Asbestos Program Rule for the objective of clearing up ambiguities, language, definitions, and enforceability. • Continue to conduct routine inspections to assure compliance of regulated projects.

Mutual Settlement Program

The Mutual Settlement Program resolves violations of air quality regulations without formal legal proceedings. The program is administered by staff in the Compliance Division. Notices of Violation are

usually settled by mutual agreement between MBARD and the respondent. Cases of significant merit may be referred to the local Attorney’s Office for prosecution.

During calendar year 2023, which covered part of FY 22-23 and part of FY 23-24, Compliance staff issued 49 Notices of Violation and negotiated over \$35,106 in penalties.

FY 23-24 Major Accomplishments	FY 24-25 Objectives
<ul style="list-style-type: none"> • Worked to identify and maintain consistent penalties for violations at gasoline stations. • Provided compliance assistance and outreach through our website. • Worked with violators to promote better work practices and improve compliance. • Worked with local building departments to provide MBARD information to permit applicants. • Negotiated significant settlements involving operation without a permit and source testing violations. 	<ul style="list-style-type: none"> • Expand coordination with local building departments to assure permit applicants are aware of MBARD requirements for both operating permits and asbestos program requirements. • Continue participation in Environmental Task Force meeting and coordinate joint inspections at recalcitrant business with stakeholder agencies. • Reduce the time between discovery of noncompliance and settlements that include corrective actions that promote future compliance. • Continue to review current Mutual Settlement procedures and consider improvements to program. • Consider creating a protocol to implement flat penalties for less complex violations to improve efficiency and provide an additional enforcement tool to inspectors.

Portable Equipment Inspections

In addition to inspecting permitted portable equipment, the Division also inspects portable equipment registered in the State of California’s registration program. There are several portable equipment units that need inspection every year.

Examples of the types of portable equipment inspected include engines that power electrical generators, portable concrete batch plants, oil well service equipment, and engines that power sandblasting/painting operations. This equipment can move many times during the course of the year. Inspections are conducted at large storage yards or in the field when the equipment is in operation.

ENGINEERING DIVISION

The Engineering Division staff consists of an Engineering and Compliance Manager (0.5 FTE), a Supervising Engineer, four Permit Engineers, one Senior Administrative Assistant, and an Engineering & Compliance Specialist (0.25 FTE). In addition, the Division is proposing to include an Air Quality Technician as part of the FY 24-25 budget. This position would help with implementation of the emission reporting requirements discussed below.

The Division performs the following functions:

Permitting

MBARD's permit system is the primary tool to ensure businesses comply with air quality control requirements. Two types of permits issued are Authorities to Construct and Permits to Operate.

Authorities to Construct are preconstruction permits issued after evaluation of project emissions and necessary control technologies and determination of criteria and toxic pollutant regulatory compliance.

Permits to Operate are issued after construction is completed and the equipment is found to be operating in compliance with all terms and conditions of the Authority to Construct and with all applicable regulatory requirements.

The Division oversees 3,204 active Permits to Operate, including the annual renewal process. During calendar year 2023, which covered part of FY 22-23 and part of FY 23-24, the Division issued 175 Authorities to Construct, 219 Permits to Operate, six Agricultural Diesel Engine Registrations, two Title V Permit modifications and one Emission Reduction Credit.

To meet state requirements, the Division maintains a registration program for diesel engines used in agricultural operations. Currently, 440 agricultural engines are registered.

The Division also oversees implementation of the Title V Federal Operating Permit program. There are 15 active Title V facility permits within our jurisdiction that are renewed on a five-year cycle.

FY 23-24 Major Accomplishments	FY 24-25 Objectives
<ul style="list-style-type: none"> • Provided one-on-one assistance to a business pursuing a pilot project for the pyrolysis of wood waste and issued an Authority to Construct with conditions to ensure compliance with all local, State, and federal requirements. • Issued three Authorities to Construct for the first of its kind linear technology used to provide prime power to stationary sources. • Analyzed the Alternative Compliance Option trial period testing results for the semi-continuous operation of a landfill gas collection and flare system to address the permitted closed landfill's decline in landfill gas quality and quantity. • Evaluated and issued two Title V permit major modification renewals. • Participated on California Air Resources Board (CARB) AB 617, Community Air Protection Program subcommittees to develop a Technology Clearinghouse for Best Available Retrofit Control Technology and a State-Wide Emissions Inventory Tool. • Provided updated emission factors to existing quarry operation, which were used by the operator to select individual permit process limits, enabling them to qualify as a federal Synthetic Minor facility, after completion of amended New Source Review (NSR). • Added a permit search page to the MBARD website which allows the public to search for permits in the database and provides a map showing the permit locations. 	<ul style="list-style-type: none"> • Update active large fleet Tier 3 diesel engine permits to enforce and implement the revisions to CARB's Airborne Toxic Control Measure (ATCM) for Diesel Particulate Matter from Portable Engines. • Continue to work with the Environmental Protection Agency (EPA) Region 9, as they review Subpart EEEE - New Source Performance Standards (NSPS) for Other Solid Waste Incineration Units applicability determinations for proposed pyrolysis and gasification projects in our jurisdiction and create a Model General Title V permit for air curtain burners also subject to this regulation. • Develop application forms and guidance documents for various types of innovative waste diversion projects, including carbonators, air curtain incinerators, and pyrolysis units, to address the growing number of inquiries and projects for meeting the State's SB 1383 emission reduction and organic waste diversion goals. • Update active propulsion and auxiliary diesel engine permits to enforce and implement the revisions to CARB's Airborne Toxic Control Measure (ATCM) for Commercial Harbor Craft. • Initiate the process to automate uploading of AB 617 Criteria Pollutant and Toxic Emissions Reporting (CTR) data to CARB reporting database. • Issue Federal Title V facility permit renewals and modifications. • Continue to develop an automated permit application form system to streamline the transfer of data into the MBARD's Accela permitting database. • Implement an electronic filing system. • Process projects involving on-going installation and/or modification of Enhanced Vapor Recovery and In-Station Diagnostic systems at gasoline stations. • Continue to conduct an annual permit review of all landfills, and update permits to include the applicable and enforceable requirements of CARB's Methane Emissions from Municipal Solid Waste Landfills.

Rule Development Program

The process of developing and amending MBARD regulations is achieved through the Rule Development Program. The Engineering and Planning Divisions share this responsibility. Through this program, Divisions detail development of proposed regulations, prepare notification formalities, provide presentations at public workshops and the MBARD Advisory Committee, and participate in public hearings and MBARD Board of Directors meetings.

FY 23-24 Major Accomplishments	FY 24-25 Objectives
<ul style="list-style-type: none"> • Completed an analysis of lime kilns subject to CARB AB 617 Community Air Protection Program and determined a Best Available Retrofit Control Technology (BARCT) rule was not justified. • Prepared for public workshops on proposed fee rules which included drafting proposed revisions to three rules, writing a staff report, and presentation for Board adoption. • Updated Hearing Board Regulation VI to account for the increase in population above 750,000 which changes actions allowed by the Hearing Board. Regulation updated as well to provide clarity and formatted to be consistent with other MBARD rules. 	<ul style="list-style-type: none"> • Propose revisions to Rule 207 (Review of New or Modified Sources), develop required Senate Bill 288 (SB288) findings, conduct CEQA analysis, and hold California Air Resources Board (CARB) public hearing to modify offsetting requirements. • Finalize resolution of CARB’s issues regarding Rule 201 (Sources Not Requiring Permits). • Analyze existing regulations for consistency and conformity with applicable requirements, and initiate rule revisions, as necessary. • Adopt rule to reduce landfill gas emissions from municipal solid waste landfills by implementing provisions of EPA’s Title 40 Code of Federal Regulations Part 60, Subpart Cf.

Toxics Programs

The Engineering Division is responsible for the implementation of the State of California Air Toxics Hot Spots Information and Assessment Act of 1987 (AB 2588). The “Hot Spots” Program requires businesses to develop and update an emissions inventory of toxic air pollutants every four years for sources of intermediate risk, high risk and significant changes. Businesses with high risk are required to perform a health risk assessment. The health risk assessments are based upon computer air quality modeling analysis to determine the potential air quality impacts using highly specialized software, which simulates the movement and dispersion of air pollutants.

In 2015, the Office of Environmental Health Hazard Assessment (OEHHA) updated the methodology used to assess health risks to incorporate childhood exposure to air toxics. Evaluations based upon the updated OEHHA methodology for the same level of emissions and conditions are anticipated to show an increase in potential cancer risk. In addition, the California Air Pollution Control Officers Association (CAPCOA) updated the Facility Prioritization Guidelines in 2016. Based upon these changes, Rule 1003 was revised in 2017 to reflect the updated OEHHA Health Risk Assessment Guidelines and the updated CAPCOA Facility Prioritization Guidelines.

Since 2018, MBARD has completed the re-evaluation of all sources emitting greater than 10 tons per year of total organic gases, particulate matter, nitrogen oxides, or sulfur oxides, and facilities listed in an MBARD air toxic emissions survey inventory or report. In 2019, we began our next step to develop toxic emission plans and inventories for the less than 10 ton per year sources starting with the following: aggregate operations, hospitals, small and large waste-water treatment facilities, small and large military installations, and wineries.

In 2020, MBARD continued to receive and review emission plans and inventories for the facilities listed above. Due to the impacts of COVID-19, we experienced delays in receiving information from some facilities. In addition, the wildfires in 2020 also impacted the ability of some facilities to provide operational data in addition to the economic hardship of COVID-19. Aware of the pending Office of Administrative Law's (OAL) October 2021 final adoption of CARB's programmatic regulatory amendments, MBARD paused the phasing-in of the less than 10 ton per year sources to submit data, so as to re-align our program with the new requirements and extended inventory deadlines outlined in the final adopted regulatory amendments, described in more detail below.

The Engineering Division is also responsible for the implementation of AB 617 Criteria Air Pollutant and Toxics Emissions Reporting (CTR) regulation as a requirement of California Air Resources Board (CARB) Community Air Protection Program. The CTR requires the annual reporting of criteria and toxic air contaminant emissions by facilities subject to the applicability requirements. The emissions inventory data is critical to understanding the sources of emissions that may contribute to adverse health risks or other impacts at the local, regional, and statewide level. In November 2020, CARB adopted amendments to the CTR. The CTR amendments substantially expand the applicability requirements to increase the number and types of facilities subject to the annual emissions data reporting and are effective January 1, 2022. Calendar year 2024 represents the first year of expanded emissions inventory requirements within MBARD's jurisdiction.

To align the "Hots Spots" program with the CTR requirements, the State of California Air Resources Board also adopted amendments to the Emissions Inventory Criteria and Guidelines (EICG) Report to expand the number and types of facilities that must submit quad-annual "Hots Spots" reports. These amendments will also require the phase-in of an additional 900 chemicals to be reviewed under both the CTR and "Hots Spots" programs.

Accordingly, MBARD will be re-positioning its toxic programs to conform to the facility sector review schedule as mandated in the revised CTR. Specifically, facilities identified in the first sector phase will be required to submit 2024 emission inventories in reporting year 2025. Support of emission inventories are the primary reason for proposing the new Air Quality Technician position.

FY 23-24 Major Accomplishments	FY 24-25 Objectives
<ul style="list-style-type: none"> • Conducted 92 preliminary health risk assessments for retail gasoline dispensing facilities to determine an industry-wide threshold for triggering the reporting requirements of the “Hot Spots” program. • Participated in the California Air Pollution Control Officers Association (CAPCOA) Air Toxics and Risk Managers Committee (TARMAC). • Organized and provided Hot Spots Analysis and Reporting Program (HARP) training to air district staff throughout the State through TARMAC. • Served on the TARMAC Diesel Engine Industry-Wide Guidelines and Auto Body Shop Industry-Wide Guidelines Workgroups. 	<ul style="list-style-type: none"> • Develop a plan to implement the Sector Phase I Emission Reporting under the AB 617 Criteria Air Pollutant and Toxic Air Contaminants Reporting (CTR) regulation as a requirement of California Air Resources Board (CARB) Community Air Protection Program. • Initiate the process to automate uploading of AB 617 Criteria Pollutant and Toxic Emissions Reporting (CTR) data to the CARB reporting database. • Provide public outreach and workshops to inform sources of the amendments to the CTR and Emission Inventory Criteria and Guidelines Report (EICG) for the Air Toxic “Hot Spots” Program. • Continue to re-evaluate sources already in the review process per the AB 588 Hot Spots Program to include the OEHHA updated Health Risk Assessment Guidelines, and CAPCOA updated Facility Prioritization Guidelines. • Participate in the development of industry-wide risk assessment guidelines for diesel-fired internal combustion engines and auto body shops, via the California Air Pollution Control Officers Association (CAPCOA) Air Toxics and Risk Managers Committee (TARMAC). • Review Health Risk Assessments for the implementation of the “Hot Spots” program.

Hearing Board

The Hearing Board is comprised of five citizens appointed by MBARD’s Board of Directors. The Engineering Division staff represents MBARD at the variance hearings and provides testimony for variance applications received. The Engineering Division may also provide support to the Compliance Division in preparing draft orders, staff reports, and tracking variances to ensure sources comply with variances and other Hearing Board orders. During calendar year 2023, which covered part of FY 22-23 and part of FY 23-24, the Division provided testimony on four variance applications.

Technical Assistance

The Division provides technical assistance for a broad range of internal actions, including review of State of California and Federal program developments, rule development and implementation, emissions inventory, and California Environmental Quality Act evaluations.

The Division responds to inquiries from the public regarding permit and regulatory requirements, source information, and general air pollution questions.

Ongoing Objectives

- Collaborate with the California Air Resources Board on implementation of actions in AB 617 such as uniform emissions inventory reporting.
- Review and evaluate technical assistance priorities.
- Propose and initiate changes that reflect MBARD needs.

PLANNING DIVISION

The Planning Division includes a Planning and Air Monitoring Manager, one Planning and Air Monitoring Supervisor, four Air Quality Planners, and one Air Quality Technician. The Division performs the following functions:

Preparation of State and Federal Plans

The Division prepares regional air quality plans to show how the region will comply with ambient air quality standards in the future. Plans include technical analysis, growth projections, and attainment strategies based on feasible control measures.

FY 2024 - 25 Objectives

- Prepare documentation to identify exceptional events which may have caused exceedances of federal PM_{2.5} and the state ozone ambient air quality standards during wildfires.

Air Emissions Inventories

When preparing air quality plans the Division summarizes estimates of air pollutant emissions from stationary, area, and mobile sources in the North Central Coast Air Basin (NCCAB). Inventories are used to identify sources subject to further control, and as input data for computer models to simulate dispersion of pollutants into the atmosphere.

The Division reviews pollutant concentrations and weather conditions to predict future pollutant levels at local and regional scales. Planning staff update the air quality forecast on MBARD's website several times each week.

Land-Use Planning

The Division provides guidance and assistance to lead agencies, consultants and others concerning air quality and greenhouse gas analyses prepared in accordance with the California Environmental Quality Act (CEQA).

The Division reviews and provides comments on land-use project environmental documents and periodically updates MBARD's *CEQA Air Quality Guidelines* to reflect current requirements of CEQA statute and CEQA Guidelines.

FY 2024 - 25 Objectives

- Continue reviews and comments on environmental documents.
- Develop guidance for addressing greenhouse gas emissions in environmental documents.
- Update CEQA Guidelines.

Implementation of Grant Programs

The Division manages grant programs funded by the State of California such as the Carl Moyer

Memorial Air Quality Standards Attainment Program (Moyer), the Funding Agricultural Replacement Measures for Emission Reductions Program (FARMER), and the Community Air Protection Program (CAPP). Funds for AB 2766 and AB 923 grants come from local DMV fees. Grant funds are directed to various emission reduction projects such as replacements of agricultural tractors and engines in marine vessels in exchange for cleaner burning equipment.

The Division also manages the East Garrison (EG) mitigation fee grant program. Under this program, fees collected for the construction of each new housing unit in the EG housing project located just outside the City of Marina are used in conjunction with other MBARD grant programs on emission reduction projects, including replacement of older agricultural pump engines with electric motors and to purchase electric school buses for schools in the region.

FY 23-24 Major Accomplishments	FY 24-25 Objectives
<ul style="list-style-type: none"> • Continued development of an online application system to implement grant funding for FARMER, CAPP, and Moyer. • Launched the Landscape Equipment Exchange Program (LEEP) • Managed grant projects under the AB2766, AB923, FARMER, EG, and Moyer Programs; Projects are evaluated based on emission reductions and availability of grant funds. • Administered the EV incentive program. • Continued the electric bicycle incentive program. • Opened another cycle of the Wood Stove Change Out Program. • Coordinated the Zero Emissions School Bus Program (ZESBP) which administers applications for electric school buses and awards grants to schools throughout the NCCAB. 	<ul style="list-style-type: none"> • Manage AB2766, AB923, Moyer, FARMER, EG, ZESBP, and CAPP Programs. • Re-launch the Plug-In Monterey Bay EV Infrastructure Program. • Implement the Wood Stove Change Out Program. • Continue the Landscape Equipment Exchange Program. • Rank and select projects to award AB2766 funds. • Open an application period for electric school buses for ZESBP. • Award grants for additional projects under the EG mitigation fund. • Continue to offer an Electric Vehicle Incentive Program.

Transportation Planning

The Division coordinates with the Association of Monterey Bay Area Governments (AMBAG), the Transportation Agency of Monterey County (TAMC) and other transportation planning agencies in regional transportation planning efforts.

FY 23-24 Major Accomplishments	FY 24-25 Objectives
<ul style="list-style-type: none"> • Participated in regular AMBAG and TAMC meetings. • Participated in regular TAMC Technical Advisory Committee meetings. 	<ul style="list-style-type: none"> • Continue to participate in local and regional transportation planning agency committees. • Continue to support AMBAG’s efforts in regional transportation planning.

Participation in California Air Pollution Control Officers Association’s Committees

The Division participates in two California Air Pollution Control Officers Association’s (CAPCOA) committees: Planning Managers and Grants and Incentives.

FY 24 - 25 Objectives

- Continue to participate in the CAPCOA Planning Managers and Grants and Incentives committees.

Rule Development

The Division conducts rule development for rules involving planning-related programs the Division manages.

Education and Outreach Program

The Division manages MBARD’s outreach program including participation in regional events, public education, press releases, advertisements, Air Quality Awareness week in April, and Clean Air Month in May.

FY 23-24 Major Accomplishments	FY 24-25 Objectives
<ul style="list-style-type: none">• Continued MBARD’s presence in social media through posting of information to MBARD’s Facebook, Instagram, X (formerly Twitter), and Threads pages.• Published three “Clearing the Air” e-newsletters in English and Spanish.• Expanded public outreach to support FARMER, CAPP, Moyer, and AB2766 programs.• Continued outreach to Spanish speaking communities.• Continued operating an air sensor network at public schools throughout the NCCAB.• Conducted workshops to receive public input for the Community Air Protection Program.• Participated in a Ride and Drive event at the Salinas Transit Center to promote MBARD efforts to reduce motor vehicle emissions.	<ul style="list-style-type: none">• Participate in community events.• Continue to expand public outreach to publicize grant programs.• Expand the air sensor network.• Continue expanding the use of MBARD’s website and social media accounts.

Smoke Management Program (SMP)

The Division coordinates MBARD’s agricultural and prescribed burning SMP which provides analysis and technical assistance for open burn projects. Agricultural and backyard burn permits are issued

through MBARD’s online permit systems and larger, broadcast burn projects are tracked and reviewed through the Air Resources Board’s Prescribed Fire Incident Reporting System (PFIRS). The Division provides technical assistance and comments to other agencies whose prescribed burn projects have the potential to cause smoke impacts across the region. MBARD’s SMP is continuously improved to make the program more protective of public health and more user friendly to the public.

FY 23-24 Major Accomplishments	FY 24-25 Objectives
<ul style="list-style-type: none"> • Assisted with planning, implementation, and monitoring of prescribed burns. • Continued implementation and improvements to the online agricultural and backyard burn application systems. • Worked with land managers to evaluate burn areas prior to planned burns. • Used grant funding from CARB to administer the SMP. • Increased staff training for implementation of the SMP with reimbursable funding from CAPCOA. 	<ul style="list-style-type: none"> • Assist with planning, implementation, and monitoring of prescribed burns. • Improve outreach to effectively report smoke impacts from prescribed burns and wildfires. • Develop prescribed burning Information webpage.

Special Projects

San Lorenzo Valley PM_{2.5} Reduction Project

The San Lorenzo Valley (SLV) is a narrow river valley located in Santa Cruz County. In past winter seasons MBARD has measured PM_{2.5} concentrations above the federal ambient 24-hour standard within the SLV. The primary source of PM_{2.5} emissions is smoke from wood burning for home heating. The Division implements programs to reduce PM_{2.5} emissions during Fall and Winter including a Spare the Air program which asks residents in the SLV to voluntarily use an alternative fuel, other than wood, for heating their homes when meteorological conditions are unfavorable for air quality.

FY 23-24 Major Accomplishments	FY 24-25 Objectives
<ul style="list-style-type: none"> • Continued the Woodstove Change-Out Program. • Continued Spare the Air Program. 	<ul style="list-style-type: none"> • Continue PM_{2.5} reduction efforts in the SLV. • Continue administering a Wood Stove Change-Out Program. • Seek continuous improvements for implementation of the Spare the Air program to reduce localized impacts from wood burning stoves and fireplaces.

BUDGET

IN

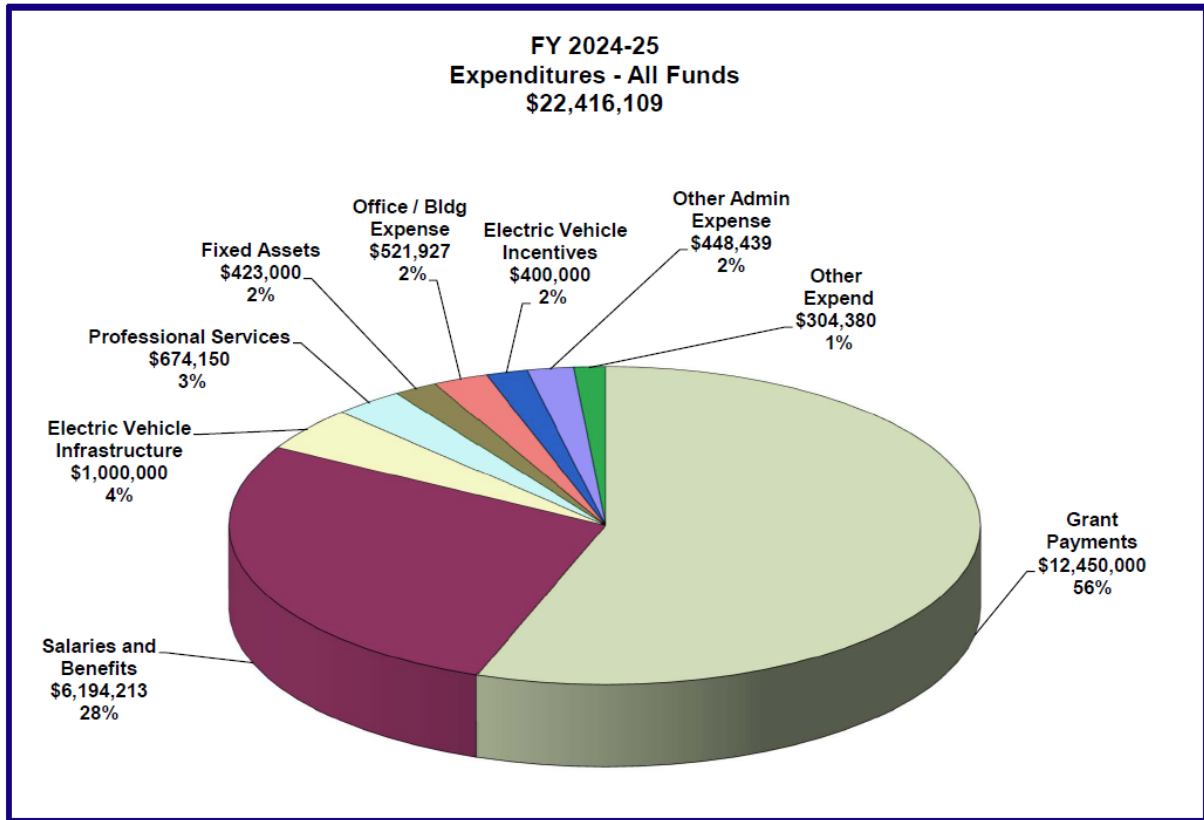
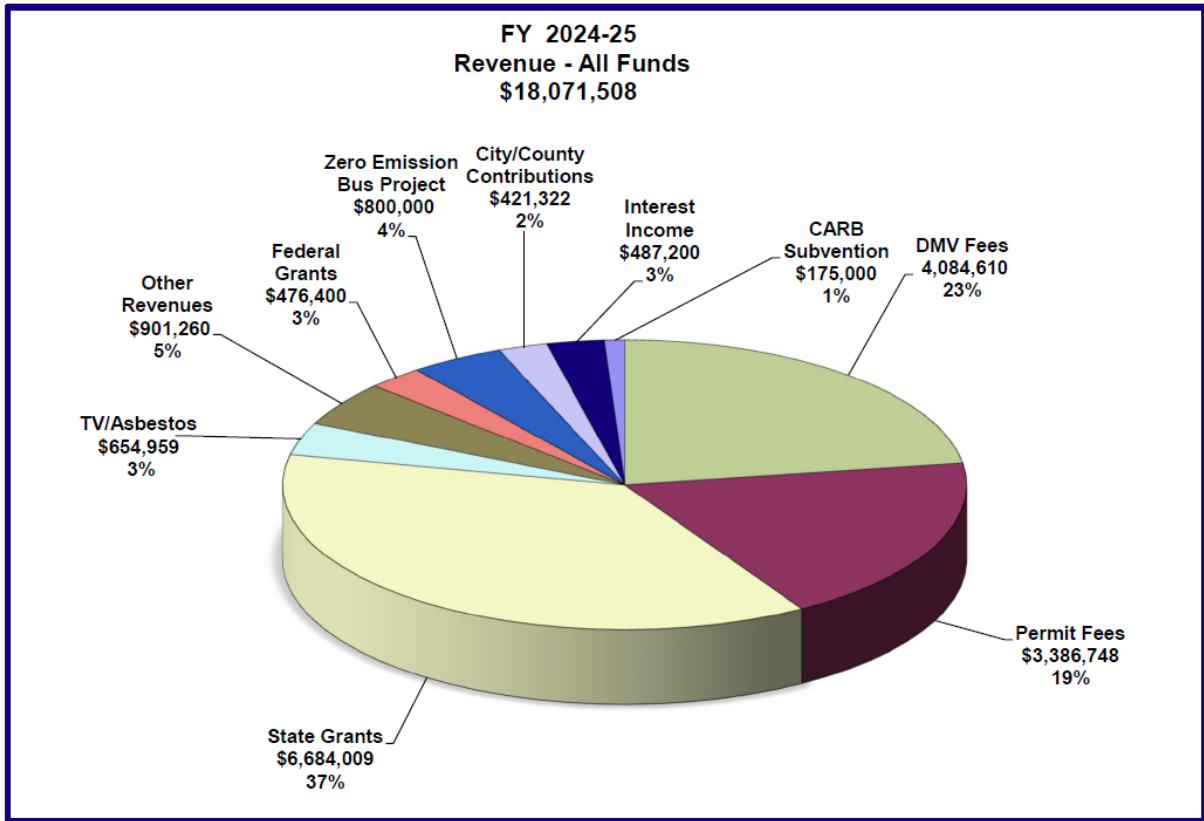
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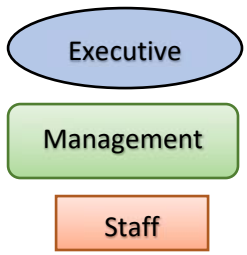
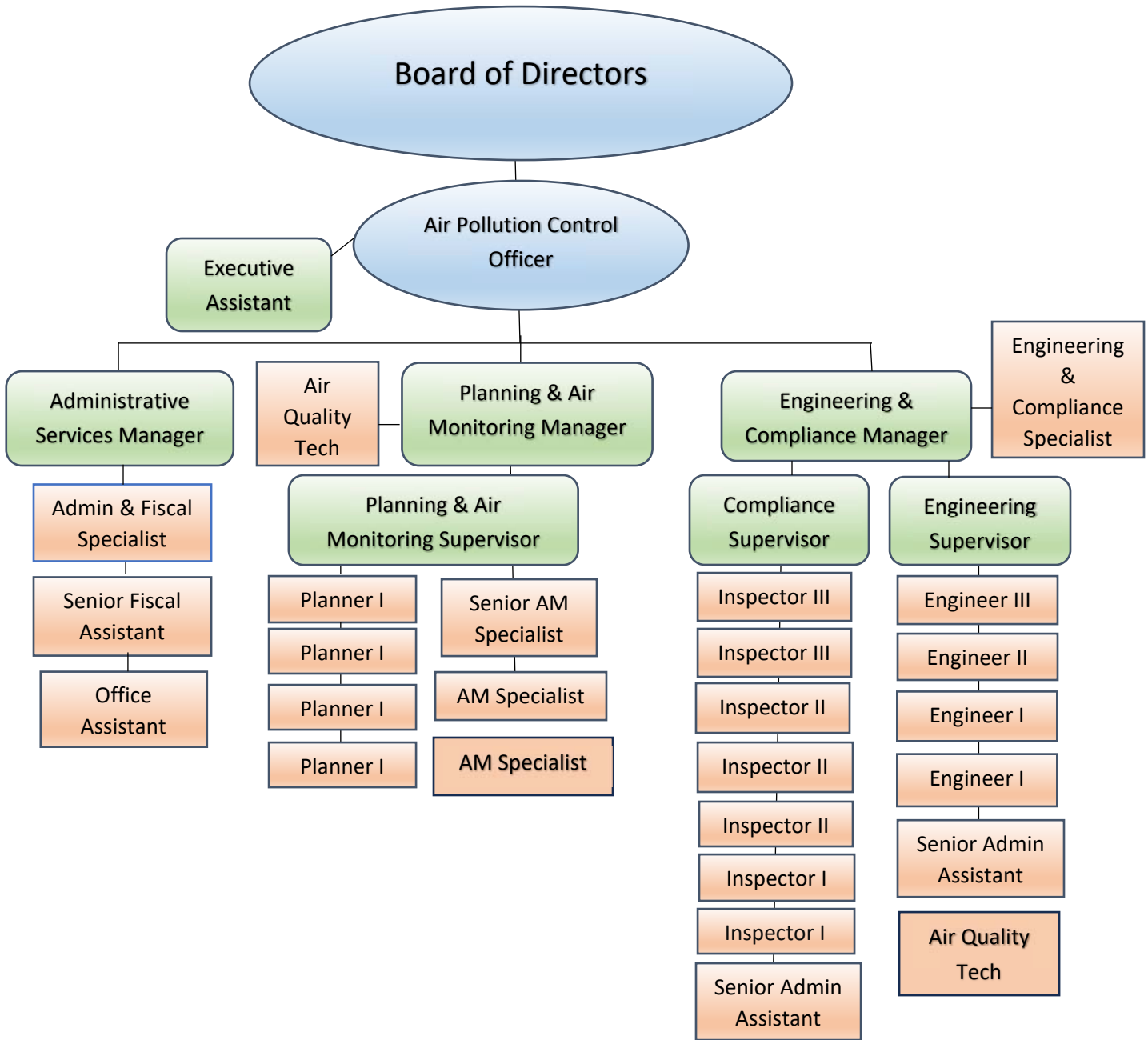
► **Fiscal Year 2024-25 Budget in Brief** ◀

The following are budgetary highlights:

- ❖ Total budget of \$22.4 million consisting of:
 - Operational Budget \$ 8.3 million
 - Non-Operational Budget (Grant Programs) \$14.1 million
- ❖ Total budget increased from FY 2023-24 by approximately 10%.
- ❖ Proposed fee changes:
 - Permit fee increase of 2.6% based on the December 2023 Consumer Price Index (CPI)
 - City and County per capita fees increased by 5% from \$.52 to \$.55.
- ❖ The Personnel Schedule shows an increase from 32 to 34 full-time personnel. We are proposing to add a new Air Quality Technician to the Engineering Division and an additional Air Monitoring Specialist to the Air Monitoring Division.
- ❖ Fixed Asset purchases of \$423,000 include parking lot resurfacing, three vehicle replacements, and air monitoring equipment.
- ❖ Deposit of \$53,000 to MBARD's Other Post Employment Benefit (OPEB) Trust plus estimated \$150,000 to MBARD's Pension Trust funded by the General Fund reserve.
- ❖ \$12 million for grant payments to reduce emissions for MBARD's ongoing AB 2766, AB 923, Carl Moyer, Community Air Protection (CAPP), Funding Agricultural Replacement Measures (FARMER) programs, and East Garrison programs and Central Coast Community Energy electric bus grant program.
- ❖ \$1 million to continue the Plug-In Monterey Bay program to install electric vehicle stations throughout Monterey, Santa Cruz, and San Benito counties. In addition, MBARD will continue its electric vehicle incentive program for the Tri-County residents with \$400,000 from AB 2766 funds.
- ❖ Continued assistance towards reducing PM_{2.5} emissions in the San Lorenzo Valley, including estimated \$300,000 for Woodstove Changeout grants.



ORGANIZATIONAL STRUCTURE





Personnel Schedule

Division/Position	Revised Budget FY 2023-24	Additions/ Deletions	Proposed Budget FY 2024-25
<u>ADMINISTRATIVE</u>			
APCO	1.00		1.00
Executive Assistant	1.00		1.00
Admin Services Manager	1.00		1.00
Office Assistant	1.00		1.00
Admin and Fiscal Specialist	1.00		1.00
Senior Fiscal Assistant	1.00		1.00
Subtotal	6.00	0.00	6.00
<u>COMPLIANCE</u>			
Division Manager ¹	0.50		0.50
Division Supervisor	1.00		1.00
Senior Admin Assistant	1.00		1.00
Engineering and Compliance Specialist	1.00		1.00
Air Quality Technician (vacant) ³	0.00		0.00
Inspector I	2.00		2.00
Inspector II	3.00		3.00
Inspector III	2.00		2.00
Subtotal	10.50	0.00	10.50
<u>ENGINEERING</u>			
Division Manager ¹	0.50		0.50
Division Supervisor	1.00		1.00
Senior Admin Assistant	1.00		1.00
Air Quality Technician (vacant) ³	0.50	0.50	1.00
Engineer I	2.00		2.00
Engineer II	1.00		1.00
Engineer III	1.00		1.00
Subtotal	7.00	0.50	7.50
<u>PLANNING</u>			
Division Manager ²	0.50		0.50
Division Supervisor ²	0.50		0.50
Air Quality Technician ²	0.50		0.50
Planner I	4.00		4.00
Planner II	0.00		0.00
Planner III	0.00		0.00
Subtotal	5.50	0.00	5.50
<u>AIR MONITORING</u>			
Division Manager ²	0.50		0.50
Division Supervisor ²	0.50		0.50
Air Monitoring Specialist	1.00	1.00	2.00
Air Quality Technician ²	0.00	0.50	0.50
Senior Air Monitoring Specialist	1.00		1.00
Subtotal	3.00	1.50	4.50
Total Number of Positions	32.00	2.00	34.00

Notes:

- 1) Position oversees both Compliance & Engineering divisions.
- 2) Position oversees both Planning and Air Monitoring divisions.
- 3) Position will work with Engineering division



Monterey Bay Air Resources District
Monthly Salaries for Staff Positions (All Full-Time)
Effective 07/08/24 (based on SEIU labor contract 7/1/21-6/30/26)

Job Title	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Office Assistant	\$ 4,463.33	\$ 4,686.93	\$ 4,920.93	\$ 5,167.07	\$ 5,425.33	\$ 5,967.87
Administrative Assistant	\$ 4,643.60	\$ 4,875.87	\$ 5,120.27	\$ 5,376.80	\$ 5,645.47	\$ 6,210.53
Fiscal Assistant	\$ 4,832.53	\$ 5,073.47	\$ 5,326.53	\$ 5,593.47	\$ 5,872.53	\$ 6,460.13
Sr. Admin Assistant (hired after 12/31/14)	\$ 5,127.20	\$ 5,383.73	\$ 5,652.40	\$ 5,934.93	\$ 6,231.33	\$ 6,855.33
Sr. Fiscal Assistant	\$ 5,336.93	\$ 5,603.87	\$ 5,884.67	\$ 6,179.33	\$ 6,487.87	\$ 7,136.13
Sr. Admin Assistant (hired prior to 1/1/15)	\$ 5,837.87	\$ 6,129.07	\$ 6,435.87	\$ 6,758.27	\$ 7,096.27	\$ 7,805.20
Air Quality Technician	\$ 5,893.33	\$ 6,188.00	\$ 6,498.27	\$ 6,822.40	\$ 7,163.87	\$ 7,879.73
Air Monitoring Specialist	\$ 6,009.47	\$ 6,311.07	\$ 6,626.53	\$ 6,957.60	\$ 7,306.00	\$ 8,037.47
Engineering and Compliance Specialist	\$ 6,130.80	\$ 6,437.60	\$ 6,760.00	\$ 7,098.00	\$ 7,453.33	\$ 8,200.40
Air Quality Compliance Inspector I	\$ 6,380.40	\$ 6,699.33	\$ 7,033.87	\$ 7,385.73	\$ 7,754.93	\$ 8,529.73
Air Quality Planner I	\$ 6,907.33	\$ 7,254.00	\$ 7,616.27	\$ 7,997.60	\$ 8,396.27	\$ 9,235.20
Senior Air Monitoring Specialist	\$ 6,976.67	\$ 7,325.07	\$ 7,690.80	\$ 8,075.60	\$ 8,479.47	\$ 9,327.07
Air Quality Compliance Inspector II	\$ 7,410.00	\$ 7,780.93	\$ 8,169.20	\$ 8,578.27	\$ 9,009.87	\$ 9,911.20
Air Quality Planner II	\$ 7,635.33	\$ 8,016.67	\$ 8,417.07	\$ 8,838.27	\$ 9,280.27	\$ 10,207.60
Air Quality Engineer I	\$ 7,713.33	\$ 8,099.87	\$ 8,505.47	\$ 8,930.13	\$ 9,377.33	\$ 10,315.07
Air Quality Compliance Inspector III	\$ 8,106.80	\$ 8,512.40	\$ 8,937.07	\$ 9,384.27	\$ 9,854.00	\$ 10,840.27
Air Quality Planner III	\$ 8,434.40	\$ 8,855.60	\$ 9,297.60	\$ 9,762.13	\$ 10,250.93	\$ 11,275.33
Air Quality Engineer II	\$ 8,954.40	\$ 9,401.60	\$ 9,869.60	\$ 10,363.60	\$ 10,881.87	\$ 11,970.40
Air Quality Engineer III	\$ 9,791.60	\$ 10,280.40	\$ 10,795.20	\$ 11,334.27	\$ 11,901.07	\$ 13,091.87

Management & Confidential Employees Monthly Salary Ranges (All Full-Time) - Effective 07/08/24

Job Title	Low	High
Air Pollution Control Officer (APCO)	\$ 18,025.42	\$ 21,054.08 (per employment agreement)
Engineering & Compliance Manager	\$ 10,916.67	\$ 15,121.97
Administrative Services Manager	\$ 10,416.67	\$ 12,780.95
Engineering Supervisor	\$ 10,333.33	\$ 14,230.33
Planning and Air Monitoring Manager	\$ 10,000.00	\$ 14,199.32
Planning and Air Monitoring Supervisor	\$ 10,000.00	\$ 11,367.74
Supervising Air Quality Compliance Inspector	\$ 8,583.33	\$ 11,725.44
Executive Assistant	\$ 6,666.67	\$ 9,008.13
Administrative & Fiscal Specialist	\$ 5,416.67	\$ 7,218.12

BUDGET

SCHEDULES

**Monterey Bay Air Resources District
Operating Budget**

	ACTUALS FY 22-23	REVISED BUDGET FY 23-24	ESTIMATED ACTUALS FY 23-24	PROPOSED BUDGET FY 24-25
<u>Operating Revenues</u>				
EPA Grants	\$ 438,467	\$ 480,882	\$ 477,132	\$ 476,400
AB 2766 DMV Fees	1,100,000	1,100,000	1,100,000	1,100,000
AB 923 DMV Fees	60,000	60,000	60,000	60,000
Permit Fees	3,325,658	3,264,460	3,223,828	3,386,748
Special Fees (Title V and Asbestos)	650,875	633,963	628,380	654,959
Penalties and Fines	74,080	161,500	338,200	161,500
CARB Subvention	175,251	178,000	174,360	175,000
City and County Contributions ¹	382,880	394,205	394,204	421,322
Contract Revenues (Source Air Monitoring)	103,462	115,000	113,000	115,000
Wood Stove Change-Out Admin Funds ⁴	-	12,500	12,500	31,447
Moyer Grant Revenues-Oper Rev	198,658	150,000	205,580	211,190
Other Grant Revenues (CA Energy Commission)	36,573	110,310	110,310	-
Oil and Gas Revenues (CARB) ²	60,000	60,000	60,000	60,000
Emission Inventory Funding (CARB) ²	25,166	12,583	12,583	12,583
CAPP Grant (AB617 Funding) ²	93,959	93,960	93,960	93,960
CARB Prescribed Burn Funding	-	61,400	61,400	123,300
Community Air Protection (CAPP) Funds-Oper Rev ²	44,233	135,000	67,494	113,226
Funding Agric Replacement Measures for	84,156	129,000	73,960	142,333
Emission Reductions (FARMER) Funds-Oper Rev ²	128,197	148,158	275,663	153,090
Other Revenues	147,515	100,000	137,150	140,000
Interest Income (Gen Fund)	147,515	100,000	137,150	140,000
Total Operating Revenues	\$ 7,129,129	\$ 7,400,921	\$ 7,619,704	\$ 7,632,058
<u>Expenditures by Division:</u>				
Administrative	\$ 2,121,240	\$ 2,321,405	\$ 1,994,404	\$ 2,326,689
Air Monitoring	690,292	738,347	713,317	938,922
Compliance	1,724,785	1,931,682	1,728,970	2,005,506
Engineering	1,220,137	1,554,787	1,207,368	1,672,563
Planning	729,786	1,089,015	913,158	1,389,429
Total Operating Expenditures	\$ 6,486,240	\$ 7,635,236	\$ 6,557,218	\$ 8,333,109
Net Surplus (Deficit)	\$ 642,889	\$ (234,315)	\$ 1,062,486	\$ (701,051)
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 4,885,792	\$ 5,469,614	\$ 4,996,907	\$ 6,194,213
Maintenance, Equipment, and Supplies	250,842	313,852	208,101	358,004
Legal and Professional Services	425,767	681,970	508,610	674,150
Utilities & Office Rent	154,369	166,789	139,843	163,923
Insurance	125,215	166,713	164,542	179,000
Training, Travel, District Board Exp	68,797	175,365	63,009	203,304
Fixed Assets ³	497,556	554,258	321,932	423,000
Sponsorships	4,000	22,000	5,000	22,000
Transfers to Other Funds (to Clean Air Fund)	44,880	35,000	115,034	71,380
Other	29,023	49,675	34,240	44,135
Total Operating Expenditures	\$ 6,486,240	\$ 7,635,236	\$ 6,557,218	\$ 8,333,109

Notes:

(1) FY 24-25 City and County contributions include per capita assessment increase from \$.52 to \$.55

(2) State funded revenues based on AB617, AB134, AB197, & SB1260.

(3) FY 24-25 Fixed Assets include: \$200,000 for repaving, \$142K for new vehicle, \$81K for air monitoring equipment

(4) FY 24-25 Woodstove Changeout will be funded by CA Air Resources Board

**Monterey Bay Air Resources District
Non-Operating Budget**

	ACTUALS FY 22-23	REVISED BUDGET FY 23-24	ESTIMATED ACTUALS FY 23-24	PROPOSED BUDGET FY 24-25
<u>Non-Operating Revenues</u>				
AB 2766 DMV Fees and Interest	\$ 1,792,303	\$ 1,708,000	\$ 1,780,365	\$ 1,771,000
AB 923 DMV Fees and Interest	1,401,668	1,342,610	1,379,780	1,381,610
Moyer Grants and Interest	895,191	1,227,233	723,670	2,074,000
Community Air Protection (CAPP) Grant Funds/Int ¹	27,920	1,244,441	565,640	2,025,000
Funding Agric Replacement Measures for Emission Reductions (FARMER) Grant Funds and Interest ¹	907,015	2,716,995	876,000	2,016,000
Wood Stove Change-Out Grant Funds ⁶	-	87,500	87,500	300,000
Offsite Mitigation/CCCE Fees/Interest ²	3,378	801,500	3,100	803,000
Transfer from Gen Fund to Clean Air Fund + Interest	45,869	35,600	116,234	68,840
Total Non-Operating Revenues	\$ 5,073,345	\$ 9,163,879	\$ 5,532,289	\$ 10,439,450
<u>Expenditures by Division:</u>				
Planning (grant payments only)	\$ 2,304,615	\$ 11,280,819	\$ 2,805,470	\$ 12,450,000
Planning - Electric Vehicle Rebates	394,600	400,000	400,000	400,000
Planning - Electric Vehicle Infrastructure Proj ²	362,993	967,581	-	1,000,000
Administrative - OPEB & Pension Liability Funding	120,000	120,000	120,000	203,000
Clean Air Fund	15,419	30,000	30,000	30,000
District Building Improvements	-	-	-	-
Total Non-Operating Expenditures	\$ 3,197,626	\$ 12,798,400	\$ 3,355,470	\$ 14,083,000
Net Surplus (Deficit)	\$ 1,875,719	\$ (3,634,521)	\$ 2,176,819	\$ (3,643,550)
<u>Expenditures by Type:</u>				
AB 2766 DMV Grants - Current Year ³	\$ -	\$ 200,000	\$ 30,000	\$ 200,000
AB 2766 DMV Grants - Prior Year ³	404,197	2,725,681	400,000	3,000,000
Moyer Grants ³	861,438	1,177,233	650,000	2,000,000
AB 923 Grants ³	145,619	2,056,469	300,000	2,000,000
AB 923 Electric Vehicle Infrastructure Project ⁴ CAPP Grants	362,993	967,581	-	1,000,000
FARMER Grants	-	1,225,441	540,470	2,000,000
FARMER Grants	892,361	2,703,995	860,000	2,000,000
General Grants-Offsite Mitigation Grants/CCCE ²	-	950,000	-	950,000
Electric Vehicle Incentives	394,600	400,000	400,000	400,000
Wood Stove Change-out Grants	1,000	242,000	25,000	300,000
Public Education Grants	-	-	-	-
Clean Air Fund Projects	15,419	30,000	30,000	30,000
Building Remodel/Improvement Projects	-	-	-	-
OPEB & Pension Trust Account Deposits ⁵	120,000	120,000	120,000	203,000
Total Non-Operating Expenditures	\$ 3,197,626	\$ 12,798,400	\$ 3,355,470	\$ 14,083,000

Notes:

(1) Revenues funded by State of California for diesel engine emission reduction

(2) Funded by mitigation fees from the East Garrison project in Marina. Monies to be granted for retrofits/replacements of agricultural pumps and school buses. CCCE funding for zero emission school bus program delayed from previous FY.

(3) Assumption for FY 23-24 & 24-25 budget columns is that all outstanding grants are paid out during the fiscal period. Over the last five fiscal periods, actual grant reimbursements have averaged 41% of budget.

(4) Plug-In Monterey Bay electric vehicle infrastructure project using AB923 funds.

(5) OPEB Trust \$45K, Pension Trust \$75K

(6) Wood Stove Change-out funded by CA Air Resources Board



**Monterey Bay Air Resources District
Funds Relationships to Divisions and Programs
FY 2024-25**

Division/Program	Funded By						
	General	AB 2766	AB 923	Moyer	General Grants	CAPP Grants	FARMER Grants
Administrative							
MBARD Boards	X						
Finance	X	X					
Operations	X	X					
Information Systems	X	X					
Public Education		X					
Engineering							
Permitting	X						
Title V	X						
Rule Development	X						
Compliance							
Permitting	X						
Title V	X						
Asbestos	X						
Complaints	X						
Air Monitoring							
General Air Monitoring	X	X					
PM 2.5 Monitoring	X						
Planning							
Planning & Grant Programs	X	X	X	X	X	X	X
Electric Vehicle Incentives		X					
Burn Program	X						
Rule Development	X						

MBARD's finances are reported in separate funds. The table above portrays the MBARD's divisions and programs and how the programs are funded. Below is a brief description of each fund:

General - Funds collected from permit fees, Title V fees, asbestos fees, EPA grants, City/County per capita fees, CARB subvention, certain State grants, penalties, special contracts and other revenue.

AB 2766 - DMV Fees collected from the \$4.00 per vehicle registration surcharge program.

AB 923 - DMV Fees collected from the \$2.00 per vehicle registration surcharge program.

Moyer - The Carl Moyer Grant program established by the California Air Resources Board as an emission-reduction incentive program administered by air districts.

General Grants - Funds from construction projects offsite mitigation fees and Central Coast Community Power used for school buses and replacements/retrofits of agricultural pumps.

Community Air Protection Program (CAPP) Grants - Established by AB 617 and funded by AB 134, grants are intended to reduce air pollution in disadvantaged or low-income areas.

Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Grants - Funded by AB 134 and AB 109, grants are to be used to reduce agricultural sector emissions.

Monterey Bay Air Resources District General Fund Budget

	ACTUALS FY 22-23	REVISED BUDGET FY 23-24	ESTIMATED ACTUALS FY 23-24	PROPOSED BUDGET FY 24-25
BEGINNING FUND BALANCE	\$ 8,668,308	\$ 8,718,934	\$ 8,718,934	\$ 9,378,412
Revenues				
EPA Grants	\$ 438,467	\$ 480,882	\$ 477,132	\$ 476,400
Permit Fees ⁵	3,325,658	3,264,460	3,223,828	3,386,748
Special Fees (Title V and Asbestos)	650,875	633,963	628,380	654,959
Penalties and Fines	74,080	161,500	338,200	161,500
CARB Subvention	175,251	178,000	174,360	175,000
City and County Contributions ¹	382,880	394,205	394,204	421,322
Contract Revenues (Source Air Monitoring)	103,462	115,000	113,000	115,000
Wood Stove Change-Out Grant Funds ⁶ Other	-	291,684	58,844	331,447
Grant Revenues	36,573	110,310	110,310	-
Oil and Gas Revenues (CARB) ²	60,000	60,000	60,000	60,000
Emission Inventory Funding (CARB) ²	25,166	12,583	12,583	12,583
CAPP Grant (AB 617 Funding) ²	93,959	93,960	93,960	93,960
Prescribed Burn Funding (CARB) ²	-	61,400	61,400	123,300
Other Revenues (PERP fees, cost recoveries, misc income)	56,581	76,542	204,047	81,474
Rental Income	71,616	71,616	71,616	71,616
Interest Income	147,515	100,000	137,150	140,000
Total General Fund Revenues	\$ 5,642,081	\$ 6,106,105	\$ 6,159,014	\$ 6,305,309
Expenditures by Division:				
Administrative (incl OPEB & Pension Trust Acct deposits)	\$ 2,024,183	\$ 2,129,279	\$ 1,859,818	\$ 2,211,247
Air Monitoring	280,884	310,446	291,819	321,777
Compliance	1,724,785	1,931,682	1,728,970	2,005,506
Engineering	1,220,137	1,554,787	1,207,368	1,672,563
Planning	341,465	656,506	411,561	784,970
Total General Fund Expenditures	\$ 5,591,455	\$ 6,582,700	\$ 5,499,537	\$ 6,996,063
Net Surplus (Deficit)	\$ 50,627	\$ (476,595)	\$ 659,477	\$ (690,754)
ENDING FUND BALANCE	\$ 8,718,934	\$ 8,242,339	\$ 9,378,412	\$ 8,687,658
Expenditures by Type:				
Salaries and Benefits ⁴	\$ 4,057,245	\$ 4,470,137	\$ 4,053,870	\$ 4,890,695
Maintenance, Equipment, and Supplies	210,106	253,986	173,569	294,970
Legal and Professional Services	346,038	532,667	396,932	495,450
Utilities & Office Rent	121,322	130,199	110,802	131,233
Insurance	108,937	144,930	143,142	155,730
Training, Travel, District Board Exp	59,924	118,043	53,991	135,960
Fixed Assets ³	494,919	488,398	274,932	275,910
Grants-Wood Stove Change-outs	1,000	242,000	25,000	300,000
OPEB & Pension Trust Account Deposits	120,000	120,000	120,000	203,000
Transfers Out (to Clean Air Fund)	44,880	35,000	115,034	71,380
Other	27,085	47,340	32,265	41,735
Total General Fund Expenditures	\$ 5,591,455	\$ 6,582,700	\$ 5,499,537	\$ 6,996,063

Notes:

(1) FY 24-25 City and County contributions includes per capita assessment increase from \$.52 to \$.55

(2) State funded revenues based on AB617, AB134, AB197, & SB1260.

(3) FY 24-25 Fixed Assets include: \$200K for repaving parking lots, \$54K for vehicle replacements, \$22K for air monitoring equipment

(4) Increase reflects 2.6% CPI wage increase, increase in PERS, Health Insurance and WC rates, two new positions positions

(5) Permit fee increase of 2.6%, based on CPI.

**Monterey Bay Air Resources District
AB 2766 Fund Budget**

	ACTUALS FY 22-23	REVISED BUDGET FY 23-24	ESTIMATED ACTUALS FY 23-24	PROPOSED BUDGET FY 24-25
BEGINNING FUND BALANCE	\$ 6,666,036	\$ 8,015,311	\$ 8,015,311	\$ 9,244,703
Revenues				
AB 2766 DMV Fees-Operating	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000
AB 2766 DMV Fees-Non-Operating	1,658,335	1,633,000	1,650,365	1,633,000
AB 2766 Fund Interest Income	133,968	75,000	130,000	138,000
Total AB 2766 Fund Revenues	\$ 2,892,303	\$ 2,808,000	\$ 2,880,365	\$ 2,871,000
Expenditures by Division:				
Administrative	\$ 217,057	\$ 312,126	\$ 254,586	\$ 318,442
Air Monitoring	409,408	427,901	421,499	617,145
Compliance	-	-	-	-
Engineering	-	-	-	-
Planning ²	916,564	3,499,109	974,889	3,839,592
Total AB 2766 Fund Expenditures	\$ 1,543,028	\$ 4,239,136	\$ 1,650,974	\$ 4,775,179
Net Surplus (Deficit)	\$ 1,349,275	\$ (1,431,136)	\$ 1,229,391	\$ (1,904,179)
ENDING FUND BALANCE	\$ 8,015,311	\$ 6,584,175	\$ 9,244,703	\$ 7,340,524
Expenditures by Type⁴:				
Salaries and Benefits	\$ 563,741	\$ 523,296	\$ 574,233	\$ 759,651
Maintenance, Equipment, and Supplies	40,687	57,166	34,232	60,534
Legal and Professional Services	75,279	145,303	99,800	133,700
Utilities & Office Rent	33,047	36,590	29,041	32,690
Insurance	16,278	21,783	21,400	23,270
Training, Travel, District Board Expenses	6,626	39,122	8,293	43,844
Sponsorships ¹	4,000	22,000	5,000	22,000
Fixed Assets ⁵	2,637	65,860	47,000	97,090
Grants-Public Educations	-	-	-	-
Grants-AB 2766 (Current & Prior Years) ²	404,197	2,925,681	430,000	3,200,000
Electric Vehicle Incentives ³	394,600	400,000	400,000	400,000
Other	1,938	2,335	1,975	2,400
Total AB 2766 Fund Expenditures	\$ 1,543,028	\$ 4,239,136	\$ 1,650,974	\$ 4,775,179

Notes:

(1) Includes sponsoring the annual Clean Air awards and electric vehicle events.

(2) Assumption for FY 23-24 & 24-25 budget columns is that all outstanding grants are paid out during the fiscal period. Over the last five fiscal periods, actual grant reimbursements have averaged 41% of budget.

(3) Incentives offered to III-County residents for purchasing air-electric, plug-in hybrids, hydrogen fuel cell vehicles and electric bikes

(4) Expense allocations are based on the percentage of mobile source emission inventory as compared to stationary sources.

(5) FY 24-25 Fixed Assets include portion of admin (\$38K) and air monitoring equipment (\$59K)

**Monterey Bay Air Resources District
AB 923 Fund Budget**

	<u>ACTUALS FY 22-23</u>	<u>REVISED BUDGET FY 23-24</u>	<u>ESTIMATED ACTUALS FY 23-24</u>	<u>PROPOSED BUDGET FY 24-25</u>
<i>BEGINNING FUND BALANCE</i>	<u>\$ 4,000,405</u>	<u>\$ 4,933,132</u>	<u>\$ 4,933,132</u>	<u>\$ 6,038,235</u>
<u>Revenues</u>				
AB 923 Fees/ - Operating	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
AB 923 Fees/Interest -Non-Operating	1,319,168	1,291,610	1,290,000	1,291,610
AB 923 Fund Interest Income	82,501	51,000	89,780	90,000
Total AB 923 Fund Revenues	<u>\$ 1,461,668</u>	<u>\$ 1,402,610</u>	<u>\$ 1,439,780</u>	<u>\$ 1,441,610</u>
<u>Expenditures by Division:</u>				
Planning ¹	\$ 528,942	\$ 3,113,871	\$ 334,677	\$ 3,081,398
Total AB 923 Fund Expenditures	<u>\$ 528,942</u>	<u>\$ 3,113,871</u>	<u>\$ 334,677</u>	<u>\$ 3,081,398</u>
Net Surplus (Deficit)	<u>\$ 932,727</u>	<u>\$ (1,711,261)</u>	<u>\$ 1,105,103</u>	<u>\$ (1,639,788)</u>
<i>ENDING FUND BALANCE</i>	<u>\$ 4,933,132</u>	<u>\$ 3,221,871</u>	<u>\$ 6,038,235</u>	<u>\$ 4,398,447</u>
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 20,330	\$ 87,421	\$ 34,677	\$ 74,398
Supplies, Travel, Training	-	400	-	2,000
Electric Vehicle Infrastructure Project ¹	362,993	967,581	-	1,000,000
Grants-AB 923 ²	145,619	2,056,469	300,000	2,000,000
Other	-	2,000	-	5,000
Total AB 923 Fund Expenditures	<u>\$ 528,942</u>	<u>\$ 3,113,871</u>	<u>\$ 334,677</u>	<u>\$ 3,081,398</u>

Notes:

(1) Plug-In Monterey Bay electric vehicle Infrastructure Project to install and operate EV charge stations in the Monterey, Santa Cruz, and San Benito Counties.

(2) Assumption for FY 23-24 and 24-25 budget columns is that all outstanding grants are paid out during the fiscal period. Over the last five fiscal periods, actual grant reimbursements have averaged 41% of budget.

Monterey Bay Air Resources District Moyer Fund Budget

	ACTUALS FY 22-23	REVISED BUDGET FY 23-24	ESTIMATED ACTUALS FY 23-24	PROPOSED BUDGET FY 24-25
<i>BEGINNING FUND BALANCE</i>	<u>\$ 302,799</u>	<u>\$ 333,506</u>	<u>\$ 333,506</u>	<u>\$ 407,175</u>
<u>Revenues</u>				
Moyer Grant-Non Operating	\$ 829,591	\$ 1,177,233	\$ 650,000	\$ 2,000,000
Moyer Grant - Operating	114,502	150,000	205,580	211,190
Moyer Interest	65,600	50,000	73,670	74,000
Total Moyer Fund Revenues	<u>\$ 1,009,693</u>	<u>\$ 1,377,233</u>	<u>\$ 929,250</u>	<u>\$ 2,285,190</u>
<u>Expenditures by Division:</u>				
Planning ¹	\$ 978,987	\$ 1,324,124	\$ 855,581	\$ 2,222,045
Total Moyer Fund Expenditures	<u>\$ 978,987</u>	<u>\$ 1,324,124</u>	<u>\$ 855,581</u>	<u>\$ 2,222,045</u>
Net Surplus (Deficit)	<u>\$ 30,706</u>	<u>\$ 53,109</u>	<u>\$ 73,669</u>	<u>\$ 63,145</u>
<i>ENDING FUND BALANCE</i>	<u>\$ 333,506</u>	<u>\$ 386,615</u>	<u>\$ 407,175</u>	<u>\$ 470,320</u>
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 113,332	\$ 139,391	\$ 195,443	\$ 176,295
Professional Services	3,354	2,000	10,038	15,000
Maintenance, Supplies	45	500	-	750
Travel, Training	818	5,000	100	5,000
Fixed Assets ²	-	-	-	25,000
Grants - Moyer ¹	861,438	1,177,233	650,000	2,000,000
Total Moyer Fund Expenditures	<u>\$ 978,987</u>	<u>\$ 1,324,124</u>	<u>\$ 855,581</u>	<u>\$ 2,222,045</u>

Notes:

(1) Assumption for FY 24-25 budget is that all outstanding grants are paid out during the fiscal period.

(2) Portion of new vehicle paid with Moyer funds

**Monterey Bay Air Resources District
General Grants Fund Budget**

	ACTUALS FY 22-23	REVISED BUDGET FY 23-24	ESTIMATED ACTUALS FY 23-24	PROPOSED BUDGET FY 24-25
<i>BEGINNING FUND BALANCE</i>	<u>\$ 175,595</u>	<u>\$ 178,953</u>	<u>\$ 178,953</u>	<u>\$ 182,053</u>
<u>Revenues</u>				
Offsite Mitigation Fees/Revenue ¹	\$ -	\$ -	\$ -	\$ -
Offsite Mitigation Oper Fees - Admin ¹	\$ -	\$ -	\$ -	\$ -
Zero Emission Bus Project Revenue ²	\$ -	\$ 800,000	\$ -	\$ 800,000
Zero Emission Bus Project Oper - Adm ²	\$ -	\$ -	\$ -	\$ -
General Grants Interest	\$ 3,378	\$ 1,500	\$ 3,100	\$ 3,000
Total General Grants Fund Revenues	<u>\$ 3,378</u>	<u>\$ 801,500</u>	<u>\$ 3,100</u>	<u>\$ 803,000</u>
<u>Expenditures by Division:</u>				
Planning	\$ 20	\$ 951,964	\$ -	\$ 959,288
Total General Grants Fund Expenditures	<u>\$ 20</u>	<u>\$ 951,964</u>	<u>\$ -</u>	<u>\$ 959,288</u>
Net Surplus (Deficit)	<u>\$ 3,358</u>	<u>\$ (150,464)</u>	<u>\$ 3,100</u>	<u>\$ (156,288)</u>
<i>ENDING FUND BALANCE</i>	<u><u>\$ 178,953</u></u>	<u><u>\$ 28,489</u></u>	<u><u>\$ 182,053</u></u>	<u><u>\$ 25,765</u></u>
<u>Expenditures by Type:</u>				
Salaries and Wages	20	1,964	0	9,288
Grants ^{1,2}	\$ -	\$ 950,000	\$ -	\$ 950,000
Total General Grants Fund Expenditures	<u><u>\$ 20</u></u>	<u><u>\$ 951,964</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 959,288</u></u>

Notes:

(1) Funded by developer mitigation fees from the East Garrison project in Marina. Monies to be granted for retrofits/replacements of agricultural pumps and school buses.

(2) Funded by Central Coast Community Energy (CCCE) for zero emission buses. Funding delayed due to manufacturing delays

**Monterey Bay Air Resources District
Community Air Protection Program (CAPP) Fund Budget**

	ACTUALS FY 22-23	REVISED BUDGET FY 23-24	ESTIMATED ACTUALS FY 23-24	PROPOSED BUDGET FY 24-25
<i>BEGINNING FUND BALANCE</i>	\$ 34,022	\$ 59,674	\$ 59,674	\$ 83,204
<u>Revenues</u>				
CAPP Funding-Non Operating	\$ -	\$ 1,225,441	\$ 541,000	\$ 2,000,000
CAPP Funding-Operating	44,233	135,000	67,494	113,226
CAPP Fund Interest	27,920	19,000	24,640	25,000
Total CAPP Fund Revenues	\$ 72,153	\$ 1,379,441	\$ 633,134	\$ 2,138,226
<u>Expenditures by Division:</u>				
Planning ¹	\$ 46,501	\$ 1,359,503	\$ 609,604	\$ 2,185,059
Total CAPP Fund Expenditures	\$ 46,501	\$ 1,359,503	\$ 609,604	\$ 2,185,059
Net Surplus (Deficit)	\$ 25,652	\$ 19,938	\$ 23,530	\$ (46,833)
<i>ENDING FUND BALANCE</i>	\$ 59,674	\$ 79,612	\$ 83,204	\$ 36,371
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 44,392	\$ 126,562	\$ 65,429	\$ 163,559
Professional Services	1,092	1,000	1,640	15,000
Supplies, Travel, Training	1,016	6,500	425	6,500
Grants ¹	-	1,225,441	540,470	2,000,000
Total CAPP Fund Expenditures	\$ 46,501	\$ 1,359,503	\$ 607,964	\$ 2,185,059

Notes:

(1) Grants to reduce air pollution in disadvantaged and low income areas. Grants to be administered based on Carl Moyer Grant Program guidelines.

**Monterey Bay Air Resources District
Funding Agricultural Replacement Measures
for Emission Reductions (FARMER) Fund Budget**

	<u>ACTUALS</u> <u>FY 22-23</u>	<u>REVISED</u> <u>BUDGET</u> <u>FY 23-24</u>	<u>ESTIMATED</u> <u>ACTUALS</u> <u>FY 23-24</u>	<u>PROPOSED</u> <u>BUDGET</u> <u>FY 24-25</u>
<i>BEGINNING FUND BALANCE</i>	<i>\$ 7,130</i>	<i>\$ 18,786</i>	<i>\$ 18,786</i>	<i>\$ 34,790</i>
<u>Revenues</u>				
FARMER Funding-Non Operating	\$ 892,364	\$ 2,703,995	\$ 860,000	\$ 2,000,000
FARMER Funding-Operating	84,156	129,000	73,960	142,333
FARMER Fund Interest	14,651	13,000	16,000	16,000
Total FARMER Fund Revenues	<u>\$ 991,171</u>	<u>\$ 2,845,995</u>	<u>\$ 949,960</u>	<u>\$ 2,158,333</u>
<u>Expenditures by Division:</u>				
Planning ¹	\$ 979,515	\$ 2,832,338	\$ 933,956	\$ 2,167,077
Total FARMER Fund Expenditures	<u>\$ 979,515</u>	<u>\$ 2,832,338</u>	<u>\$ 933,956</u>	<u>\$ 2,167,077</u>
Net Surplus (Deficit)	<u>\$ 11,656</u>	<u>\$ 13,657</u>	<u>\$ 16,004</u>	<u>\$ (8,744)</u>
<i>ENDING FUND BALANCE</i>	<u><u>\$ 18,786</u></u>	<u><u>\$ 32,443</u></u>	<u><u>\$ 34,790</u></u>	<u><u>\$ 26,046</u></u>
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 86,732	\$ 120,843	\$ 73,256	\$ 120,327
Professional Services	5	1,000	200	15,000
Maintenance, Supplies	5	1,500	200	750
Travel, Training, District Exp	413	5,000	300	6,000
Fixed Assets ²	-	-	-	25,000
Grants ¹	892,361	2,703,995	860,000	2,000,000
Total FARMER Fund Expenditures	<u><u>\$ 979,515</u></u>	<u><u>\$ 2,832,338</u></u>	<u><u>\$ 933,956</u></u>	<u><u>\$ 2,167,077</u></u>

Notes:

(1) Grants to reduce agricultural sector emissions by replacing farm equipment, irrigation pumps, and heavy duty trucks.

**Monterey Bay Air Resources District
Clean Air Fund Budget**

	ACTUALS FY 22-23	REVISED BUDGET FY 23-24	ESTIMATED ACTUALS FY 23-24	PROPOSED BUDGET FY 24-25
<i>BEGINNING FUND BALANCE</i>	<u>\$ 7,089</u>	<u>\$ 37,540</u>	<u>\$ 37,540</u>	<u>\$ 123,774</u>
<u>Clean Air Fund</u>				
Transfers from General Fund	\$ 44,880	\$ 35,000	\$ 115,034	\$ 67,640
Interest	989	600	1,200	1,200
Total Clean Air Fund Revenues	<u>\$ 45,869</u>	<u>\$ 35,600</u>	<u>\$ 116,234</u>	<u>\$ 68,840</u>
<u>Expenditures by Type:</u>				
Special Air Quality Projects authorized per District Policy B.12 ¹	<u>\$ 15,419</u>	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ 30,000</u>
Total Clean Air Fund Expenditures	<u>\$ 15,419</u>	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ 30,000</u>
Surplus (Deficit)	<u>\$ 30,451</u>	<u>\$ 5,600</u>	<u>\$ 86,234</u>	<u>\$ 38,840</u>
<i>ENDING FUND BALANCE</i>	<u>\$ 37,540</u>	<u>\$ 43,140</u>	<u>\$ 123,774</u>	<u>\$ 162,614</u>

Notes:

(1) Provides funding for projects serving MBARD's mission of protecting public and environmental health that are not eligible for other grant programs

Monterey Bay Air Resources District Direct Expenditures by Program - All Funds

	ACTUALS FY 22-23	ESTIMATED ACTUALS FY 23-24	PROPOSED BUDGET FY 24-25
Support and Operations (1)	\$ 2,063,045	\$ 1,923,774	\$ 2,203,889
Public Education	58,195	70,630	122,800
Permitting (2)	2,715,297	2,737,450	3,379,832
Title V	143,945	215,339	280,686
Asbestos	250,874	192,517	243,556
Air Monitoring AB 2766	409,408	421,499	617,145
Air Monitoring PM 2.5 Planning General	115,774 338,401	82,851 350,717	95,772 458,174
Planning AB2766 (3)	916,564	974,889	3,839,592
AB 923 Grant Program (3) Moyer Grant Program (3) Offsite	528,942 978,987	334,677 855,581	3,081,398 2,222,045
Mitigation Grants/CCCE (4) Community Air Protection Grant Program (5)	20 46,501	- 607,964	959,288 2,185,059
Funding Agric Replacement Measures Grant Program (5)	979,515	933,956	2,167,077
Wood Stove Changeout Program	2,979	60,844	326,796
Clean Air Fund Projects	15,419	30,000	30,000
Debt Reduction (6)	120,000	120,000	203,000
Total-All Programs	<u>\$ 9,683,866</u>	<u>\$ 9,912,688</u>	<u>\$ 22,416,109</u>

Notes:

(1) Support and Operations include all overhead expenses, including building remodel expenses.

(2) Permitting program includes stationary source program expenditures for Engineering & Compliance divisions, rule development, complaints, burn permits, and air monitoring.

(3) Assumption for FY 24-25 budget is that all outstanding grants are paid out during the fiscal period. Over the last five fiscal periods, actual grant reimbursements have averaged 41% of budget.

(4) Offsite mitigation grants funded from East Garrison Project / Electric School Bus grants funded by CCCE

(5) Grant programs to reduce emissions, funded by recent State legislation.

(6) Debt reduction is for deposits to Other Post Employment Benefit (OPEB) and Pension Trusts for retiree health benefits.

**Monterey Bay Air Resources District
Stationary Source Programs
FY 2024-25 Budget**

	Program		
	Permitting	Title V	Asbestos
Estimated Revenues:			
Permitting Fees	\$ 3,386,748	\$ 333,728	\$ 321,231
Cost Recoveries	\$ 3,750	\$ -	\$ 11,250
Total Estimated Revenues	\$ 3,390,498	\$ 333,728	\$ 332,481
Estimated direct expenditures			
Engineering Division	\$ 1,567,398	\$ 105,165	\$ -
Compliance Division	1,586,429	175,521	243,556
Air Monitoring Division	226,005	-	-
Planning Division	-	-	-
Subtotal - Direct Expenditures	\$ 3,379,832	\$ 280,686	\$ 243,556
Estimated overhead allocations			
Engineering Division	\$ 495,003	\$ 28,914	\$ -
Compliance Division	524,236	52,303	81,972
Air Monitoring Division	69,028	-	-
Planning Division	-	-	-
Subtotal - Overhead Allocations	\$ 1,088,267	\$ 81,217	\$ 81,972
Total Expenditures + Overhead	\$ 4,468,099	\$ 361,903	\$ 325,528
Revenues less Expenditures:			
Surplus or (deficit)	\$ (1,077,601)	\$ (28,175)	\$ 6,953
Cost Recovery Rate	76%	92%	102%

Notes :

*Deficits in Stationary Source and Asbestos Programs are funded with the use of unrestricted General Funds.
Deficits in the Title V Program are offset by surpluses in prior fiscal years.*

Monterey Bay Air Resources District
Fixed Assets
Budget
FY 2024-25

Description	Estimated Cost
Air Monitoring Equipment	\$ 81,000
Parking Lot Resurfacing	\$ 200,000
Vehicle replacements (Admin/Compliance/Engineering)	\$ 142,000
Grand Total	<u>\$ 423,000</u>



ADMINISTRATIVE DIVISION

Under two programs, Support and Operations and Public Education, the Division performs the following functions:

- MBARD Boards
- General Operations, including building and vehicle maintenance
- Finance and Accounting
- Personnel Administration
- Risk Management
- Information System Services
- Public Education

The Administrative Division consists of the Air Pollution Control Officer (APCO), an Administrative Services Manager, an Executive Assistant to the APCO/Clerk of the Boards, an Administrative and Fiscal Specialist, a Senior Fiscal Assistant, and an Office Assistant.

	ACTUALS FY 22-23	REVISED BUDGET FY 23-24	ESTIMATED ACTUALS FYE 6/30/24	PROPOSED BUDGET FY 24-25
<i>Expenditures by Type:</i>				
Salaries and Benefits	\$ 936,622	\$ 959,573	\$ 935,348	\$ 1,019,367
Maintenance, Equipment, and Supplies	166,644	165,589	130,635	203,350
Legal and Professional Services	256,960	421,770	376,445	419,900
Utilities & Office Rent	103,320	111,400	96,030	114,042
Insurance	125,215	166,713	164,542	179,000
Training, Travel, District Board Expenses	40,182	60,085	36,480	61,565
Fixed Assets	407,742	342,300	110,650	200,000
Sponsorships	3,000	20,000	3,000	20,000
Transfers Out	44,880	35,000	115,034	71,380
OPEB/Pension Trust Acct Deposits	120,000	120,000	120,000	203,000
Grants and Other	36,674	38,975	26,240	38,085
Totals	\$ 2,241,240	\$ 2,441,405	\$ 2,114,404	\$ 2,529,689



AIR MONITORING DIVISION

The Air Monitoring Division performs the following functions:

- Ambient Air Monitoring from stations in Salinas, Hollister, Santa Cruz, King City, Carmel Valley, and Felton.
- Meteorological Monitoring
- Enforcement Monitoring in response to complaints
- Data acquisition, data display, and data quality control

The Air Monitoring Division consists of a Planning and Air Monitoring Manager (.5 FTE), a Supervising Planning and Air Monitoring Specialist (.5 FTE), one Senior Air Monitoring Specialist, two Air Monitoring Specialist and one Air Quality Technician (.5 FTE).

	<u>ACTUALS</u> <u>FY 22-23</u>	<u>REVISED</u> <u>BUDGET</u> <u>FY 23-24</u>	<u>ESTIMATED</u> <u>ACTUALS</u> <u>FYE 6/30/24</u>	<u>PROPOSED</u> <u>BUDGET</u> <u>FY 24-25</u>
<u>Expenditures by Type:</u>				
Salaries and Benefits	\$ 524,148	\$ 450,549	\$ 490,252	\$ 647,540
Maintenance, Equipment, and Supplies	29,851	59,026	31,554	70,167
Professional Services	50,489	59,150	36,182	50,200
Utilities & Office Rent	27,700	31,764	22,548	25,756
Training & Travel	3,630	5,900	1,500	12,259
Fixed Assets	54,474	131,958	131,282	133,000
Totals	\$ 690,292	\$ 738,347	\$ 713,317	\$ 938,922



COMPLIANCE DIVISION

The Compliance Division performs the following major functions:

- Enforcement of all applicable local, state, and federal laws and regulations in the District
- Burn Program for open and prescribed burns
- Compliance Assistance Program to ease and facilitate compliance by regulated sources
- Asbestos Program to enforce federal NESHAP regulations
- Representation at MBARDS’s Hearing Board
- Management of Mutual Settlement Program
- Source Testing observations of stack emissions

The Compliance Division consists of an Engineering and Compliance Manager (.5 FTE), a Supervising Inspector, seven field Inspectors, an Engineering and Compliance Specialist (.75 FTE), and a Senior Administrative Assistant.

	ACTUALS FY 22-23	REVISED BUDGET FY 23-24	ESTIMATED ACTUALS FYE 6/30/24	PROPOSED BUDGET FY 24-25
<i>Expenditures by Type:</i>				
Salaries and Benefits	\$ 1,558,016	\$ 1,761,947	\$ 1,577,910	\$ 1,865,271
Maintenance, Equipment, and Supplies	21,438	26,530	24,039	26,530
Utilities & Office Rent	22,399	22,125	20,655	22,625
Professional Services	77,891	63,000	56,000	30,000
Training & Travel	9,701	18,080	10,366	21,080
Fixed Assets	35,339	40,000	40,000	40,000
Other	-	-	-	-
Totals	<u>\$ 1,724,785</u>	<u>\$ 1,931,682</u>	<u>\$ 1,728,970</u>	<u>\$ 2,005,506</u>



ENGINEERING DIVISION

The Engineering Division performs the following major functions:

- Permitting to ensure that businesses comply with air quality control requirements
- Rule Development including proposed regulations and regulatory changes pertaining to engineering activities
- Toxics Program
- Technical Assistance including review of federal and state programs and emission inventory

The Engineering Division staff consists of an Engineering and Compliance Manager (.5 FTE), a Supervisor, four Permit Engineers, an Engineering and Compliance Specialist (.25 FTE), a Senior Administrative Assistant and an Air Quality Technician.

	ACTUALS FY 22-23	REVISED BUDGET FY 23-24	ESTIMATED ACTUALS FYE 6/30/24	REQUESTED BUDGET FY 24-25
<i><u>Expenditures by Type:</u></i>				
Salaries and Benefits	\$ 1,175,969	\$ 1,376,080	\$ 1,138,020	\$ 1,543,056
Maintenance, Equipment, and Supplies	3,771	12,400	5,668	12,900
Utilities	532	1,000	260	1,000
Professional Services	33,680	82,707	9,750	80,707
Training & Travel	2,802	22,600	5,195	22,900
Fixed Assets	-	40,000	40,000	-
Other	3,383	20,000	8,475	\$ 12,000
Totals	\$ 1,220,137	\$ 1,554,787	\$ 1,207,368	\$ 1,672,563



PLANNING DIVISION

The Planning Division performs the following functions:

- Preparation of Federal and State regional air quality plans
- Development of Emission Inventories from stationary, area, and mobile sources
- Analysis of air quality problems
- CEQA guidance to Lead Agencies, consultants, and others
- Grants and contractual programs
- Educational programs for the general public

The Planning Division consists of a Planning and Air Monitoring Manager (.5 FTE), a Planning and Air Monitoring Supervisor (.5 FTE), four Air Quality Planners and an Air Quality Technician (.5 FTE).

	ACTUALS FY 22-23	REVISED BUDGET FY 23-24	ESTIMATED ACTUALS FYE 6/30/24	PROPOSED BUDGET FY 24-25
<i>Expenditures by Type:</i>				
Salaries and Benefits	\$ 691,036	\$ 921,465	\$ 855,377	\$ 1,118,979
Maintenance, Equipment, and Supplies	7,749	19,850	6,210	18,950
Professional Services	379,813	1,042,081	39,378	1,112,500
Utilities & Office Rent	417	500	350	500
Training & Travel	12,488	69,700	9,568	85,500
Sponsorships	1,000	2,000	2,000	2,000
Grants-AB2766	404,197	2,925,681	430,000	3,200,000
Grants-Moyer	861,438	1,177,233	650,000	2,000,000
Grants-AB923	145,619	2,056,469	300,000	2,000,000
Grants-CAPP	-	1,225,441	540,470	2,000,000
Grants-FARMER	892,361	2,703,995	860,000	2,000,000
Electric Vehicle Incentives	394,600	400,000	400,000	400,000
Grants-Woodstove Changeouts	1,000	242,000	25,000	300,000
Grants-Offsite Mitigation	-	150,000	-	150,000
Grants-CCCE	-	800,000	-	800,000
Fixed Assets	-	-	-	50,000
Other	275	1,000	275	1,000
Totals	\$ 3,791,993	\$ 13,737,415	\$ 4,118,628	\$ 15,239,429

FUND BALANCES

Monterey Bay Air Resources District Fund Balances

	General Fund			AB2766 Fund			AB923 Fund			Moyer Fund			General Grant Fund		
	ACTUALS FY 22-23	ESTIMATED ACTUALS FY 23-24	PROPOSED BUDGET FY 24-25	ACTUALS FY 22-23	ESTIMATED ACTUALS FY 23-24	PROPOSED BUDGET FY 24-25	ACTUALS FY 22-23	ESTIMATED ACTUALS FY 23-24	PROPOSED BUDGET FY 24-25	ACTUALS FY 22-23	ESTIMATED ACTUALS FY 23-24	PROPOSED BUDGET FY 24-25	ACTUALS FY 22-23	ESTIMATED ACTUALS FY 23-24	PROPOSED BUDGET FY 24-25
Beginning Fund Balance, July 1st	\$ 8,668,308	\$ 8,718,934	\$ 9,378,412	\$ 6,666,036	\$ 8,015,311	\$ 9,244,703	\$ 4,000,405	\$ 4,933,132	\$ 6,038,235	\$ 302,799	\$ 333,506	\$ 407,175	\$ 175,595	\$ 178,953	\$ 182,053
Revenues	5,642,081	6,159,014	6,305,309	2,892,303	2,880,365	2,871,000	1,461,668	1,439,780	1,441,610	1,009,693	929,250	2,285,190	3,378	3,100	803,000
Expenditures (1)	(5,591,455)	(5,499,537)	(6,996,063)	(1,543,028)	(1,650,974)	(4,775,179)	(528,942)	(334,677)	(3,081,398)	(978,987)	(855,581)	(2,222,045)	(20)	-	(959,288)
Net Increase (Decrease) in Fund Balance	\$ 50,627	\$ 659,477	\$ (690,754)	\$ 1,349,275	\$ 1,229,391	\$ (1,904,179)	\$ 932,727	\$ 1,105,103	\$ (1,639,788)	\$ 30,706	\$ 73,669	\$ 63,145	\$ 3,358	\$ 3,100	\$ (156,288)
Projected Ending Fund Balance, June 30th	\$ 8,718,934	\$ 9,378,412	\$ 8,687,658	\$ 8,015,311	\$ 9,244,703	\$ 7,340,524	\$ 4,933,132	\$ 6,038,235	\$ 4,398,447	\$ 333,506	\$ 407,175	\$ 470,320	\$ 178,953	\$ 182,053	\$ 25,765
Reserves & Unreserved Fund Balance:															
Reserved for Grants															
Designated for Economic Uncertainties (2)	\$ 1,867,133	\$ 1,865,676	\$ 2,069,680												
Designated for Building & Facilities	100,000	100,000	100,000												
Designated for Other Post Employment Benefits (OPEB)	30,000	30,000	30,000												
Designated for Pension Obligations Prefunding	500,000	50,000	500,000												
Designated for Special Projects per District Policy B.12															
Unreserved Fund Balance	6,721,801	7,382,736	5,987,978	4,362,970	5,592,362	3,360,822									
Projected Total - Reserved & Unreserved Fund Balance	\$ 9,218,934	\$ 9,428,412	\$ 8,687,658	\$ 8,015,311	\$ 9,244,703	\$ 7,340,524	\$ 4,933,132	\$ 6,038,235	\$ 4,398,447	\$ 333,506	\$ 407,175	\$ 470,320	\$ 178,953	\$ 182,053	\$ 25,765

Notes:
(1) Assumption for 24-25 is that all outstanding grants are paid out during the fiscal period. Over the last five fiscal periods, actual grant expenditures have averaged 41% of budget.
(2) Per the District's Reserve Policy, the minimum level is 25% of the current year's Operating Budget.

Monterey Bay Air Resources District Fund Balances (continued)

	Community Air Protection Program (CAPP)				Funding Agric Replacement Measures (FARMER)				Clean Air Fund			
	ESTIMATED ACTUALS		PROPOSED BUDGET		ESTIMATED ACTUALS		PROPOSED BUDGET		ESTIMATED ACTUALS		PROPOSED BUDGET	
	FY 22-23	FY 23-24	FY 24-25	FY 24-25	FY 22-23	FY 23-24	FY 24-25	FY 24-25	FY 22-23	FY 23-24	FY 24-25	FY 24-25
Beginning Fund Balance, July 1st	\$ 34,022	\$ 59,674	\$ 83,204	\$ 83,204	\$ 7,130	\$ 18,786	\$ 34,790	\$ 34,790	\$ 7,089	\$ 37,540	\$ 123,774	\$ 123,774
Revenues	72,153	633,134	2,138,226	2,138,226	991,171	949,960	2,158,333	2,158,333	45,869	116,234	68,840	68,840
Expenditures (1)	(46,501)	(609,604)	(2,185,059)	(2,185,059)	(979,515)	(933,956)	(2,167,077)	(2,167,077)	(15,419)	(30,000)	(30,000)	(30,000)
Net Increase (Decrease) in Fund Balance	\$ 25,652	\$ 23,530	\$ (46,833)	\$ (46,833)	\$ 11,656	\$ 16,004	\$ (8,744)	\$ (8,744)	\$ 30,451	\$ 86,234	\$ 38,840	\$ 38,840
Projected Ending Fund Balance, June 30th	\$ 59,674	\$ 83,204	\$ 36,371	\$ 36,371	\$ 18,786	\$ 34,790	\$ 26,046	\$ 26,046	\$ 37,540	\$ 123,774	\$ 162,614	\$ 162,614
Reserves & Unreserved Fund Balance:												
Reserved for Grants	\$ 59,674	\$ 83,204	\$ 36,371	\$ 36,371	\$ 18,786	\$ 34,790	\$ 26,046	\$ 26,046	\$ 37,540	\$ 123,774	\$ 162,614	\$ 162,614
Designated for Economic Uncertainties (2)												
Designated for Building & Facilities												
Designated for Other Post Employment Benefits (OPEB)												
Designated for Pension Obligations Prefunding												
Designated for Special Projects per District Policy B.12												
Unreserved Fund Balance												
Projected Total- Reserved & Unreserved Fund Balance	\$ 59,674	\$ 83,204	\$ 36,371	\$ 36,371	\$ 18,786	\$ 34,790	\$ 26,046	\$ 26,046	\$ 37,540	\$ 123,774	\$ 162,614	\$ 162,614

RESOLUTION

RESOLUTION 24-009

**BEFORE THE AIR POLLUTION CONTROL BOARD OF
THE MONTEREY BAY AIR RESOURCES DISTRICT**

Adopt the Fiscal Year (FY) 2024-2025 Budget in the Amount of \$22,416,109 and) Authorize the Purchase of Specified Fixed Assets; and) Approve the Per Capita Assessment per the District’s Unification Agreement; and) Approve Permit Fees Effective July 1, 2024 Per the Attached Fee Schedule; and) Approve Direction to Staff for Development of Future District Budgets.....)

BE IT RESOLVED, a budget figure in the amount of \$21,416,109 for FY 2024-2025 is hereby adopted for the Monterey Bay Air Resources District and the Air Pollution Control Officer is hereby directed to implement the Budget accordingly.

BE IT FURTHER RESOLVED, the Air Pollution Control Officer is authorized and hereby directed to negotiate and sign the final supplemental applications for potential Federal grant and State subvention funds for FY 2024-2025.

BE IT FURTHER RESOLVED, the Air Pollution Control Officer is hereby authorized to purchase the fixed assets included in the budget at costs not to exceed funds in the total fixed asset account.

BE IT FURTHER RESOLVED, by majority vote, this Board determined the per capita assessment imposed and paid by all cities and counties within the District, as stipulated in the District’s Unification Agreement. The per capita assessment for FY 2024-2025 shall be fifty-two cents (\$.55).

BE IT FURTHER RESOLVED, by majority vote, this Board approves the attached permit fee schedule and directs staff to develop future budgets recognizing a consistent index of inflation. As needed, the Budget will be prepared for the Board’s consideration using the San Francisco-Oakland-Hayward Consumer Price Index as available to adjust general regulatory fees.


PASSED AND ADOPTED this 19 day of June, 2024, upon motion of Director Brown, seconded by Director Adams, and carried by the following vote, to wit:

AYES: Directors Adams, Askew, Brown, Carbone, Friend, Hernandez, Kosmicki

NOES:

ABSENT: Directors LeBarre, Lopez, Osornio, Perez.

I hereby certify that the foregoing is a true and correct Resolution as duly adopted by the Board of Directors of the Monterey Bay Air Resources District on June 19, 2024.

By: 
Sirie Thongchua, Executive Assistant

Approved: 
Richard A. Stedman, APCO

Table 1. Fee Schedule

Rule 300 (Part 3, Permit Fees)		
Permit Fees	Rule 300 (FY 2023-2024)	Rule 300 (FY 2024-2025)
Section 3.1 Filing Fee	\$ 237	\$ 243
Section 3.4.1 Synthetic Minor Permit Filing Fee	\$ 349	\$ 358
Section 3.4.2 Synthetic Minor Permit Evaluation Fee	\$ 1,394	\$ 1,430
Rule 300 (Annual Renewal Fees for Source Specific Categories, Section 4.3)		
Source Category	Rule 300 (FY 2023-2024)	Rule 300 (FY 2024-2025)
Dry Cleaner	\$374	\$384
Emergency Diesel Fueled Internal Combustion Engine (fee code 202)	\$408	\$419
Emergency Diesel Fueled Internal Combustion Engine (historical fee code 501)	\$277	\$284
Emergency Non-Diesel Fueled Internal Combustion Engine	\$277	\$284
Fume Hood	\$253	\$260
Fossil Fueled Power Plant Gas Turbine Maximum Rated Heat Input (Moss Landing Power Plant Only)	\$60 per MMBtu/hr	\$62 per MMBtu/hr
Lime Processing Facility (3-year average kiln annual production rates):		
-Kiln production rate < 100,000 short tons per year	-\$0.60 per short ton	\$0.62 per short ton
-Kiln production rate > 100,000 short tons per year	-\$0.84 per short ton	\$0.86 per short ton
Cannabis Cultivation/Manufacturing/Processing Operations and Odors	\$661	\$678
Synthetic Minor Permit	\$48 per ton	\$49 per ton
Woodworking Operations with No Other Permits	Not applicable	\$278

Table 1. Fee Schedule

Rule 300 (Annual Renewal Fees , Section 4.4)			
Billable Emission per Permit; Tons per Year	Rule 300	Rule 300	
	(FY 2023-2024)	(FY 2024-2025)	
0 - < 0.1	\$ 236	\$ 242	
0.1 - < 1	\$ 354	\$ 363	
1 - < 2	\$ 442	\$ 453	
2 - < 5	\$ 632	\$ 648	
5 - < 8	\$ 868	\$ 891	
8 - < 10	\$ 1,661	\$ 1,704	
10 - < 20	\$ 2,454	\$ 2,518	
20 - < 30	\$ 4,257	\$ 4,368	
30 - < 45	\$ 6,057	\$ 6,214	
45 - < 60	\$ 7,406	\$ 7,599	
60 - < 80	\$ 8,757	\$ 8,985	
80 - < 100	\$ 9,642	\$ 9,893	
100 - < 150	\$ 10,513	\$ 10,786	
150 - < 200	\$ 12,732	\$ 13,063	
200 - < 250	\$ 14,949	\$ 15,338	
> 250	\$ 18,569	\$ 19,052	
Rule 300 (Annual Renewal Fee Determination, Section 4.5)			
Fees	Rule 300	Rule 300	
	(FY 2023-2024)	(FY 2024-2025)	
Section 4.5.1	\$ 1,152	\$ 1,182	
Section 4.5.2	\$ 578	\$ 593	
Section 4.5.3	\$ 578	\$ 593	
Rule 300 (Gasoline Throughput Fees, Section 4.6)			
Section 4.6 Throughput "b"	Fuel Throughput; Gallons per Year	Rule 300	Rule 300
		(FY 2023-2024)	(FY 2024-2025)
	Per Nozzle Fee	\$ 58	\$ 60
	0 - < 120,000	\$ 282	\$ 289
	120,000 - < 400,000	\$ 452	\$ 464
	400,000 - < 600,000	\$ 667	\$ 684
	600,000 - < 1,200,000	\$ 889	\$ 912
	1,200,000 - < 1,600,000	\$ 1,106	\$ 1,135
	1,600,000 - < 2,000,000	\$ 1,431	\$ 1,468
	2,000,000 - < 3,000,000	\$ 2,171	\$ 2,227
	3,000,000 - < 4,000,000	\$ 2,892	\$ 2,967
	4,000,000 - < 5,000,000	\$ 3,613	\$ 3,707
	5,000,000 - < 6,000,000	\$ 4,335	\$ 4,448
	6,000,000 - < 7,000,000	\$ 5,056	\$ 5,187
	7,000,000 - < 8,000,000	\$ 5,778	\$ 5,928
	8,000,000 - < 9,000,000	\$ 6,499	\$ 6,668
	9,000,000 - < 10,000,000	\$ 7,221	\$ 7,409
	10,000,000 - < 11,000,000	\$ 7,942	\$ 8,148
	Greater than 11,000,000	\$ 8,663	\$ 8,888

Table 1. Fee Schedule

Rule 300 (Wastewater Treatment Facilities Fees, Section 4.7)			
Average Flow; Gallons per Day		Rule 300 (FY 2023-2024)	Rule 300 (FY 2024-2025)
	0- < 9,999,999	\$ 229	\$ 235
	10,000,000 - 20,000,000	\$ 2,860	\$ 2,934
	>20,000,000	\$ 7,437	\$ 7,630
Rule 300 (Other Annual Renewal Fee Determination)			
Fees		Rule 300 (FY 2023-2024)	Rule 300 (FY 2024-2025)
Section 4.8	Annual Renewal Fee for NESHAP Sources	\$ 18,569	\$ 19,052
Section 4.9	Methyl Bromide Fumigation Chambers	\$ 211	\$ 216
Section 4.10	Authorities to Construct	\$ 211	\$ 216
Section 4.11	Toxic Program Sources	\$ 110	\$ 113
Section 6.1	ERC Registry Fee	\$ 700	\$ 718
Section 6.1.2	Annual Regsitry Fee	\$ 234	\$ 240
Rule 300 (Delinquency Penalties)			
Fees		Rule 300 (FY 2023-2024)	Rule 300 (FY 2024-2025)
Section 5.1.7.2	Revocation Initiation	\$ 596	\$ 612
Section 5.1.7.3	Reinstatement	\$ 900	\$ 923

Table 1. Fee Schedule

Rule 301 (Permit Fee Schedules)		Rule 300	Rule 300
Fee Schedules		(FY 2023-2024)	(FY 2024-2025)
	Hourly Staff Rate	\$ 169	\$ 173
Schedule 1	General Permit Fee	\$1,059 plus the hourly staff rate	\$1,087 plus the hourly staff rate
Schedule 2	Administrative Amendment	\$343 plus the hourly staff rate	\$352 plus the hourly staff rate
Schedule 3	Equipment that Lost Permit Exemption		
Schedule 4	Complex Permit Applications Hourly Staff Rate	\$ 169	\$ 173
Schedule 5	Emission Fees	\$ 236	\$ 242
Schedule 6	Toxic Air Contaminants	\$ 237	\$ 243
Schedule 7	Public Notification	\$ 719	\$ 738
Schedule 8	Public Record Request		
	Paper Photocopies	\$0.10 per page	\$0.10 per page
	Scanned Copies	\$0.10 per page	\$0.10 per page
	Electronic Media	\$ 7	\$ 7
Schedule 9	Mutual Settlement Program Base Rate	\$ 224	\$ 230

Table 1. Fee Schedule

Rule 302 (Source Testing and Analyses)		
Type of Test	Rule 302 (FY 2023-2024)	Rule 302 (FY 2024-2025)
Section 4.1 Visible emission evaluation test or observation of source testing	-\$169 + \$169 per hour for every staff hour in excess of one staff hour	\$173 + \$173 per hour for every staff hour in excess of one staff hour
Rule 305 (AB2588 Implementation Fees)		
Fee Determination	Rule 305 (FY 2023-2024)	Rule 305 (FY 2024-2025)
Hourly Staff Rate for:		
Section 3.1.2-3.1.3 Emission Inventory, Public Notification, Audit and Plan, Supplemental Risk Assessment	\$ 169	\$ 173
Section 3.3.5.1 Revocation Initiation	\$ 596	\$ 612
Section 3.3.5.2 Reinstatement	\$ 900	\$ 923

Table 1. Fee Schedule

Rule 306 (Asbestos NESHAP Fees)			
Fee	Rule 306		Rule 306
	(FY 2023-2024)		(FY 2024-2025)
Demolition (cost per structure) Section 4.2 (Including Where No Asbestos Present)	\$	497	\$ 510
Schedule of Fees for Removal of Asbestos-Containing Materials			
Demolition or Renovation involving Regulated Asbestos Containing Material (RACM) (fees apply to the material quantity in the highest fee category):			
Square Feet	Linear Feet	Rule 306 (FY 2023-2024)	Rule 306 (FY 2024-2025)
160-999 OR Equal to or Greater than 35 cubic feet	260-499	\$ 865	\$ 887
1000 - 1499	500-749	\$ 1,117	\$ 1,146
1,500-1,999	750-999	\$ 1,365	\$ 1,400
2,000-3,999	1,000-1,999	\$ 1,608	\$ 1,650
4,000-9,999	2,000-2,999	\$ 1,842	\$ 1,890
10,000-19,999	3,000-4,999	\$ 2,017	\$ 2,069
20,000-29,999	5,000-6,999	\$ 2,514	\$ 2,579
30,000-39,999	7,000-9,999	\$ 3,013	\$ 3,091
40,000-49,999	10,000-11,999	\$ 3,510	\$ 3,601
Equal to or Greater than 50,000	Equal to or Greater than 12,000	\$ 4,009	\$ 4,113

Table 1. Fee Schedule

Rule 308 (Title V Fees)			
Title V Fees		Rule 308 (FY 2023-2024)	Rule 308 (FY 2024-2025)
Section 3.1.1	Filing Fee for an initial Federal Operating Permit, renewal, or modification	\$ 483	\$ 496
Section 3.1.2	Filing Fee for Change of Ownership	\$ 169	\$ 173
Section 3.3	Evaluation Hourly Fee	\$ 169	\$ 173
Section 4.1.1	Minimum Annual Federal Operating Permit Fee (AFOPF)	\$ 1,152	\$ 1,182
Section 4.1.2.1	AFPOF for landfill gas emissions per ton	\$ 3.51	\$ 3.60
Rule 309 (Hearing Board Fees)			
Hearing Board Fees		Rule 309 (FY 2023-2024)	Rule 309 (FY 2024-2025)
Section 3.1.1-3.1.10	Fee for Each Additional Hearing	\$ 560	\$ 575
Application Fees:			
	Length of variance exceeds 90 days	\$ 1,118	\$ 1,147
Section 3.1.1			
	Length of variance does not exceed 90 days	\$ 783	\$ 803
Section 3.1.2			
Section 3.1.3	Modifying a variance		
Section 3.1.4	Modify a Variance's Schedule of Increments of Progress or Final Compliance Date		
Section 3.1.5	Approval of Schedule of Increments of Progress	\$ 560	\$ 575
Section 3.1.6	Emergency Variance		
Section 3.1.7	Permit Denial		
Section 3.1.8	Issuance of Permit		
Section 3.1.9	Suspension of Permit		
Section 3.1.10	Intervention in a Pending Variance		
Section 3.2	Excess Emissions (\$ per pound of excess emissions)	\$ 0.75	\$ 0.77
Section 3.3.1	Excess Visible Emission	\$ 2.14	\$ 2.20
Section 3.4	Minimum Fees	\$ 560	\$ 575
Rule 310 (Agricultural Diesel Engine Registration Fees)			
Ag Engine Fees		Rule 310 (FY 2023-2024)	Rule 310 (FY 2024-2025)
Application Fees:			
Section 3.1.1	Initial in-use or new registration	\$ 237	\$ 243
Section 3.1.2	Additional Engine Fee	\$ 169	\$ 173
Section 3.2	Operational Annual Registration Fees	\$ 88	\$ 90
	Non-Operational Annual Registration Fees	\$ 45	\$ 46
Section 3.3	Transfer of Owner/Change of Location	\$ 237	\$ 243

The proposed fee increase is 2.6%.

GLOSSARY

**MONTEREY BAY AIR RESOURCES DISTRICT
FY 2024-25 BUDGET
GLOSSARY OF TERMS & ACRONYMS**

AB 2766 Fees: Department of Motor Vehicle (DMV) surcharge fees collected through California’s vehicle registration program, pursuant to the 1990 California Assembly Bill (AB) 2766. The fee collected is \$4.00 per vehicle.

AB 923 Fees: Department of Motor Vehicle (DMV) surcharge fees collected through California’s vehicle registration program, pursuant to the 2004 California Assembly Bill (AB) 923. The fee collected is \$2.00 per vehicle.

AMBAG: Association of Monterey Bay Area Governments serving as both a federally designated Metropolitan Planning Organization and a Council of Governments for the Monterey, San Benito, and Santa Cruz Counties region.

APCO: Air Pollution Control Officer who serves as executive director for MBARD.

CAPCOA: California Air Pollution Control Officers Association, a non-profit association of the air pollution control officers from all 35 local air quality agencies throughout California. MBARD is a member of this association.

CAPP: Community Air Protection Program, State funding to implement Assembly Bill 617. Funding is used to deploy community air monitoring systems and to reduce exposure in communities most impacted by air pollution.

CARB: California Air Resources Board, the State agency charged with protecting the public from the harmful effects of air pollution and developing programs and actions to fight climate change.

CARB Subvention: Funds provided to MBARD pursuant to Section 39800 et seq. of the California Health and Safety Code. Subvention funds are provided to districts of up to \$1 for every dollar budgeted, as long as the subvention does not exceed \$.23 per capita.

CEQA: California Environmental Quality Act

CRT: Criteria Pollutant and Toxics Emissions Reporting

CITY AND COUNTY CONTRIBUTIONS: Each city and county in MBARD’s Tri-County jurisdiction contributes \$.55 per capita to MBARD based on a Unification Agreement. The contributions are paid in lieu of each city and county creating and maintaining its own air quality program.

DMV: Department of Motor Vehicles.

EPA: Environmental Protection Agency, a federal agency whose mission is to protect human health and safeguard the environment. MBARD receives funding from the EPA.

EVR: Enhanced Vapor Recovery refers to a new generation of clean nozzles and equipment that control emissions at gasoline dispensing facilities in California.

Glossary of Terms and Acronyms

FARMER: Funding Agricultural Replacement Measures for Emission Reductions, State funding to reduce agricultural sector emissions by providing grants, rebates, and other financial incentives for agricultural harvesting equipment, heavy-duty trucks, agricultural pump engines, tractors, and other equipment used in agricultural operations.

FTE: Full-time equivalent position scheduled to work 40 hours per week.

FUND: Can be thought of as a separate set of books for a specific purpose.

FUND BALANCE: The excess of assets over liabilities; a negative fund balance is sometimes called a deficit.

GENERAL FUND: Consists of all District revenue and matching expenditures except that which is restricted to specific use by statute or Board action.

NESHAP: National Emission Standards for Hazardous Air Pollutants which are stationary source standards for pollutants that are known or suspected to cause cancer or other serious health effects.

NON-OPERATING BUDGET: Consists of revenue collected from the State and passed on to other entities in the form of grants for emission reducing projects.

NSR: Non Source Review

OEHHA: Office of Environmental Health Hazard Assessment which is a California State department responsible for developing and providing risk managers in state and local government agencies with toxicological and medical information relevant to decisions involving public health.

OPEB: Other Post Employment Benefits, which are retiree benefits other than pensions. MBARD pays for a portion of health care premiums for retirees who participate in MBARD's medical plans.

OPERATING BUDGET: Primarily uses the General Fund to pay for all expenditures incurred in the day-to-day operations of MBARD.

PERP: Owners or operators of portable engines and other types of equipment can register their units under the CARB Statewide Portable Equipment Registration Program (PERP) in order to operate their equipment throughout California without having to obtain individual permits from local air districts. The State collects the fees and remits them to MBARD.

PM: Particulate matter, a criteria pollutant.

PROGRAM: Categories of services or activities that MBARD engages in.

TAMC: Transportation Agency for Monterey County which funds and implements transportation projects in Monterey County.

Glossary of Terms and Acronyms

TCM: Traffic control measures.

TITLE V Program: Title V of the Federal Clean Air Act requires the collection annual federal permit fees for stationary sources based on annual emissions. This program generally applies to the MBARD's major sources.