



County of Tehama Air Pollution Control District

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Tehama County Air Pollution Control District Rule 2:11D Accountability Report, FY 2016/17

This Rule 2:11D Annual Accountability Report was prepared by the Tehama County Air Pollution Control District (District) to fulfill the obligations of Section 5.8 of the Rule, as stated below:

On August 1st of each year the District will prepare an annual report which will include the following elements: total amount of fees received; total monies spent; total monies remaining; a list of all projects funded; total emissions reductions realized; and the overall cost-effectiveness factor for the projects funded.

Summary of Rule

Rule 2:11 D, attached, is designed to reduce emissions from construction of new single and multi-family dwellings, as well as commercial and industrial structures and similar indirect sources of emissions. The authority to regulate indirect sources of emissions is part of the California Clean Air Act of 1988. Health and Safety Code section 40716, states that “a district may adopt and implement regulations to ... reduce or mitigate emissions from indirect and area wide sources of air pollution”. Furthermore, Health and Safety Code section 42311, subdivision (g) specifically allows district to adopt a schedule of fees on area wide or indirect sources which are regulated, but for which permits are not issued, to cover the costs of District programs related to this source.

Rule 2:11D became effective on July 1, 2011 per Board action at the October 26, 2010 Board of Supervisors meeting. On June 21, 2011, staff presented the Board with a proposal to delay implementation of Rule 2:11D for a 6 month time period in order to incorporate modeling results from the new emissions modeling software (CalEEMod) into the District’s procedures for calculating fees and mitigations, which was approved by the Board on July 26, 2011. On January 10, 2012, the Board took further action to delay implementation until July 1, 2012.

On July 1, 2012 the District began implementing the Rule at the 50% fee level with the 100% level proposed for implementation beginning January 1, 2013. With help of the local building and planning departments, District staff completed alternative emission reduction analyses for two large commercial structures that involved demolition of useable commercial structures, resulting in significant proposed fee reductions. On January 15, 2013, the District Board delayed implementation of the 100% fee level until January 1, 2014, with further direction to staff to report to the Board prior to that date on the long term viability of the 100% fee amount based on projects the District had reviewed. On March 3, 2015, the District Board delayed implementation of the 100% fee level until January 1, 2020.

Per the Rule 2:11D requirements, mitigation fees collected through the rule are separated into two accounts. The designation of each account is specific to the pollutant to be mitigated. The Air District has assigned the accounts to help maintain accountability, prevent intermingling of funds and to help identify

cost effectiveness of the program. Account 1 includes funds for the reduction of Ozone Precursor emissions and Account 2 includes funds for reduction of Particulate Matter emissions. Rule 2:11D also provides for the District to retain up to 10% for administrative purposes of calculating and collecting fees, and assessing project proposals and overseeing projects. With the end of each fiscal year (June 30), District staff is also required to prepare an accountability report detailing management of the program.

Program Analysis

Residential Sector

In fiscal year 2016/17 the Air District received 88 residential dwellings applications, the applications consisted of 22 mobile homes, 65 single family residential homes and 4 multi-family units. As a result, District staff collected \$2,513.50 for mobile home construction with \$1,644.50 being allocated to the Ozone account, and \$869.00 to the Particulate account. District staff collected \$11,352.00 with \$7,375.50 set aside for the Ozone account, and \$3,976.50 for the Particulate account for single family residential. District staff collected \$624.00 in multiple family unit fees with \$406.00 allocated to the Ozone account, and \$218.00 allocated to the Particulate account.

	<i>Number of Applications</i>	<i>Fees Collected from Ozone Precursors</i>	<i>Fees Collected from PM₁₀</i>	<i>Total Fees Collected</i>
<i>Single Family</i>	65	\$7,375.50	\$3,796.50	\$11,352.00
<i>Mobile Home</i>	22	\$1,644.50	\$869.00	\$2,513.50
<i>Multi-family</i>	1 (4 units)	\$406.00	\$218.00	\$624.00
<i>Total</i>	88	\$9,426.00	\$5,063.50	\$14,489.50

In total, from the residential sector the District collected \$14,489.50, with \$9,426.00 set aside for the Ozone account, and \$5,063.50 set aside for the Particulate account.

Commercial Sector

In fiscal year 2016/17 the Air District received 6 Commercial applications, with 2 categorized as an Office Building project, 3 categorized as Industrial projects and 1 categorized as a Retail project.

Office Projects

In fiscal year 2016/17 the District received two applications for new office space.

	<i>Number of Applications</i>	<i>Fees Collected from Ozone Precursors</i>	<i>Fees Collected from PM₁₀</i>	<i>Total Fees Collected</i>
<i>Office</i>	2	\$431.52	\$223.20	\$654.72

Total fees collected for these projects were \$654.72, with \$431.52 set aside for Ozone precursors, and \$223.20 set aside for Particulate.

Retail Projects

In fiscal year 2016/17 the District received one application for retail space.

	<i>Number of Applications</i>	<i>Fees Collected from Ozone Precursors</i>	<i>Fees Collected from PM₁₀</i>	<i>Total Fees Collected</i>
<i>Retail</i>	1	\$165.00	\$75.00	\$240.00

In total, the project was assessed fees totaling \$240.00 with \$165.00 set aside for Ozone precursors, and \$75.00 set aside for Particulate Matter.

Industrial Projects

In fiscal year 2016/17 the District received three industrial applications.

	<i>Number of Applications</i>	<i>Fees Collected from Ozone Precursors</i>	<i>Fees Collected from PM₁₀</i>	<i>Total Fees Collected</i>
<i>Industrial</i>	3	\$1,369.50	\$684.75	\$2,054.25

Total fees collected for these projects were \$2,054.25, with \$1,369.50 set aside for Ozone precursors, and \$684.75 set aside for Particulate.

Interest

The District collected \$1,111.54 in interest on funds collected during this reporting period.

Deferred Projects

The District did not defer any fees in fiscal year 2016/17.

Total Fees Collected

Fiscal year 2016/17

In total, the District collected fees totaling \$ 17,438.47, with \$11,392.02 set aside for Ozone Precursors, and \$6,046.45 set aside for Particulate Matter.

Total Fees Collected to date

Since the start of the Indirect Source Fee the District has collected \$174,236.12, with \$117,013.40 allocated to the Ozone Precursor account, and \$57,222.72 allocated to the particulate account.

Program Expenses

Wood Stove Change-out Program

During fiscal year 2016/17 the District operated its Wood Stove Change-out Program. The change out program uses funds allocated for particulate matter reduction. 18 projects were completed in fiscal year 2016/17 totaling \$14,250.00.

Los Molinos Roadway Improvements.

During fiscal year 15/16 the District received one project request from Tehama County Public Works for roadway improvements of Grant Street in Los Molinos, CA. The project was selected for mitigation project funding for the amount of \$50,000.00. Once the project is completed the funds will be drawn from Ozone precursor allocation.

RFP Solicitation

Per Rule 2:11D Section 5.4, the District is to issue a Request for Proposals (RFP) each year requesting proposals to fund Ozone Precursor and Particulate Matter reduction projects. The District proposes to release an RFP no later than October 15th, 2017.

Questions about this report may be directed to Joseph Tona, Air Pollution Control Officer. He can be reached at 530-527-3717 x101, or by e-mail at jtona@tehcoapcd.net.