Revisions to:
RULE 42 – PERMIT FEES,
RULE 45.2 – ASBESTOS REMOVAL FEES, AND
RULE 128 – COMPENSATION – HEARING BOARD MEMBERS

APCD Workshop
March 12, 2020
Agenda

- Legal Authority
- Rule 42
  - Background
  - Covered Programs
  - Cost Reductions Efforts
  - Proposed Revisions
- Rule 45.2
- Rule 128
- Schedule of Meetings
State Law on Fees

H&S Code Section 42311(a)

“A district board may adopt, by regulation, a schedule of annual fees for the evaluation, issuance, and renewal of permits to cover the cost of district programs related to permitted stationary sources authorized or required under this division that are not otherwise funded.”
Common State Bill Language on Service Charges :

“No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code ”
Rule 42 Background

- Rule 42 sets fee rates for the following categories:
  - Permit processing fees,
  - Filing fees, and
  - Annual permit renewal fees.

- Permit renewal fees are charged annually to each source of air pollution required to have an APCD Permit to Operate.
Covered Programs

- Permitting and Source Testing
- Planning & Inventory
- Rule Development
- Inspections & Enforcement
- Overhead
Cost Reductions Efforts

- District staffing has been reduced, 64 FTE in 2002, currently 48 FTE
- Building purchase will reduce annual operating costs
- Costs for services and supplies have been scrutinized
Proposed Revisions

Renewal Fee Rate Increase:

- Increase permit renewal fee rates by 3% effective July 1, 2020 (CPI: 3.34%)
- Minimum annual renewal fee for most sources would increase by $19, to $642 per year
- Proposal would increase the District’s annual revenue by approximately $62,000
- Includes clarifying language about annual application of CPI to permit fees.
Rule 45.2 Background

- Sets fees for implementation of NESHAP and Rule 62.7, Asbestos - Demolition and Renovation Operations
- Fee rates based on the amount of asbestos material being removed.
- Has not been amended since 1992.
Rule 45.2 Cost Determination

- Following factors considered:
  - Last changed in 1992
  - Fees did not cover staff time
  - Much lower than neighboring Air Districts
Proposed Revisions

<table>
<thead>
<tr>
<th>Area of ACM Being Removed</th>
<th>Current Fee</th>
<th>Proposed Fee</th>
</tr>
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<tbody>
<tr>
<td>No ACM</td>
<td>$0.00</td>
<td>$170.00</td>
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<tr>
<td>≥1 sq. ft. and &lt; 100 sq. ft.</td>
<td>$75.00</td>
<td>$170.00</td>
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<tr>
<td>≥100 sq. ft. and &lt; 160 sq. ft.</td>
<td>$75.00</td>
<td>$260.00</td>
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<tr>
<td>≥160 sq. ft. and &lt; 1000 sq. ft.</td>
<td>$230.00</td>
<td>$260.00</td>
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<tr>
<td>≥1000 sq. ft. and &lt; 5000 sq. ft.</td>
<td>$230.00</td>
<td>$620.00</td>
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<tr>
<td>≥5000 sq. ft.</td>
<td>$305.00</td>
<td>$975.00</td>
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</table>

- All demolition or renovation project applications will be required to pay a fee.
- Application amendments will cost $60.
- Additional language which grants authority for APCO to adjust the proposed fees based on CPI annually.
## Comparison to Other Districts

<table>
<thead>
<tr>
<th>Area of ACM Being Removed</th>
<th>Δ SBCAPCD</th>
<th>Δ SLOCAPCD</th>
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<tbody>
<tr>
<td>&lt; 100 sq. ft.</td>
<td>23.25%</td>
<td>-61.14%</td>
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<td>≥100 sq. ft. and &lt; 160 sq. ft.</td>
<td>88.50%</td>
<td>-40.57%</td>
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<td>≥160 sq. ft. and &lt; 1000 sq. ft.</td>
<td>-52.87%</td>
<td>-62.18%</td>
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<tr>
<td>≥1000 sq. ft. and &lt; 5000 sq. ft.</td>
<td>-40.86%</td>
<td>-38.00%</td>
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<tr>
<td>≥5000 sq. ft.</td>
<td>-35.74%</td>
<td>-2.50%</td>
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</table>
Rule 128
Background

- Hearing Board is an appointed independent, quasi-judicial body.
- Requires that Air Pollution Hearing Board members are compensated for their time.
Proposed Revisions

- Increase compensation from $75.00 to $150.00 per day to attend meetings.
  - Used cost of living adjustment
Schedule of Meetings

- Workshop
  - Thursday, March 12, 2020, at VCAPCD, 3:00 PM

- Advisory Committee Meeting
  - Tuesday, March 24, 2020, at VCAPCD, 7:30 PM

- Board Meeting
  - Tuesday May 12, 2020 at County Government Center, Board of Supervisor Hearing Room, 1:30 PM