



AGENDA:
PCAPCD Board of Directors Meeting
Thursday, June 13, 2013, at 2:30 PM
Placer County Board of Supervisors' Chambers
175 Fulweiler Avenue, Auburn, California

Call to Order

Flag Salute

Roll Call / Determination of a Quorum

Approval of Minutes: April 11, 2013, Regular Board Meeting

Public Comment: Any person desiring to address the Board on any item not on the agenda may do so at this time. No action will be taken on any issue not currently on the agenda.

Consent: Item 1

These items are expected to be routine and non-controversial. The Board will act upon these items at one time without discussion. Any Board member, Staff member, or interested citizen may request that an item be removed from the consent calendar for discussion.

- 1. Reappointment of Hearing Board Members:** Reappoint current Hearing Board Member Mr. Gary Hall, who has been representing the Engineering Profession, and Mr. Chuck Mather, who has been serving as an alternate, for another three year term. The current terms of office for Mr. Hall and Mr. Mather will end July 1, 2013.

Public Hearing: Item 2

- 2. Hold a Public Hearing for the purpose of reviewing the Proposed Preliminary Budget for FY 2013-14:** Conduct a public hearing for the exclusive purpose of reviewing the proposed preliminary budget and providing the public with an opportunity to comment.

Action: Item 3

- 3. Request for Early Approval of Budgetary Spending:** Authorize the expenditure of funds for two existing contracted technical support services agreements in advance of the adoption of the Final FY 2013-14 District Budget which is scheduled for August 8, 2013. This will enable the continuation of services after the June 30, 2013, fiscal year end date, until the new budget is approved.

Air Pollution Control Officer Report *(Verbal reports and/or handouts will be provided)*

- a. Update on Photo Voltaic System
- b. Art Walk 2013 begins June 13, 2013
- c. Fiscal Update

Adjournment

Next Regularly Scheduled Board Meeting: Thursday, August 8, 2013, at 2:30 PM

Opportunity is provided for the members of the public to address the Board on items of interest to the public, which are within the jurisdiction of the Board. A member of the public wanting to comment upon an agenda item that is not a Public Hearing item should submit their name and identify the item to the Clerk of the Board.

Placer County Air Pollution Control District is committed to ensuring that persons with disabilities are provided the resources to participate fully in its public meetings. If you require disability-related modifications or accommodations, please contact the Clerk of the Board. All requests must be in writing and must be received by the Clerk five business days prior to the scheduled meeting for which you are requesting accommodation. Requests received after such time will be accommodated only if time permits.

District Office Telephone – (530) 745-2330



Board Agenda Item

Consent

Agenda Date: June 13, 2013

Prepared By: Margie Koltun, Clerk of the Board

A handwritten signature in blue ink, appearing to be "MK", is written over the name Margie Koltun.

Topic: Reappoint current Engineering Professional and alternate members to continue for another term on the District's Hearing Board.

Action Requested: Reappoint current Hearing Board Member Mr. Gary Hall, who has been representing the Engineering Profession, and Mr. Chuck Mather who has been serving as an alternate, for a new three year term. The terms of office for Mr. Hall and Mr. Mather will end July 1, 2013.

Background: The Placer County Air Pollution Control District Hearing Board is a statutory body appointed by the District Board of Directors to hear petitions for variances or modifications of variances from air pollution rules or permit conditions; the denial, approval, or revocation of a permit; and orders for abatement. Composed of 5 members with 3-year terms, the membership composition is delineated in HSC Section 40801 as follows:

- One lawyer
- One registered engineer
- Two public-at-large members
- One member of the medical profession

Discussion: The current term of office for Mr. Hall, and Mr. Mather will expire as of July 1, 2013. They have both served for several years on the Hearing Board and have attended training courses provided by the State Air Resources Board to understand and fulfill their duties as members of the Hearing Board. Both Mr. Hall and Mr. Mather have agreed to continue serving for another term.

In the past few years the District has not needed to schedule a hearing with the full Hearing Board. The Chair, Mr. Donald Gronstal, has been able to handle the requirements for emergency and short-term variances as provided for by statute. However, should the need arise for a hearing that requires a quorum, the District needs to have Hearing Board members who are ready and able to serve. District staff appreciates the willingness of Mr. Hall and Mr. Mather to continue serving.

Fiscal Impact: None.

Recommendation: Staff recommends that your Board reappoint Mr. Hall and Mr. Mather to their respective seats on the District's Hearing Board for a new three year term ending June 30, 2016.



<p>Board Agenda</p> <p><i>Public Hearing</i></p>
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Agenda Date: June 13, 2013

Prepared By: Jane Bailey, Fiscal Officer *JB*

Topic: Proposed Preliminary Budget FY 2013-14

Action Requested: Conduct a Public Hearing in accordance with the Health and Safety Code § 40131 (3) (A) that states: “The district shall notice and hold a public hearing for the exclusive purpose of reviewing its budget and of providing the public with the opportunity to comment upon the proposed district budget.” The District also seeks guidance from the Board regarding any changes to this Proposed Preliminary Budget for FY 2013-14 for inclusion into the Final Proposed Budget, which will be presented to the District Board for adoption on August 8, 2013.

Discussion: The District offers the following analysis of the differences between the *Proposed Preliminary Budget* for FY 2013-14 and the *Approved Budget* for FY 2012-13. ¹ Please refer to Table 1 (see Attachment #1) for the following discussion:

Proposed Revenue: There is a projected **\$16,129** net increase from the *Approved FY 2012-13 Budget*¹ for a total proposed Revenue of **\$3,449,677** in FY 2013-14 as compared to **\$3,433,548** in FY 2012-13. Reductions in “Permit Fees” and “District Facility Rental Income” are offset by the increase in “DMV (AB2766 and AB923)” funds and “Project Generated Revenue”.

Proposed Expenditures: The Total Expense of **\$3,937,785** for FY 2013-14 is **\$46,151** higher than the *Approved Budget* for FY 2012-13¹ that shows a Total Expense of **\$3,891,634**. “Salaries and Benefits” are proposed to be \$17,933 lower in FY 2013-14 due to a planned reduction in extra-help personnel support and the retirement of two full time employees during the Fiscal Year. The District will fund and retain the positions. The drop in “Salaries and Benefits” would have been lower but the budget also contains a 2% negotiated raise that will go into effect in December of 2013. “Supplies and Services” are proposed to be increased by \$59,084 and “Clean Air Grants (CAG) and Technology Assessment Program (TAP)” are proposed to be \$55,000 higher than the *Approved Budget* for FY 2012-13. If Mitigation Revenue is received in FY 2013-14, the available CAG funding will be increased

¹The Approved Budget for FY 2012-13 has been revised four times since the original approval. It was revised first to fund the installation of a solar photo voltaic system on the roof of the District owned facility. The revision totaled \$40,000 (rescinding \$50,000 in pay back to the Settlement Fund and borrowing an additional \$40,000 from the same fund) to cover the \$90,000 needed to purchase and install the system. A second revision was to appropriate the funding for evaluation of the District’s air quality benefits from using forest biomass wastes for energy as an alternative to open burning -- \$60,000. A third revision was done to increase the funding for Clean Air Grants to be dispersed to Placer County recipients -- \$278,000. Finally, the District funded \$30,000 for the consulting and advocacy services in support to the District’s forest resource sustainability initiatives. These revisions totaled \$408,000.

as has been the practice in past fiscal years. There is no proposed “Building Purchase Payback” for FY 2013-14.

The total proposed Revenue -- **\$3,449,677** for FY 2013-14 combined with the total projected “Fund Carry-Over” -- **\$809,908** projected for year-end balance from FY 2012-13 are the “Total Funds Available” -- **\$4,259,585**. (See the top pie chart shown in Attachment #2).

The total proposed Expenditures -- **\$3,937,785** for FY 2013-14 plus the projected Total Ending Fund Balance -- **\$321,800** for FY 2013-14 equal the “Total Fund Usage” -- **\$4,259,585**. (See the bottom pie chart shown in Attachment #2).

In this enclosed Proposed Preliminary Budget for FY 2013-14 (pages 4 through 10), Staff has linked program and project resource expenditures to specific goals and objectives contained within the District’s Mission Statement. Also, page 16 of the enclosed Proposed Preliminary Budget FY 2013-14 has a complete listing of the expenditures proposed in this budget.

Fiscal Impact: The Proposed Preliminary Budget for FY 2013-14 -- **\$4,259,585** is .85% higher than the budget presented and approved in FY 2012-13. This proposed budget has **\$46,151** more in expenditures than the FY 2012-13 Budget and covers the operational costs, maintains services and program delivery, and provides for selected critical resource needs. It also maintains an Operations Fund Balance of **\$320,329** which is 10.8% of the total Proposed Operations Budget for FY 2013-14.

Recommendation: It is recommended that the District Board provide direction to Staff regarding any changes to this Proposed Preliminary Budget for FY 2013-14 for inclusion into the Final Proposed Budget. The Final Proposed Budget will be presented to your Board for its approval and adoption at the regular Board Meeting scheduled for August 8, 2013, at 2:30 PM in the Board of Supervisors Chambers located at 175 Fulweiler Avenue, Auburn, California.

Enclosure Proposed Preliminary Budget FY 2013-14

Attachments #1: Table showing comparison of Proposed Preliminary Budget FY 2013-14 and the Approved Final Budget FY 2012-13
#2: Pie Charts showing Funds Available and Fund Usage proposed for FY 2013-14

ATTACHMENT #1

SUBJECT:

Comparison Between
Proposed Preliminary Budget for FY 2013-14 and the
Approved Budget for FY 2012-13

**COMPARISON OF THE PROPOSED FY 2013-14
TO THE
APPROVED FINAL BUDGET FOR FY 2012-13**

Table 1

Funds Available:	Proposed Budget FY 2013-14	Approved Budget FY 2012-13	Difference	Percentage Change
Permit Fees	820,752	836,942	(16,190)	-1.93%
Fines & Penalties	35,000	35,000	-	0.00%
Interest	70,000	70,000	-	0.00%
DMV (AB2766, AB923)	2,070,348	2,040,000	30,348	1.49%
Statewide PERP	43,000	43,000	-	0.00%
State Subvention	106,000	106,000	-	0.00%
Other Government Assistance	70,898	74,866	(3,968)	-5.30%
Mitigation Fees			-	
Burn / Land / Other Permits	32,247	32,134	113	0.35%
Per Capita Assessment	178,732	177,664	1,068	0.60%
District Facility Rental Income From Settlement Fund	-	15,242	(15,242)	-100.00%
Project Generated Revenue	20,000		20,000	
Miscellaneous	2,700	2,700	-	0.00%
TOTAL REVENUE	3,449,677	3,433,548	16,129	0.47%
Operations Fund Carry-Over from the Previous FY*	442,495	510,247	(67,752)	-13.28%
DMV (AB2766, AB923) Carry-Over from the Previous FY	101,226	97,257	3,969	4.08%
Mitigation Fund Carry-Over from the Previous FY	266,187	182,705	83,482	45.69%
TOTAL FUND CARRY-OVER	809,908	790,209	19,699	2.49%
TOTAL FUNDS AVAILABLE	4,259,585	4,223,757	35,828	0.85%
Fund Usage:				
Salary & Benefits	2,171,667	2,189,600	(17,933)	-0.82%
Supplies & Services	801,118	742,034	59,084	7.96%
Clean Air Grants & TAP	965,000	910,000	55,000	6.04%
Building Purchase Payback		50,000	(50,000)	-100.00%
TOTAL EXPENSE	3,937,785	3,891,634	46,151	1.19%
Operations Ending Fund Balance **	320,329	329,084	(8,755)	-2.66%
DMV (AB2766 & AB923) Ending Fund Balance	284	334	(50)	-14.97%
Mitigation Ending Fund Balance	1,187	2,705	(1,518)	-56.12%
TOTAL ENDING FUND BALANCE	321,800	332,123	(10,323)	-3.11%
TOTAL FUND USAGE	4,259,585	4,223,757	35,828	0.85%

* Included in the Operations Fund Carry-Over from the previous fiscal year:	FY 2013-14	FY 2012-13
Operations Fund	\$ 147,496	\$ 230,247
Non-Tort Defense Fund	90,000	90,000
Reserve (Contingency Fund)	95,000	95,000
Building Capital Maintenance Fund	50,000	50,000
Vehicle Replacement Fund	60,000	45,000
Total*	\$ 442,496	\$ 510,247

** Included in the Operations Ending Fund Balance:	FY 2013-14	FY 2012-13
Operations Fund	\$ 25,329	\$ 34,084
Non-Tort Defense Fund	90,000	90,000
Reserve (Contingency Fund)	95,000	95,000
Building Capital Maintenance Fund	50,000	50,000
Vehicle Replacement Fund	60,000	60,000
Total**	\$ 320,329	\$ 329,084

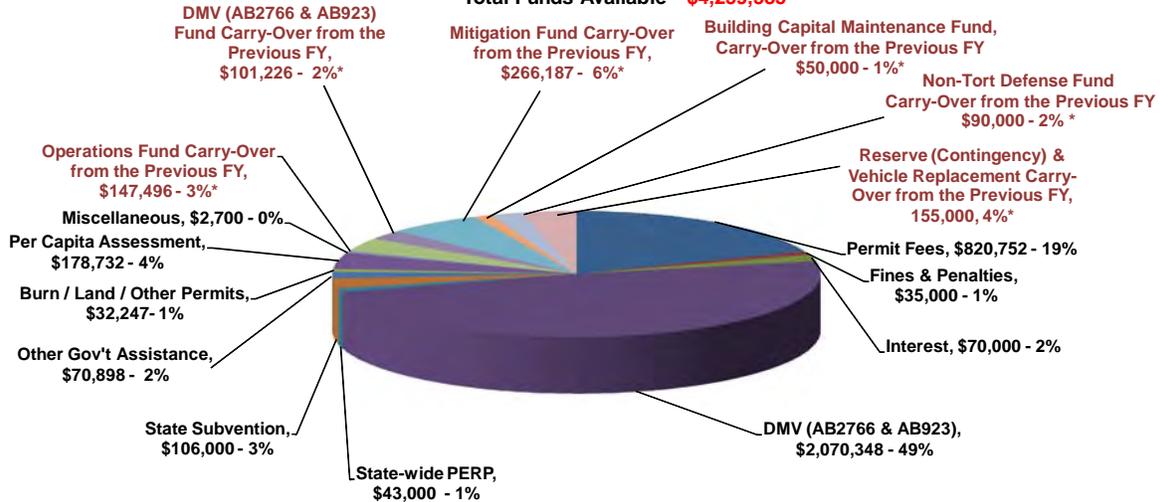
ATTACHMENT #2

SUBJECT:

Proposed Preliminary Budget for Fiscal Year 2013-14
Pie Charts for Funds Available and Fund Usage

Consolidated Funds Available

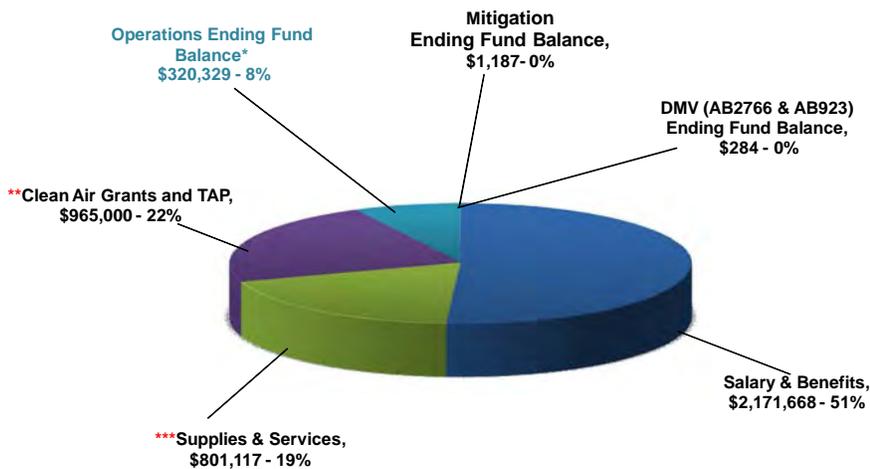
for FY 2013-14 Proposed Budget
Total Funds Available - **\$4,259,585**



*The total actual "Fund Carry-Over" from the previous fiscal year is \$809,909 (based on projected revenue and expenditures from FY 2012-13).

Consolidated Fund Usage

for FY 2013-14 Proposed Budget
Total Fund Usage - **\$4,259,585**



* The Operations Ending Fund Balance includes \$90,000 Non-Tort Defense Fund , \$95,000 Reserve (Contingency), \$50,000 Building Capital Maintenance Fund, \$60,000 Vehicle Replacement Fund, and \$25,329 general Operations Fund.

** "Clean Air Grants and TAP " are comprised of: \$650,000 from DMV Fund and \$265,000 from the Mitigation Fund for the CAG Program. This year the District is proposing to fund \$50,000 for the Technology Assessment Program (TAP).

***The "Services" contained in "Supplies and Services" are for contracted services that augment the Staff in programs and projects. These services include the Biomass Project - \$25,000; Spare the Air Program - \$18,771; Legal Support - \$90,000; Gasoline Dispensing Facility Inspections - \$16,391; Programming and Software Support - \$125,398; Air Permitting Specialist Support - \$32,000; and \$58,750 for special services that augment the existing Staff. Additional costs in the form of Liability Insurance - \$25,000; Air Monitoring Equipment Maintenance - \$15,000; District Facility Operations and Maintenance - \$40,823; Other District Participation - \$10,000 and Air Monitoring Site Maintenance and upgrades - \$5,000 are included. The District also contracts with the County for an additional \$262,994 in supporting services.

Board Agenda

Action

Agenda Date: June 13, 2013

Prepared By: Todd K. Nishikawa, Deputy Air Pollution Control Officer 

Topic: Advance Budget Authorization for Contracted Technical Support Services from Air Permitting Specialists and TSS Renewables, Inc.

Action Requested: Authorize the expenditure of Twenty-five Thousand Dollars (\$25,000) for contracted technical support services from TSS Renewables, Inc. (TSS) and Thirty-two Thousand Dollars (\$32,000) for Air Permitting Specialists (APS) as shown in the preliminary FY 2013-14 budget to be presented to your Board on June 13, 2013. This authorization request is in advance of the adoption of the Final FY 2013-2014 District Budget that is scheduled to be heard on August 8, 2013, to enable the services to continue uninterrupted after June 30, 2013.

Discussion: The District has been involved in and continues to be engaged in a broad range of initiatives related to Placer County's forested landscape in an effort to reduce wildfires and manage smoke from open burning in order to improve air quality. TSS is contracted to support these efforts and has had a contract with the District since 2008. The existing contract (CN925309) between the District and TSS has insufficient funds for TSS to continue working after the end of the current fiscal year on June 30, 2013. The Preliminary FY 2013-2014 Budget includes Twenty-five Thousand Dollars (\$25,000) in additional funding for this contract, but Final FY 2013-2014 Budget will not be considered until your Board meets on August 8, 2013. Accordingly, because the District would like to provide for the continuation of technical support services from TSS for the period from July 1, 2013, until August 8, 2013, the District is requesting early approval of expenditures in advance of the adoption of the Final FY 2013-2014 Budget.

Similarly, the District has an existing contract (CN000753) with APS, to provide permit evaluation, rule preparation and development, administrative and air monitoring support, and technical review services. The District has contracted for these technical services with APS since 2002. Such services may be required after the end of the current fiscal year on June 30, 2013, but there will be insufficient funds for APS to continue working after the end of the current fiscal year on June 30, 2013. The Preliminary FY 2013-2014 Budget includes Thirty-two Thousand Dollars (\$32,000) in additional funding for this contract. The District is requesting early approval for the expenditure of additional funds under the existing contract in advance of the adoption of the Final FY 2013-2014 Budget to provide for continuation of services.

Fiscal Impact: The funds involved in the requested advance request for spending authorization are included in the Preliminary FY 2013-2014 Budget that will be discussed in a public hearing when this request is to be considered. Sufficient funds are allocated in the Preliminary FY 2013-2014 Budget to cover the possible expenditures. If advance spending authorization is granted, the Final FY 2013-2014 Budget will again include the necessary funds to cover these expenditures.

Recommendation: Staff recommends that the Board:

1. Authorize the expenditure of funds for contracted technical support services from TSS Renewables, Inc. and increase the authorized amount by Twenty-five Thousand Dollars (\$25,000) , effective July 1, 2013; and
2. Authorize the expenditure of funds for contracted technical support services from Ray Kapahi, dba Air Permitting Specialists, and increase the authorized amount by Thirty-two Thousand Dollars (\$32,000), effective July 1, 2013.