



Imperial County Air Pollution Control District 2020 Rule 310 Annual Accountability Report

For Fiscal Year 2019-2020

August 1, 2020



This Rule 310 Annual Accountability Report was prepared by the Air Pollution Control District (Air District) to fulfill the obligations of Section E.9 of Rule 310 – Operational Development Fee.

I. EXECUTIVE SUMMARY

On November 6, 2007, the Air District’s Board of Directors adopted Rule 310 to assist in the reduction of excess emissions resulting from new land development in the Imperial County. The adoption of Rule 310 provided the Air District with a sound method for mitigating the emissions produced from the operation of new commercial and residential development projects throughout the County of Imperial and incorporated cities. On December 12, 2017, a minor revision was made to Rule 310, but the primary mechanism remained in place for the Air District to mitigate operational emissions from new development projects.

Rule 310 provides the project proponent three options: 1) provide for off-site mitigation, 2) pay a one-time operational development fee, or 3) choose to mitigate through a combination of both. Although the Air District encourages project proponents to come up with off-site mitigation projects, the reality is that off-site project specific mitigation is difficult to develop, time consuming, and expensive. As a result, the majority of project proponents elect to pay a one-time operational development fee.

On August 1 of each year, the Air District makes available the funds collected during the previous Fiscal Year (FY) through a Request for Proposal (RFP) process. The collected fees are utilized to fund mitigation projects throughout the County of Imperial. The Air District encourages any person seeking funding for a mitigation project to develop and submit a written Mitigation Project Report (MPR) to the Air District during the RFP process. While section E.6 of Rule 310 lists the requirements for a MPR, the Air District recognizes that some proponents may need assistance with the development of their proposals, and as such instructs proponents to contact Air District Staff for guidance.

In order to provide transparency, each year on August 1, the Air District has and will continue to prepare and publish an Annual Accountability Report (AAR) describing the total amount of off-site fees collected; total monies spent; total monies remaining; a description of all projects funded; total emission reductions realized; and the overall cost-effectiveness factor for the projects funded. This AAR includes the previous FY 2017-2018 and 2018-2019 activities and statistics.

Upon the original adoption of Rule 310, mitigation fees collected via Rule 310 implementation during each Fiscal Year (FY) were separated into two accounts. The designation of each account is specific to the pollutant to be mitigated, with one account for particulate matter (PM₁₀) emissions and the other for Ozone Precursor emissions, in order to help maintain accountability, prevent intermingling of funds and to help identify cost effectiveness of the program. Like any accountability process, there are

administrative fees that are unavoidable. Rule 310 addresses this by allowing the Air District a percentage of the funds collected, no greater than 10%, each fiscal year for use by the Air District to offset administrative costs. The ending of a FY, which is on June 30, triggers the preparation of two specific events applicable to compliance with Rule 310 – the preparation of the AAR, and the RFP announcement and process. The publication of availability of the AAR and the RFP are published August 1 each FY.

RULE 310 CHANGES, EFFECTIVE DECEMBER 12, 2017

Rule 310, as revised, now has a single funding account for the mitigation of PM₁₀ and Ozone Precursor emissions. This Annual Accountability Report will contain the previous accountability method for projects that occurred before Rule 310 was revised, as well as the new accountability method for projects that occurred post-December 12, 2017.

II. BACKGROUND

As with many other geographical areas, human and vehicle population continues to increase over time. The California Department of Finance's projections (Vintage 2019, 2020.1.10), the human population of Imperial County will increase by 15,552 new residents between 2020 and 2030. Along with this growth in population, it is also expected that the vehicle population and total vehicle miles traveled per year will increase. This growth will in turn increase area source emissions from activities such as increased consumer product use, fuel combustion, and landscape maintenance. In order to assist in reducing the mitigation of excess emissions from land development, which includes the aforementioned activities, the Air District adopted Rule 310.

The development of Rule 310 involved the public, with the formation and input from a local Joint Advisory Committee (JAC). The membership of this JAC included representatives from Imperial County Planning Department, cities' representatives, Caltrans, COLAB, Imperial Irrigation District, land development representatives, health experts and the Air District. The Air District held three public workshops to present the proposed rule on August 14 and August 15, 2007. Additionally, the Air District gave the public an opportunity to comment on the rule and staff report findings for a 30-day period, beginning October 5, 2007. As part of the public outreach, the Air District also provided presentations of the proposed rule to all city councils in the County. Taking into consideration the input from the JAC, public, and city councils, the Air District presented proposed Rule 310-Operational Development Fee to the Air District's Board of Directors on November 6, 2007, with the board approving Rule 310 for adoption.

III. IMPLEMENTATION

After the adoption of Rule 310, Air District staff in collaboration with local municipalities, setup the Rule 310 application submittal procedures that would work for everyone involved. Cities and county representatives were asked to inform applicants about the requirements of Rule 310, which included an explanation that a building permit may be withheld. Both city and county agencies were asked to advise applicants to either visit or contact the Air District for more information. If during the Air District's review of the project

it is found that the applicant’s project is subject to Rule 310, the applicant will be required to fill out and submit a Rule 310 application, submit a copy of the site plans and pay the appropriate fees. Once the Air District is satisfied that all conditions of Rule 310 are met, two copies of a signed and stamp Rule 310 application are given to the applicant. One of the copies is submitted to the appropriate city or county building department while the second copy is for the applicant/developer records. In order to maintain compliance, the Air District currently requests the submittal of a monthly building report from each affected city and county building department. The cities and the county have been submitting these reports to the Air District on a monthly basis. Since the adoption and implementation of Rule 310 in 2007, most construction and development companies are now very familiar with the requirements of Rule 310.

IV. FEE SCHEDULE

Table 1 below displays the Rule 310 fee schedule that applicants were subject to pay from July 1, 2018 through June 30, 2019.

Table 1 - 2018 Rule 310 Fee Schedule

2018-2019 Fees per Revised Rule		Level 1 Fee	Level 2 Fee
D.1	Residential Single Family Dwelling	\$ 251.00/Unit	\$ 576.00/Unit
D.2	Residential Multiple Family Dwelling	\$ 195.12/Unit	\$ 439.00/Unit
D.3/D.4	Commercial/Warehouse	\$ 0.72/Sq ft	\$ 1.60/Sq ft
D.3/D.4	Commercial/Warehouse	\$ 145.16/ ADT	\$ 322.58/ADT

V. PROJECT SELECTION

Air District Staff analyzes submitted mitigation projects to determine that the proposal meets all emissions reductions requirements of Rule 310, and other applicable Air District Rules and Regulations. As per section E.6 of Rule 310, the Air District evaluates and recommends proposed mitigation projects based on the cost effectiveness of each project. Recommended mitigation projects are subsequently presented to the Air District’s Board of Directors for approval to authorize the expenditure of funds, on a project-to-project basis, in a public forum.

On August 1, 2019 a RFP legal ad was published in the local newspaper and on the Imperial County website in order for the public, local agencies, cities, private developers and the public to have an opportunity to apply for the Ozone and PM₁₀ mitigation funds collected during FY 2017-2018 (see Table 2 on following page).

Table 2 – Rule 310 Available Funding for Ozone and PM₁₀, FY 2018-2019

Ozone Accountability (FY 18/19)		PM Accountability (FY 18/19)	
Balance Forward FY 2017/2018	\$ 953,859.00	Balance Forward FY 2017/2018	\$ 440,787.00
FY 2019/2020 Paid out Funds	\$ -	FY 2019/2020 Paid out Funds	\$ -
FY 2018/2019 Allocated Funds	\$ (318,887.00)	FY 2018/2019 Allocated Funds	\$ (286,952.00)
Collected Fees FY 2018/2019	\$ -	Collected Fees FY 2018/2019	\$ -
FY 2018/2019 Available Amount	\$ 651,613.00	FY 2019/2020 Available Amount	\$ 153,835.00

VI. CURRENT AVAILABLE FUNDING (FY 2019-20)

Table 3 – Rule 310 Available Funding for Ozone and PM₁₀, FY 2019-2020

Ozone Accountability (FY 19/20)		PM Accountability (FY 19/20)	
Balance Forward FY 2018/2019	\$ 953,859.00	Balance Forward FY 2018/2019	\$ 440,787.00
FY 2019/2020 Paid out Funds	\$ (318,887.00)	FY 2019/2020 Paid out Funds	\$ (441,939.00)
Awarded Allocated Funding	\$ (402,136.00)	Awarded Allocated Funding	\$ -
Collected Fees FY 2019/2020	\$ -	Collected Fees FY 2019/2020	\$ 4,531.00
FY 2019/2020 Available Amount	\$ 232,836.00	FY 2019/2020 Available Amount	\$ 4,531.00

*PM: \$1,152.00 paid with collected interest.

Table 4 – New Rule 310 Account Available Funding, FY 2019-2020

Rule 310 (FY 19/20)	
Balance FY 2018/2019	\$ 514,246.00
FY 2019/2020 Paid out Funds	\$ (251,493.00)
Awarded Allocated Funding	\$ -
Collected Fees FY 2019/2020	\$ 167,276.00
FY 2019/2020 Available Amount	\$ 430,029.00

A total of one (1) PM₁₀ Project was completed and paid out in full this fiscal year, which was for a staff and bus parking lot paving project at Calexico Unified School District in Calexico, CA. The total payout for the project was \$406,480.

The Air District received approximately 14 Rule 310 Project Proposal Applications during the last RFP Period, which was open from August 1, 2019 through September 30, 2019. The applications consisted primarily of parking lot and road paving projects within school sites/school district offices, for various locations throughout the County of Imperial. Two equipment replacement applications were also submitted – the first proposal consisted of the replacement of one old diesel school bus with a new, lower emissions school bus, and the second proposal consisted of replacing two old riding lawnmowers with new, lower emissions riding lawnmowers. The Air District selected three of these qualified applications for funding, with each proposal meeting the cost-effectiveness and project requirements of Rule 310. The three projects are as follows: (1) Heber Elementary School

District, school bus replacement project, in the amount of \$124,004; (2) Central Union High School District, two lawnmowers replacement project, in the amount of \$43,133.18; and (3) Magnolia Union Elementary School District, paving of unpaved parent/staff parking lot, for \$100,000. The applicants of all three projects are working to complete the construction/installation for their projects, and are estimated to be completed this fall and paid out once all required project close-out documentation is submitted and verified by the Air District.