



Air Pollution Control District Rule 310 Annual Accountability Report

For Fiscal Year 2022-2023

August 1, 2023



As required by Section E.7 of Rule 310, Operational Development Fee the Air Pollution Control District (Air District) has prepared this Annual Accountability Report for public review.

I EXECUTIVE SUMMARY

On November 6, 2007, the Imperial County Air Pollution Control District Board of Directors adopted Rule 310 to assist in the reduction of excess emissions resulting from new residential and commercial development in the Imperial County. The adoption of Rule 310 provided the Air District with a sound method for mitigating the emissions resulting from the operation of new development projects throughout the County of Imperial and within incorporated cities. Much like other Air District rules, Rule 310 undergoes review for applicability to an ever-changing status in air quality. In 2017, a minor revision to the threshold of NO_x and ROG to Rule 310 reflected a change those pollutant concentrations in Imperial County. This revision did not affect the core intent of the rule: to mitigate operational emissions from new development projects.

When development occurs, Rule 310 provides applicants three options for compliance:

- 1 Provide for off-site mitigation,
- 2 Pay a one-time operational development fee, or
- 3 Choose to mitigate through a combination of both.

Providing off-site mitigation projects has historically proven a difficult and expensive task. As a result, the majority of the project proponents elect to pay a one-time operational development fee.

On August 1 of each year, the Air District publishes a Request for Proposal (RFP) in order to disperse collected funds supporting 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.5 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 encourages proponents to contact Air District Staff for guidance.

In order to provide transparency, each year on August 1, the Air District makes available an Annual Accountability Report (AAR), which includes the following:

- ♦ the total amount of off-site fees received,
- ♦ total monies spent,
- ♦ total monies remaining,
- ♦ a list of all projects funded,
- ♦ total emission reductions realized,
- ♦ and the overall cost-effectiveness factor for the projects funded

RULE 310 CHANGES, EFFECTIVE DECEMBER 12, 2017

Fund accountability, prior to the December 2017 revision, included two accounts: an Ozone account and a PM₁₀ account. The separating of the revenue assisted in maintaining fiscal accountability, prevented intermingling of funds, and allowed the carry-over of any remaining fiscal balances to the following fiscal year. Finally, Rule 310 allowed for no greater than a 10% recovery of Rule 310 program administrative cost.

The current revision of Rule 310 allows for a single fund account for the mitigation of both PM₁₀ and Ozone Precursor emissions. The fiscal year 2022-2023 Rule 310-accountability report accounts for all revenue pre and post the December 2017 revision to Rule 310.

II BACKGROUND

As with many other geographical areas, human and vehicle population continues to increase in Imperial County over time. According to the California Department of Finance's projections (Vintage 2020, 2021.3.05), the human population of Imperial County will increase by 21,857 new residents between 2022 and 2035. Along with growth in population, is the expected growth in vehicle population and total vehicle miles traveled. Such growth increases area source emissions from activities such as increased consumer product use, fuel combustion, and landscape maintenance. Rule 310 is an effective avenue for the mitigation of these excess emissions.

The formation of a local Joint Advisory Committee (JAC) provided public, professional and governmental input into the development of Rule 310. JAC representatives included the Imperial County Planning Department, local city representatives, Caltrans, COLAB, Imperial Irrigation District, land development representatives, health experts and the Air District. To assure public input the Air District held public workshops, provided presentation to all city councils and released formal drafts of the rule to the public for comment for a 30-day period. The final rule as presented to the Imperial County Air Pollution Control District Board of Directors on November 6, 2007 included input from the JAC, public, and city councils.

III IMPLEMENTATION

Working alongside local municipalities, the Air District developed submittal procedures that would work for each local municipality. Cooperation between the agencies included information to applicants about the requirements of Rule 310, a process similar to the payment of school fees where the lack of proof of payment or the lack of proof of an exemption resulted in a delay in the issuing of a building permit.

Internally, the Air District developed administrative procedures that would be as efficient and as expedient as possible for applicants. Other administrative procedures include the review by Air District staff of monthly building reports, as available. Since its adoption, over 20 years ago, most construction and development companies are now very familiar with the requirements of Rule 310.

IV FEE SCHEDULE

Tables 1 and 2 represent the fee schedules applicable during fiscal year 2022-2023. Table 1 shows the fees applicable from July 1, 2022 to December 31, 2022.

TABLE 1 – Fee Schedule 1 FY 2022-2023

| July 1, 2022 - December 31, 2022 | Level 1 | | Level 2 | |
|--------------------------------------|----------|-------|----------|-------|
| Residential Single Family Dwelling | \$264.50 | Unit | \$607.00 | Unit |
| Residential Multiple Family Dwelling | \$205.50 | Unit | \$463.00 | Unit |
| Commercial/Warehouse | \$ 0.72 | Sq ft | \$ 1.60 | Sq ft |
| Commercial/Warehouse | \$153.00 | ADT | \$340.00 | ADT |

TABLE 2 represents fee schedule applicable from January 1, 2023 to June 30, 2023

TABLE 2 – Fee Schedule 2 FY 2022-2023

| January 1, 2023 - June 30, 2023 | Level 1 | | Level 2 | |
|--------------------------------------|----------|-------|----------|-------|
| Residential Single Family Dwelling | \$275.00 | Unit | \$631.50 | Unit |
| Residential Multiple Family Dwelling | \$213.50 | Unit | \$481.50 | Unit |
| Commercial/Warehouse | \$ 0.72 | Sq ft | \$ 1.60 | Sq ft |
| Commercial/Warehouse | \$159.00 | ADT | \$353.50 | ADT |

V PROJECT SELECTION

Section E.6 of Rule 310, requires the Air District to evaluate and recommend proposed mitigation projects based on the cost effectiveness of each project. The consideration and approval by the Imperial County Air Pollution Control District Board of Directors of recommended cost-effective mitigation projects provides for the selection of projects within a public forum and authorizes the expenditure of funds for mitigation of emissions throughout Imperial County.

The RFP published August 1, 2022 in the Imperial Valley Press and on the Imperial County website announced the availability of FY 2021-2022 funding for mitigation projects available to the public, local agencies, cities, private developers and the public.

TABLE 3 AVAILABLE FUNDING FY 2021-2022 (Preliminary)

| Rule 310 (FY 21/22) | |
|-------------------------------|---------------------------|
| Balance FY 2020/2021 | \$ 363,218.69 |
| Previous FY Allocation | \$(175,000.00) |
| Awarded Allocated Funding | \$(389,640.73) |
| Collected Fees FY 2021/2022 | \$ 235,165.86 |
| FY 2021/2022 Available Amount | \$ 33,743.82 |

VI CURRENT AVAILABLE FUNDING (FY 2022-23)

With COVID-19 and supply chain issues many of the project selections have been experiencing delays. As restrictions due to COVID-19 relax, recommended projects that met the cost effectiveness requirement are going before the Imperial County Air Pollution Control District Board of Directors for approval. The mitigation projects that have currently met the cost effectiveness requirements are paving projects. Below is a brief description of each project. Included is the estimated total cost and estimated emission reductions of each project.

TABLE 4 – DESCRIPTION OF MITIGATION PROJECTS FOR FY 2022-2023

| Applicant | Project | Requested Grant Amount | Annual Surplus PM10 Emission Reduction (tons) | Cost Effectiveness per ton (Base Limit = \$9,015) |
|-------------------|----------------------------|------------------------|---|---|
| City of El Centro | Frazier Field Parking Lot | \$ 342,012.00 | 134.169 | \$ 500.53 |
| City of Brawley | Irving Park Paving Project | \$ 149,625.00 | 23.577 | \$ 1,276.28 |

TABLE 5 – CURRENT FUNDING FOR FY 2022-2023 (Preliminary)

| Rule 310 (FY 22/23) | |
|--------------------------------|-----------------|
| Available Balance FY 2021/2022 | \$ 33,743.82 |
| Pending Award Funding | \$ (491,637.00) |
| Collected Fees FY 2022/2023 | \$ 496,098.87 |
| FY 2023/2024 Available Amount | \$ 38,205.69 |

Currently, two PM10 mitigation paving projects are finalizing reviews to be presented before the board for funding: the Irving Park Paving Project and the Frazier Field Paving Project. A total of three projects were completed and paid out in FY 2022-2023: one paving project and two bus replacement projects. The paving project was completed at Pine Elementary Parking Lot for Holtville Unified School District and was paid out the amount of \$175,000. One Bus replacement project was completed for the Holtville Unified school district in the amount of \$202,274.08, and another Bus Replacement was completed for the El Centro Unified School District in the amount of \$187,366.65

The Air District received approximately five applications for mitigation projects during the 2022-2023 Request for Proposal period that was open from August 1, 2022 to November 1, 2023. Of the submitted applications 2 projects have currently been assessed as meeting the cost efficiency requirements and are in the process of being finalized for review and prepared to be presented before the Board of Directors for consideration with a formal suggestion from the Air District to approve funding for the projects based on the assessments. Both Projects are Paving Projects and are projected to disburse a total of \$491,637.00