

BOARD MEETING DATE: September 2, 2022

AGENDA NO. 3

PROPOSAL: Appropriate Funds from the Undesignated (Unassigned) Fund Balance for Engineering and Permitting Assistance

SYNOPSIS: In order to reduce the pending permit application inventory consistent with the agency's Goals and Objectives, assistance from qualified consultants and retirees are temporarily needed on an as needed basis. A total of \$400,000 will be appropriated from the General Fund Undesignated (Unassigned) Fund Balance into Engineering and Permitting's FY 2022-23 Budget to cover consultant contracts and temporary staffing costs.

COMMITTEE: Administrative, August 12, 2022; Recommended for Approval

RECOMMENDED ACTION:

Appropriate a total of \$400,000 from the General Fund Undesignated (Unassigned) Fund Balance to Engineering and Permitting's FY 2022-23 Budget, Services & Supplies Major Object to provide funding for assistance from qualified consultants and Engineering and Permitting retirees to reduce the pending permit application inventory.

Wayne Nastri
Executive Officer

SN:JA:JW

Background

In June 2016, South Coast AQMD embarked on an aggressive effort to expeditiously reduce its pending permit application inventory, with a goal of reducing the number of pending permit applications by 50 percent to a working inventory of 3,674 or less pending permit applications. This goal was achieved in 2018 and has been maintained for the past four years. However, due to a hiring freeze in 2020 because of the COVID-19 pandemic as well as a large number of retirements in the Engineering and Permitting division, the permit application inventory has recently exceeded the 50 percent threshold. A number of measures are being implemented to meet the permit application inventory goal as soon as possible.

Positions in Engineering and Permitting, through new hire and promotional recruitments, are being filled in an expeditious manner. While addressing the need to fill vacancies at all levels, it has also resulted in a majority of staff in permit processing positions having two years or less of experience in their current position. Retirees have the skills and knowledge to provide training and guidance to staff who are new to their positions to help increase the efficiency of permit processing.

In addition to addressing staff resources, there is a need for consultant services to provide permit review functions as part of the effort to resolve the permit application inventory. Certain permit analysis, such as compliance with CEQA and air dispersion modeling, can be accomplished efficiently by an outside contractor. Using consulting firms enables permitting staff to focus their review on critical and more complicated aspects of permit applications.

A combination of strategies is being used to reduce the pending permit application inventory and to ensure the Engineering and Permitting division and the agency meets its annual Goals and Objectives.

Proposal

Staff released RFP# P2022-14 on June 3, 2022 to seek consultant assistance, on an as needed basis. Three proposals were received and two were deemed to meet the minimum requirements of the RFP. Therefore, Castle Environmental Consulting and William Walters Air Quality Consulting were selected as qualified consultants. Both have experience providing analysis for permits relating to air quality regulations. The total amount for both contracts is not to exceed \$100,000.

In response to outreach efforts, several retirees from Engineering and Permitting have expressed interest in returning to assist in permit application processing and review. In accordance with requirements and restrictions from the SBCERA retirement system, retirees will be utilized for training, evaluation, and advisory purposes to complement the work of existing Engineering and Permitting staff. It is anticipated that the retiree assignments will not extend beyond this fiscal year. Costs associated with engaging retirees for temporary services is estimated not to exceed \$300,000 for retirees, depending on scheduling.

To implement measures to meet the permit application inventory goals, staff is requesting that a total of \$400,000 be appropriated from the Undesignated Fund Balance to Engineering and Permitting's FY 2022-23 Budget, Services & Supplies Major Object for the temporary use of consultants and retirees for FY 2022-23.

Resource Impacts

Sufficient funding is available in the General Fund Undesignated (Unassigned) Fund Balance.