



NOTICE OF PUBLIC CONSULTATION MEETINGS

**FISCAL YEAR 2017-18 PROPOSED DRAFT BUDGET AND WORK PROGRAM
&
PROPOSED AMENDED REGULATION (PAR) III - FEES**

Tuesday, April 11, 2017

2:00 p.m.

SCAQMD Headquarters

21865 Copley Drive

Diamond Bar, CA 91765

Conference Room CC2

Tuesday, April 18, 2017

2:00 p.m.

SCAQMD Headquarters

21865 Copley Drive

Diamond Bar, CA 91765

Conference Room CC2

Purpose of These Meetings

The South Coast Air Quality Management District (SCAQMD) has scheduled two public consultation meetings to present the Executive Officer’s proposed SCAQMD Draft Budget and Work Program and Proposed Amended Regulation III (PAR III) – Fees for Fiscal Year (FY) 2017-18. These public consultation meetings will allow for comments and discussion with all public members, including potentially impacted stakeholders and other interested parties.

Proposed Amendments

Amendments to Regulation III rules consist of four proposed components. First, pursuant to Rule 320 – Automatic Adjustment Based on Consumer Price Index for Regulation III-Fees, staff is proposing to update most fees in Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314 and 315 on July 1, 2017 corresponding to the increase in the CY 2016 California Consumer Price Index (CPI) of 2.5%. Second, staff is proposing to amend Rules 301 and 306 to increase Title V Annual Operating Permit Renewal and Permit Processing Fees by an additional increment of 16% above the CPI for each of the next two FYs in response to an EPA Title V Operating Permit Program Evaluation Report recommendation to more fully recover Title V program costs. Third, staff is proposing to amend Rules 301, 306 and 309 to increase Annual Operating Permit Renewal, Permit Processing and Plan Fees for non-Title V facilities by

a further additional increment of 4% above the CPI for each of the next two FYs in order to better align program costs with revenues. Fourth, staff is proposing the following administrative amendments, with no fee impacts, to rules in Regulation III to: **1-Update Rule 301 (a)(10), subdivision (j) heading and (j)(4) regarding Public Notification to align with prior amendments to Rule 212; 2-Delete obsolete references in Rule 301 to the FY 2007-08 six-month transitional emissions fees; 3-Clarify reference to the list of contaminants in Rule 301(e)(6) pertaining to clean fuels fee thresholds; 4-Delete obsolete Rule 301(l)(10)(E) allowing for a special operating refinery fee for FY 2007-08 through FY 2008-09; 5-Delete obsolete prior FY fees for initial and final Title V fees in Rule 301(m)(3)(A) and (B); 6-Delete the obsolete CPI rebate provision for FY 2010-11 in Rule 301(ab); 7-Update the reference in Rule 301(v)(2) regarding fees for expedited CEQA work from 301(i) to 301(j); 8-Correct a typographical error in Rule 301 Table IA for “Afterburner (< 1 MMBTU/hr, venting m.s.)” to “Afterburner (≤ 1 MMBTU/hr venting m.s.)”; 9-Reformat the table in Rule 306 (h) listing the types of plans subject to an annual renewal/review fee; 10-Clarify that the published Rule 306 (q) fee for optional expedited plan processing includes an amount for mileage; 11-Update Rule 308 (k) Emission Reductions Project Review to delete a reference to a past date and to correct the reference to Rule 2202; 12-Re-commence publishing fees in Rule 314 (g) to 3**

decimal places (with a proviso that the actual amount remitted is rounded to the nearest penny); and
13-Extend various due dates in Rule 301(e)(9), (10), (11) and (15) from 60 to 75 days.

California Environmental Quality Act (CEQA)

SCAQMD staff has reviewed the proposed updates and amendments to Regulation III – Fees (301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314 and 315), pursuant to CEQA Guidelines § 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA per CEQA Guidelines § 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. Since these proposed amendments are strictly administrative in nature, it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Thus, the project is considered to be exempt from CEQA pursuant to CEQA Guidelines § 15061(b)(3) – Activities Covered by General Rule. Additionally, the proposed project is statutorily exempt from CEQA requirements pursuant to CEQA Guidelines § 15273 – Rates, Tolls, Fares, and Charges, because the proposed amendments and updates to Rules 301, 303, 304, 304.1, 306, 307.1, 308, 309, 311, 313, 314 and 315 involve charges by public agencies for the purpose of meeting operating expenses and financial reserve requirements. A Notice of Exemption will be prepared pursuant to CEQA Guidelines § 15062 – Notice of Exemption. If the project is approved, the Notice of Exemption will be filed with the county clerks of Los Angeles, Orange, Riverside and San Bernardino counties.

Questions regarding the Notice of Exemption should be directed to:

Barbara Radlein
Planning, Rule Development & Area Sources,
CEQA Section
SCAQMD
21865 Copley Drive
Diamond Bar, CA 91765
Phone: (909) 396-2716
Email: bradlein@aqmd.gov

Supporting Documents

The following supporting documents will be available on the Internet at the SCAQMD website, on or before April 11, 2017, under the proposed amended rules section at <http://www.aqmd.gov/home/regulations/rules/proposed-rules>:

- Draft Socioeconomic Assessment on fee increases beyond CPI; and
- Preliminary Draft Staff Report for PAR III – Fees.

The following additional supporting documents will also be available on the Internet, on or before April 11, 2017, at the SCAQMD website in the Finance section at <http://www.aqmd.gov/home/about/finance>:

- Draft Socioeconomic Assessment on the CPI adjustment (posted March 15, 2017);
- Proposed Budget and Work Program

Copies of the above documents may also be reviewed in the SCAQMD library or by contacting:

Fabian Wesson
Public Information Center
SCAQMD
21865 Copley Drive
Diamond Bar, CA 91765
Phone: (909) 396-2000
Email: PICrequests@aqmd.gov

Submission of Documents or Comments

You are invited to attend either public consultation meeting and may also send questions, comments, documents or other information relevant to the Proposed Draft Budget and Work Program and PAR III -Fees to:

Donna Peterson
Financial Services Manager
SCAQMD
21865 Copley Drive
Diamond Bar, CA 91765
Phone: (909) 396-2310
Email: dpeterson@aqmd.gov

Written comments relating to the CPI-based fee increase must be received by Thursday, April 13, 2017 if they are to be incorporated into the Rule 320 report required by the Governing Board; however, later comments about the CPI increase, along with comments relating to the other proposed fee increases and administrative amendments will be considered and should be submitted no later than Tuesday, April 25, 2017.

The public hearing to consider adoption of the FY 2017-18 Budget and Work Program, fee adjustments and proposed amendments to Regulation III - Fees is scheduled for Friday, June 2, 2017, at 9 a.m. in the auditorium at SCAQMD's Diamond Bar Headquarters.