

AIR POLLUTION CONTROL DISTRICT
COUNTY OF SAN DIEGO

DRAFT PROPOSED AMENDMENTS TO:
RULE 40 – PERMIT & OTHER FEES
RULE 42 – HEARING BOARD FEES

WORKSHOP REPORT

The San Diego County Air Pollution Control District (District) held a public workshop on January 19, 2017, to discuss and receive input on the draft proposed amendments to Rule 40 – *Permit and Other Fees* and Rule 42 – *Hearing Board Fees*. A meeting notice was mailed to each permit holder and chamber of commerce in the region, distributed to interested parties through the County of San Diego’s electronic mail service, and posted on the District’s website.

The workshop was attended by 14 people, representing businesses and agencies subject to permit and other fees. A summary of their comments, and the District's responses, follows.

RULE 40 COMMENTS

1. WORKSHOP COMMENT

Does the District’s proposal comply with state law that authorizes increases in individual permit fees so long as the total permit fee revenues (collected from all permit fees) do not increase by more than 15%?

DISTRICT RESPONSE

Yes, the District’s proposal meets this state requirement (California Health and Safety Code Section 41512.7(d)). If adopted, the projected total increase in revenue from all permit fees is approximately 14%, which is less than the 15% limit in state law.

2. WORKSHOP COMMENT

Is the annual Air Contaminant Emissions Fee proposed to increase?

DISTRICT RESPONSE

No, the proposal does not impact the Air Contaminant Emissions Fee (Rule 40, Subsections (d)(4) and (e)(2)).

3. WORKSHOP COMMENT

Why are some hourly labor rates proposed to increase by a higher percentage than others?

DISTRICT RESPONSE

The District's hourly labor rates are designed to recover the average salary and benefit cost of each employee classification (i.e., each job category such as Associate Engineer, Inspector I, or Inspector II). The average salary and benefit cost of each job category depends on the current employees in that job category and their years of service. Employees with more years of service have comparatively higher salary and benefit costs. Consequently, the proposed increase in hourly rates varies by job category, depending on the salary and benefit costs of employees in that job category now in comparison to 2011, when the Rule 40 labor rates were last updated.

4. WORKSHOP COMMENT

Can the permit fees that are charged on a Time and Material (T+M) or hourly basis be estimated up front?

DISTRICT RESPONSE

Yes, applicants are encouraged to contact the District for a fee estimate for their project. Approximate fee estimates for common permitted equipment types are provided on the District's website at www.sdapcd.org under the Permits section.

5. WORKSHOP COMMENT

Can facilities with numerous permitted emergency engines receive a price discount on their permit renewal fees? Or be charged on an hourly basis instead of a flat renewal fee for each engine?

DISTRICT RESPONSE

Permit renewal fees are designed to recover the District's average cost to inspect a permitted unit within an equipment category, in this case emergency engines. Evaluating the recommendation requires additional data and a possible revision to the fee calculation methodology. The District will consider the recommendation during its next proposed update to permit and other fees.

6. WORKSHOP COMMENT

Are fines and penalties proposed to increase?

DISTRICT RESPONSE

No, Rule 40 does not apply to, nor do the proposed amendments impact, fines and penalties. Fines assessed for violating air pollution control requirements are governed by state law and are set on a case-by-case basis, giving proper consideration to the relevant circumstances (California Health and Safety Code Section 42403(b)).

Note: The following information describes two proposed amendments to Rule 40 added by staff after the workshop for clarification purposes, not in response to specific workshop or public comments.

7. DISTRICT CLARIFICATION

The District has added proposed language to Rule 40, Subsections (d)(4) and (e)(2), to clarify the District's long standing interpretation of these sections to collect the Air Contaminant Emission Fee from owners of portable equipment permitted or registered with the District.

8. DISTRICT CLARIFICATION

The District has added proposed language to Rule 40, Subsection (i)(2), to clarify the fees that will be refunded to the applicant should an application for a Certificate of Registration be withdrawn or canceled after the engineering evaluation has begun.

RULE 42 COMMENTS

9. WORKSHOP COMMENT

Did the District consider the possibility that some businesses might not afford the proposed increase in Hearing Board Fees, interfering with their ability to seek a variance (temporary relief) from an air pollution control requirement?

DISTRICT RESPONSE

Yes, Rule 42 (both the existing version and the proposed amended version) addresses this possibility. It allows the Hearing Board to waive the fees, upon request, if circumstances warrant (Rule 42, Section (d)).