



NOTICE OF PUBLIC HEARING

NORTH COAST UNIFIED AIR QUALITY MANAGEMENT DISTRICT

Proposed Amendments to
Regulation IV Fees, Rule 408 – Burn Permit Fees

The District hereby provides public notice of a proposal to modify the burn permit fee pricing structure. The proposed changes will result in fee increases. Members of the public are invited to participate by providing oral or written testimony at the following events.

Governing Board Meeting

Date: March 8, 2018
Time: 10:30 AM
Location: District Office
707 L Street, Eureka, California

Public Hearing: Proposed Adoption of Amendments to Rule 408 Burn Permit Fees

Date: May 10, 2018
Time: 10:30 AM
Location: District Office
707 L Street, Eureka, California

The proposed rule and staff report will be available for viewing beginning on February 26th in the District office lobby, or by visiting the District website at www.ncuaqmd.org. Written comments may be sent to the NCUAQMD, 707 L Street, Eureka, CA 95501, attention: Jason Davis, or emailed to support@ncuaqmd.org. In order to be considered, all comments and testimony must be received prior to the close of the public hearing on May 10, 2018.

Proposed Revisions to Regulation IV Rule 408 - Burn Permit Fees

STAFF REPORT

February 26, 2018



**NORTH COAST UNIFIED
AIR QUALITY MANAGEMENT DISTRICT**

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EXECUTIVE SUMMARY

The North Coast Unified Air Quality Management District (District) is the local government agency responsible for the regulation of the air resource within the counties of Humboldt, Del Norte, and Trinity in northern California. The California Health & Safety Code (H&SC) establishes the District's authority to adopt rules that limit discharges of pollution, the authority to issue conditional permits for the construction and operation of equipment, and the authority to collect fees for services provided to the community. Fees cannot exceed the reasonable regulatory cost to the District for issuing permits, performing inspections and audits, and the administrative enforcement, and adjudication thereof. The District Board has adopted its own set of laws and codes which is referred to as the District Rules and Regulations. District Rule 408 outlines how burn permit fees are to be determined and how they are to be collected.

The District's Burn Program came about in 2004 with collaboration of numerous fire departments and CALFIRE, whereby it was agreed that the District would be the primary entity responsible for issuing permits and determining compliance. Since the inception of the burn program, the scope and complexity of services the District provides to the community have changed significantly. The burn permit fee rule was last amended thirteen (13) years ago in 2005, when the rate for a standard burn permit was established at \$15, where \$3 of each permit was to be provided to the local fire district where the permit originated. However, twelve (12) years later, the District no longer collects sufficient revenue to offset costs associated with the implementation of Regulation II, Open Burning.

Staff is recommending that specific modifications be made to the pricing structure of burn permits including the addition of two new non-standard permit fee categories - a fee for review of smoke management plans, and a fee for permits issued on No Burn Days ("No Burn Day Permit"). To better align revenue and expenditures, staff is recommending a structure which will redistribute program costs in a more equitable manner such that those permits and activities which can require more District resources are assessed more appropriate fees for the services provided. Going forward, staff will continue to build upon prior program improvements with enhanced services while simultaneously reducing operating costs (e.g. upgrading online renewal of burn permits).

Highlights of the proposal include:

- A revised pricing structure where costs are apportioned to the various permit types. Burn permits issued for those who burn more than a single pile such as acres of material, broadcast, or multiple pile burns, require more District resources to review, authorize, and enforce.
- The creation of new fee categories for other Non-Standard permit types: 1 to 10 acres, 10 to 100, 100 to 300; and 300 or greater.
- A new fee for review of Smoke Management Plans, which occurred previously for free or was considered part of the permit fee.
- A new fee for the issuance of a No Burn Day permit, which requires District resources to review and authorize.
- The agencies and private entities that manage large tracks of land within the District will continue to be assessed the highest Non-Standard permit fee, currently proposed to be \$1,250. Holders of permits in this fee category are not assessed additional fees for review of Smoke Management Plans nor for No Burn Day permits.
- District costs to review Smoke Management Plans are not expected to be fully offset by the proposal. Staff anticipates reviewing and recommending need adjustments every 3-5 years.

BACKGROUND

The District has been classified as meeting all of the health protective standards for criteria pollutants with the exception of the California State Ambient Air Quality Standard (AAQS) for particulate matter. Airborne particulate matter concentration levels within Humboldt County exceed the health protective standards established by the State for particles 10 microns in size (PM₁₀) and smaller.

The open burning of vegetation can result in significant quantities of particulate matter emissions (smoke) along with emissions of Toxic Air Contaminants (TACs). As such, the regulation of open burning plays a key role in the District's Plan to achieve compliance with the AAQS for particulate matter as well as its strategy to minimize exposure to carcinogens.

In February 2002, the California Air Resource Board (CARB) adopted an Airborne Toxic Control Measure (ATCM) to regulate emissions of air contaminants from residential open burning. The CARB ATCM provides a general prohibition against the use of burn barrels, incinerators and the burning of paper and cardboard. District Staff worked with interested fire protection agency representatives and the public, and after reviewing options to implement the CARB Residential Burning ATCM, proposed an alternative to the State's ATCM. The Governing Board adopted Regulation II - Open Burning in July 2002.

The common-sense approaches and best management practices listed in Regulation II – Open Burning are very effective at reducing the emissions from the burning of vegetation on the ground and in piles. Open burning prohibitions and requirements are enforced via a District Burn Permit. The District's program is equally effective at preventing or minimizing the creation of public nuisances from smoke created as a result of land clearing and timber operations.

The District's Burn Program came about in 2004 with collaboration of numerous fire departments and CALFIRE, whereby it was agreed that the District would be the primary entity responsible for issuing permits and determining compliance. Since the inception of the burn program, the scope and complexity of services the District provides to the community have changed significantly. The burn permit fee rule was last amended thirteen (13) years ago in 2005, when the rate for a standard burn permit was established at \$15, where \$3 of each permit is still provided to the local fire district for each permit issued within their jurisdiction. However, there have been no rate changes since that time, and the District no longer collects sufficient revenue to offset costs associated with the implementation of Regulation II, Open Burning.

Two types of permits are available; a "Standard Burn Permit" and a "Non-Standard Burn Permit". A Standard Burn Permit allows residential open burning in piles no larger than four feet in diameter. Piles can either be burned one at a time or a single pile can be fed continuously. Non-Standard Burn Permits are issued for larger burns ranging from piles that are ten feet in diameter up to a thousand or more acres of material. For example, to ensure public health and safety, a Smoke Management Plan (SMP) may be required for large debris burns, broadcast burning, burning of material from three acres conversions. When specific criteria are met, open burning may be authorized pursuant to a No Burn Day Permit.

Each year on average, the District issues about 7,300 burn permits, 700-900 burn authorizations (for typically for 9-12,000 acres and 15-20,000 piles), reviews 150-170 Smoke Management Plans (where

plans may contain a few units to hundreds of units), and receives about 200 open burning complaints. Burn permit fees are the sole source of revenue for the program, which totaled \$143,914 in FY 2016/17.

The revenue received from Burn Permits is intended to recover the costs of issuing the permits, outreach, compliance assistance, review of Smoke Management Plans, issuing Burn or No Burn Day determinations, inspections, and compliance actions. The District previously adopted Rule 408, a fee schedule for Burn Permits pursuant to H&SC §42311(g). Staff is recommending that specific modifications be made to the pricing structure of burn permits including the addition of two new non-standard permit fee categories, fees for review of smoke management plans, and a fee for permits issued on No Burn Days (referred to as a “No Burn Day Permit”). Fire Departments will continue to receive \$3 for each burn permit issued within their jurisdiction.

PROGRAM COSTS & FEE REVENUE

To fund many of its operations, the District relies upon a variety of funding: burn permits, portable and stationary source permits (gas stations, diesel engines, aggregate plants, power plants, etc.), asbestos permits, State Subvention, DMV Surcharge, and various grant administrations (Carl Moyer, LESB, RSBPP, etc.). The majority of funding comes from Subvention, DMV Surcharge, and grant administration, while fees collected under Regulation IV - Fees make up the remaining balance.

Regulation IV - Fees was first adopted by the Governing Board in 1982 shortly after the District was formed. Its contents have been updated and amended several times; the most recent changes were made in 2017. As allowed by the H&SC, the District collects fees equal to the reasonable costs associated with the implementation of regulatory programs, plans, procedures, and tasks the District is required to perform under the federal Clean Air Act and California law. Program fees covered under Regulation IV include fees for asbestos, air monitoring, burn permits, greenhouse gas, and portable and stationary source permits.

Pursuant to H&SC §42311, increases of stationary source permit fees are limited to no more than 15% per calendar year. When performing any rate increase analysis, it is therefore necessary for the District to identify which assessments are subject to this restriction and which are not. The permits issued to sources of open burning are not considered stationary source permits. Open burning is considered to be an areawide activity and as such is not subject to the 15% cap under the H&SC.

H&SC § 42311(g) authorizes the District to establish a fee collection mechanism for areawide or indirect sources of emissions for which stationary source permits are not required. Pursuant to H&SC §42311.2, the fee structure must be “fee for service” in design and is limited to the collection of “reasonable costs” for the services provided when burning is for the purpose of fire prevention, or for the disposal of slash following timber operations. H&SC §41512.5 authorizes the District to assess fees for the review of Smoke Management Plans and is also similarly limited in that the fees shall not exceed the estimated costs of reviewing, monitoring, and enforcing the plan for which the fees are assessed.

Program Cost Distribution

For analysis and review of the Burn Permit Program, the District functions can essentially be divided into six different groups: Burn Program, Administration & Front Office, Compliance & Enforcement, Air Monitoring, Permitting, and Planning. Each of the groups can contribute different amounts of time and resources to the Burn Program. In general, the Burn Program Coordinator and two other staff members associated with the Front Office are primarily involved in the daily implementation of the program. A description of the functions performed in each of the categories is listed below.

Burn Program – all activities associated with supporting and managing the Burn Permit Program such as processing burn permits, review and approval of Smoke Management Plans, providing daily burn authorizations, Burn Day Determinations, No Burn Day permits, daily financial reconciliation, outreach, and program oversight. Staff: Burn Program Coordinator.

Administration & Front Office – Direct and indirect support such as: equipment (vehicles, computers, office supplies), housing (building maintenance, utilities, insurance), employee training, and Governing Board activities. Fiscal activities are also included under this section including the drafting of the annual budget, preparation of permit fee invoices, processing of payment, and the collection of late fees. Staff: APCO, Finance Administrator, Executive Assistant, Special Projects Coordinator, and Administrative Services Support.

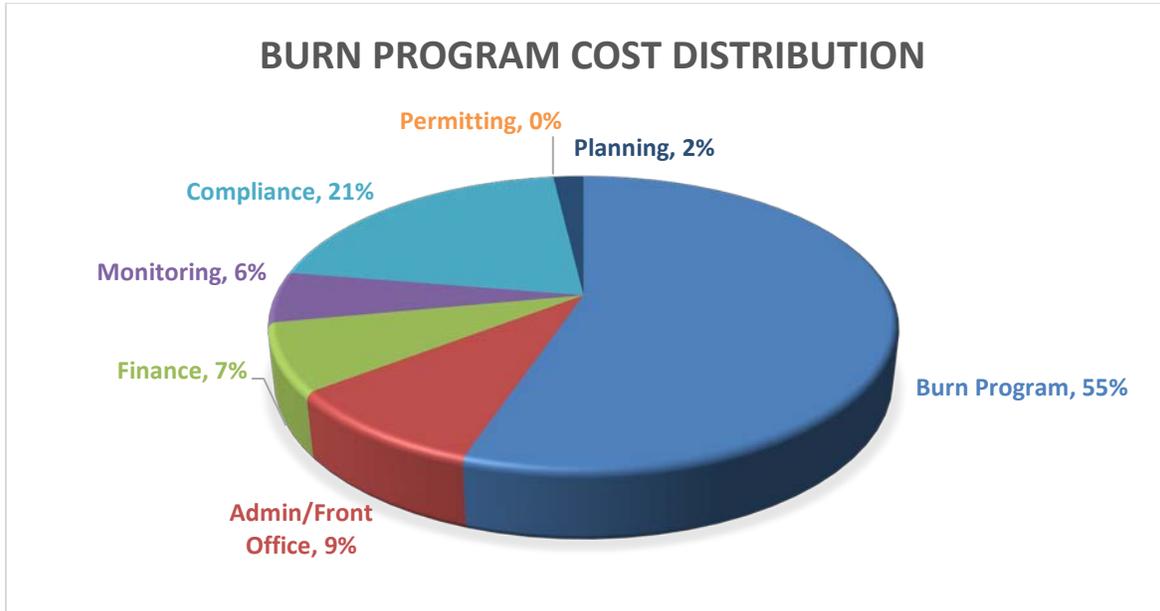
Compliance & Enforcement – The compliance group responds to complaints, provides compliance assistance, performs site inspections, issues various enforcement notices, and negotiates settlements for violations. Staff: C&E Manager, two Inspectors.

Monitoring – The District maintains air sampling equipment at several locations throughout its 8,000 square mile jurisdiction. The sampling of both particulate matter and gaseous criteria pollutants are performed daily. Staff: two Air Quality Specialists (one considered part time employee).

Permitting – Evaluation of stationary source permit applications, preparation of minor and major source permits. Staff: P&P Manager, Permit Engineer, Air Quality Specialist. Typically, the Permit Engineer and Air Quality Specialist have little to no involvement with the Burn Permit Program.

Planning – Environmental document review, pollutant attainment planning, and rule development. Staff: P&P Manager

The relative percentage of the costs of the program for each cost center is depicted in the graph below.



Program Analysis

Over the years of implementation, the District has found that the initial fee structure has become inadequate in recovering the costs associated with the various types of burning and the amount of staff time that is required for certain types of burns. For example, 3-acre conversions require more staff time to review and approve and the amount of material burned is considerably more than other categories and has a high likelihood of impacting public health. On a yearly basis, the District issues about 110 Non-Standard burn permits to 3-acre conversion projects.

The resources necessary to implement the Burn Permit Program from 2015 to 2020 were evaluated (see Appendix A). This simple analysis takes into account direct and indirect costs. Direct costs are labor/personnel, online program support, materials, etc. The various indirect costs evaluated were proportional share of transportation and overhead costs such as insurance, maintenance, and utilities.

As shown in the chart below, for many years the District has not collected fees sufficient to cover the cost of administering the Burn Permit Program. The values listed after 2017 represent best estimates.

| Current Fee Structure | | | | | |
|-----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 |
| Revenue | \$ 158,184.00 | \$ 153,220.00 | \$ 153,220.00 | \$ 153,220.00 | \$ 153,220.00 |
| Expenses | \$ 268,049.15 | \$ 281,912.36 | \$ 289,163.53 | \$ 297,152.02 | \$ 304,956.32 |
| Net | \$ (109,865.15) | \$ (128,692.36) | \$ (135,943.53) | \$ (143,932.02) | \$ (143,932.02) |

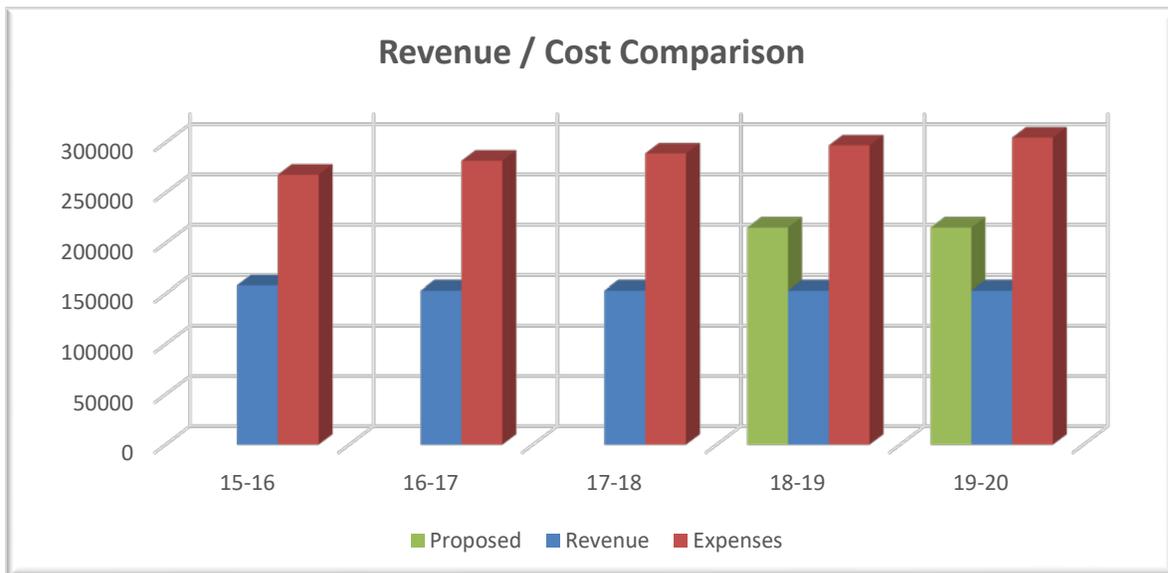
The shortfall between revenue and expenditures has existed since the program was launched in 2003. Staff have identified and then implemented cost saving measures over the years such as streamlining the application forms, creating inspection checklists, and combining similar activities to prevent

duplicative work. The creation of the online burn permit renewal system helped reduce the amount of labor to process, renew, and track burn permits. Presently, about 20% of all permits are renewed online each year. These actions have contributed significantly to stem costs and lessen the financial impacts of the program. Going forward, the District will continue to develop innovative ways to manage data and to streamline the administrative process.

Under this proposal, Staff is recommending that the Governing Board consider adjusting the revenue stream to better align with the expenditures incurred by the District. A comparison of the existing and proposed pricing structure is shown in the table below.

| Permit or Service Category | Current Fee | Proposed Fee |
|-------------------------------------|-------------|--------------|
| Standard Permits | | |
| Residential – four feet in diameter | \$15 | \$20 |
| Non-Standard Permits | | |
| Material less than 1 acre | \$30 | \$40 |
| 1 to 10 acres | \$60 | \$80 |
| 10 to 100 acres | \$60 | \$250 |
| 100 to 300 acres | \$1,000 | \$500 |
| 300 acres or more | \$1,000 | \$1,250 |
| Plan & Review Fee | | |
| Smoke Management Plan | \$0 | \$65 |
| No Burn Day Permit | \$0 | \$65 |

The following chart indicates the impact the proposed fee increases will have on the Program costs.



Although the proposed new fee structure will not fully recover all costs, Staff believes that it would be prudent to see what changes in revenue may occur from the new fee structure before requesting further rate changes or increases. In addition, there is merit to limiting the amount of increases over time to both assess the impact of the fees and to lessen the impact to the public.

The proposal involves the reformatting and restructuring of a single rule within District Regulation IV. District Rule 408 outlines how burn permit fees are to be determined and how they are to be collected. Rule 408 has been modified with the proposed fee changes, and a copy of the proposed language prepared using underline and strike format has been prepared and is included in Appendix B. Underline is used to denote an addition and ~~strike~~ is used to show a deletion of text.

Example Fee Calculation

For purposes of illustration, an example Burn Permit fee calculation for a project involving a land use conversion of a 3-acre parcel from forest woodland into a residential subdivision using the proposed fee schedule is shown below.

(Rule 408, Table 1 – Burn Permit Fees)

| Permit Type or Service | Fee |
|--------------------------------|---------|
| Standard | \$20 |
| Non-Standard, < 1 acre | \$40 |
| Non-Standard, 1 to 10 acres | \$80 |
| Non-Standard, 10 to 100 acres | \$250 |
| Non-Standard, 100 to 300 acres | \$500 |
| Non-Standard, > 300 acres | \$1,250 |

Rule 408, Table 2 – Other Fees and Permits)

| Permit Type or Service | Fee |
|---|---|
| No Burn Day Permit Application Review | \$65 [Does not apply to Non-Standard permits for 300 acres or more.] |
| Fire Training Burn Permit | No fee. |
| Burn Barrel (May only be used in exempt areas) | No additional charge. Appropriate Standard or Non-Standard Fee applies. |
| Smoke Management Plan Review | \$65 [Does not apply to Non-Standard permits for 300 acres or more.] |

Because the material proposed to be burned has been collected from an area greater than one acre but less than 10 acres in size, the Non-Standard burn permit fee of \$80 applies. Pursuant to Rule 203(B)(2), a Smoke Management Plan is required for every burn that involves material gathered from an area which exceeds one acre in size.

| | |
|------------------------------|--------------|
| Non-Standard Burn Permit Fee | \$80 |
| Smoke Management Plan Review | \$65 |
| Total | <u>\$145</u> |

ENVIRONMENTAL IMPACTS

The California Environmental Quality Act (CEQA), Public Resources Code section 21000 et seq., and the CEQA Guidelines, 14 CCR 15000 et seq., require a government agency that undertakes or approves a discretionary project to prepare documentation identifying the potential environmental impacts of that project. The Guidelines exempt certain types of actions. Section 15273 of the CEQA Guidelines states that CEQA,

“does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, or other charges by public agencies which the public agency finds are for the purpose of:

- 1) Meeting operating expenses, including employee wage rates and fringe benefits,*
- 2) Purchasing or leasing supplies, equipment, or materials,*
- 3) Meeting financial reserve needs and requirements,*
- 4) Obtaining funds for capital projects, necessary to maintain service within existing service areas, or*
- 5) Obtaining funds necessary to maintain such intra-city transfers as are authorized by city charter.”*

The proposed changes to Rule 408 Burn Permit Fee are exempt from CEQA pursuant to this provision of the Guidelines.

PUBLIC & AGENCY COMMENTS

As part of the rule making process, the District solicits input from the public and responsible agencies. At least thirty days prior to the public hearing, notice will be published in newspapers of general circulation within the District. The notice will identify contact person(s), the availability of the proposed rule and supporting documents, will include instructions on how to provide comments, and will identify the time and place of the public hearing held for the purpose of rule adoption. The District's official newspaper of record is the Times Standard.

REQUIRED REGULATORY FINDINGS

California Health & Safety Code

Division 26 of the California H&SC require local districts to comply with a rule adoption protocol as set forth in H&SC §40725-40731. H&SC §40727 of the Code requires the District to make six findings prior to amending, or repealing a rule or regulation. Specifically, the District Board must make findings concerning authority, necessity, consistency, non-duplication and code references. The proposed revisions to Regulation IV satisfy the requirements for each of the required findings as discussed below.

One of the required bases for making the six findings is information developed in accordance with H&SC §40727.2. This Section requires districts to identify all existing federal, state and district air pollution control requirements that apply to the same equipment or source type as the proposed rule,

and the differences between these requirements and the proposed rule. Pursuant to HSC §40727.2(g), the District may comply with this statutory requirement by making a finding that the proposed fee rule amendments do not impose a new standard, make an existing standard more stringent, or impose new or more stringent administrative requirements.

Authority

Authority - A provision of law or of a state or federal regulation which permits or requires the regional agency to adopt, amend, or repeal the regulation.

These rules establish the framework of a comprehensive system designed for the recovery of expenses incurred in the course of the implementation of regulatory programs, plans, procedures and tasks necessary for the District to carry out its mandate under the Clean Air Act and California law. Further, the purpose of this rule is to allow the District to recover its reasonable costs incurred for direct and incidental costs associated with its activities, including but not limited to the issuance of permits, inspection, enforcement and surveillance, planning, research and monitoring, and administration. The authority to establish this rule is provided for in H&SC §41512, 41512.5, 42311, and 42364.

Necessity

Necessity - A need exists for the regulation, or for its amendment or repeal as demonstrated by the record of the rulemaking authority.

The Regulation amendments enhance the District's ability to execute its primary function and responsibility, to protect the health and safety of the public and to protect the environment. The amendments are necessary to improve public knowledge and compliance rates. The proposed rules serve as the primary mechanism for the collection of revenue used to sustain operations.

Clarity

Clarity - The regulation is written or displayed so that its meaning can be easily understood by the persons directly affected by it.

The proposed regulation is written in plain English utilizing generally recognized grammatical structure, and commonly understood words. The terminology used is consistent throughout the Regulations, and is consistent with state and federal rule language. The amendments are written so that the meaning can be understood by the affected parties.

Consistency

Consistency – The regulation is in harmony with, and not in conflict with or contradictory to, existing statutes, court decisions, or state or federal regulations.

The proposed action will result in the modification of a single rule. The proposed concepts and terms used throughout are consistent within Regulation IV as well as the five sets of District Regulations.

Non-Duplication

Non-Duplication - A regulation does not impose the same requirements as an existing state or federal regulation unless the District finds that the requirements are necessary and proper to execute the powers and duties granted to, and imposed upon, a district.

Rule 408 is the only rule which assess fees upon sources of open burning within the District's jurisdiction. There are no other fee rules.

Reference

Reference – Means the statute, court decision, or other provision of law that the district implements, interprets, or makes specific by adopting, amending, or repealing a regulation.

The proposal involves the reformatting and restructuring of a single rule within Regulation IV. If approved as recommended, the structure of the regulation would read as listed below.

Regulation IV – Services & Fees

- 400 FEE CALCULATION & ADMINISTRATION
- 401 ASBESTOS FEES
- 402 ASSESSMENTS
- 403 DOCUMENT FEES
- 404 HEARING BOARD FEES
- 405 PORTABLE & STATIONARY SOURCE PERMIT FEES
- 406 PART 70 FEDERAL OPERATING PERMIT FEES
- 407 AIR TOXIC "HOT SPOTS" (AB2588) FEES
- 408 BURN PERMIT FEES
- 409 ADDITIONAL FEES
- 410 AIR MONITORING FEES

H&SC §40727.2(g) Finding

The proposed fee rule amendments do not impose a new standard, make an existing standard more stringent, or impose new or more stringent administrative requirements.

Proposition 26

New fees and a fee increase are included in this proposal. These fees were identified in the proposed amendment detail above and were reviewed for compliance with Proposition 26.

The District's Burn Permit Fees are charges imposed for the reasonable regulatory costs to the District for issuing permits, performing investigations, inspections, and enforcement associated with the Burn Program. Because of this, the proposed new Burn Permit fees and increases to existing Burn Permit fees are exempt from Proposition 26 pursuant to Article XIII C § 1(e)(3) of the California Constitution.

Appendix A

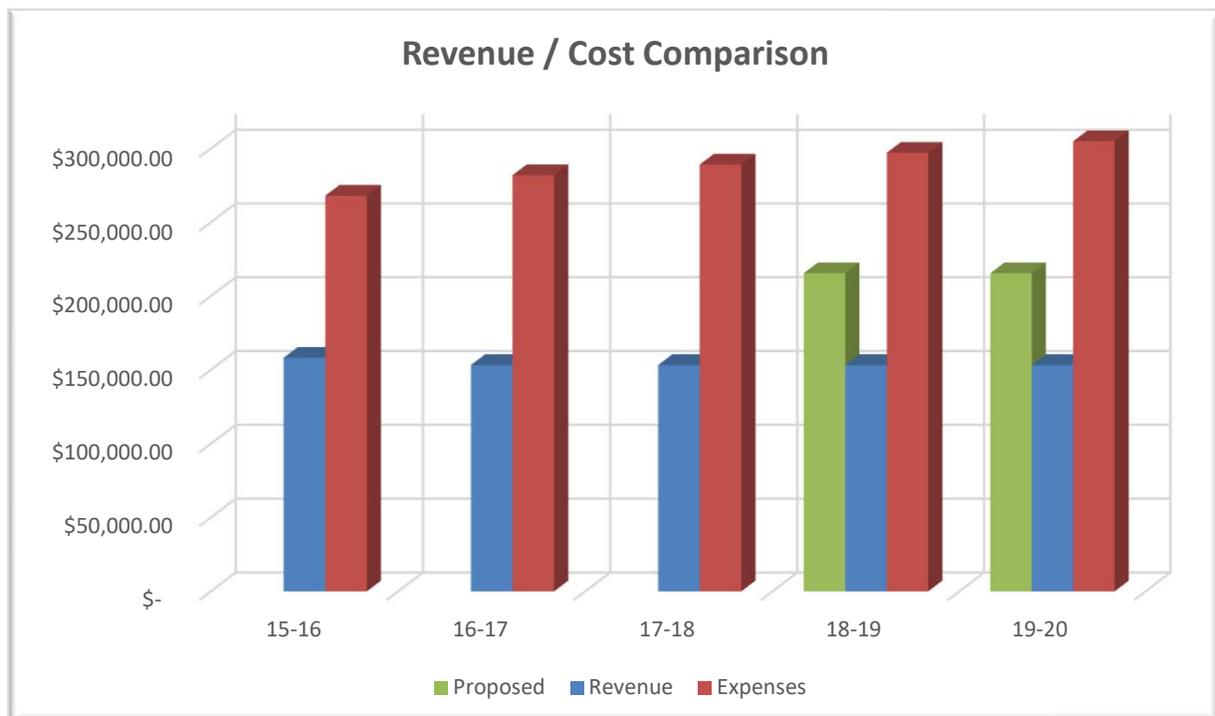
Program Cost Evaluation

Burn Permit Program Analysis

| Proposed Permit & Service Fee Structure | | | |
|---|------------|------------|------------|
| Item | Current | Proposed | % Increase |
| Standard Permit | \$15.00 | \$20.00 | 33% |
| NS < 1 ac | \$30.00 | \$40.00 | 33% |
| NS 1 < x < 10 | \$60.00 | \$80.00 | 33% |
| NS 10 < x < 100 | \$60.00 | \$250.00 | 317% |
| NS 100 < x < 300 | \$1,000.00 | \$500.00 | -50% |
| NS x > 300 | \$1,000.00 | \$1,250.00 | 25% |
| No Burn | \$0.00 | \$65.00 | |
| SMPs | \$0.00 | \$65.00 | |

| Current Fee Structure | | | | | |
|-----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 |
| Revenue | \$ 158,184.00 | \$ 153,220.00 | \$ 153,220.00 | \$ 153,220.00 | \$ 153,220.00 |
| Expenses | \$ 268,049.15 | \$ 281,912.36 | \$ 289,163.53 | \$ 297,152.02 | \$ 304,956.32 |
| Net | \$ (109,865.15) | \$ (128,692.36) | \$ (135,943.53) | \$ (143,932.02) | \$ (143,932.02) |

| Proposed Fee Structure | | | | | |
|------------------------|---------------|---------------|---------------|----------------|----------------|
| | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 |
| Revenue | | | | \$ 215,485.00 | \$ 215,485.00 |
| Expenses | \$ 268,049.15 | \$ 281,912.36 | \$ 289,163.53 | \$ 297,152.02 | \$ 304,956.32 |
| Net | | | | \$ (81,667.02) | \$ (89,471.32) |



Fiscal Year 17-18 Data

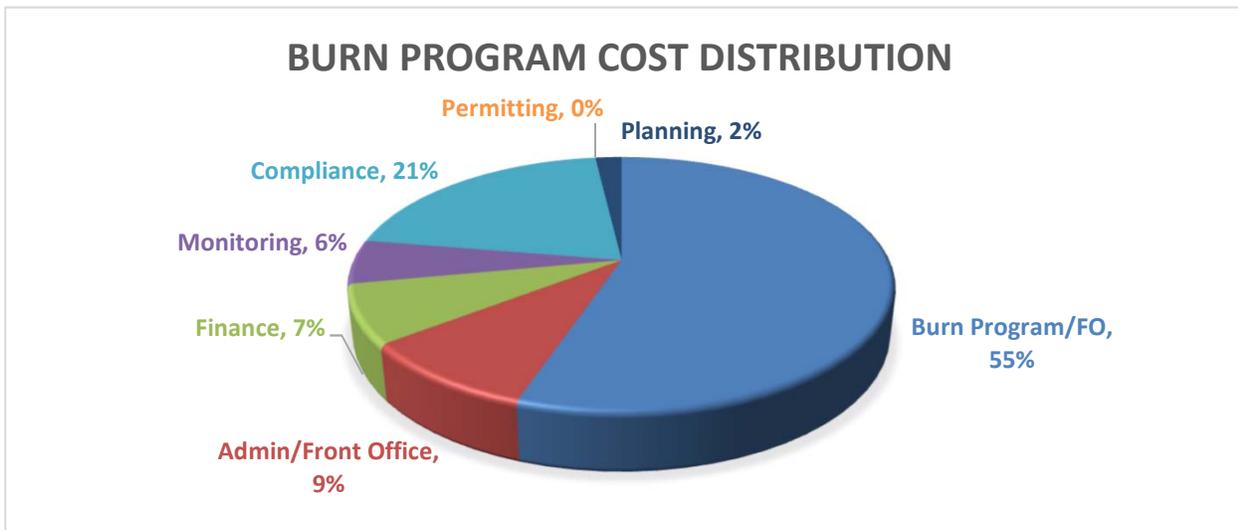
| Personnel Cost Distribution | | | | | | |
|-----------------------------|-----------------|-------|---------|--------|---------------------|------------------------------------|
| Staff | Department | FTE%* | Hours | Rate** | Cost | Description |
| Financial | Finance | 20% | 390.0 | | | Billing, A/R |
| APCO | Administration | 5% | 97.5 | | | Oversight, liaison |
| Inspector | Compliance | 20% | 390.0 | | | Complaint, Enforcement, Settlement |
| Inspector | Compliance | 20% | 390.0 | | | Complaint, Enforcement, Settlement |
| C&E MGR | Compliance | 15% | 292.5 | | | Complaint, Enforcement, Settlement |
| AP Monitorin | Monitoring | 10% | 97.5 | | | Air monitoring (part time) |
| AP Monitorin | Monitoring | 10% | 195.0 | | | Air monitoring |
| Admin Suppd | Burn Program/FO | 33% | 643.5 | | | Complaint support, permits, SMP |
| Exec Asst | Burn Program/FO | 15% | 292.5 | | | Complaint support, permits, SMP |
| P Engineer | Source Permits | 0% | - | | | N/A |
| BP Coord | Burn Program/FO | 100% | 1,950.0 | | | Program Manager |
| SP Coord | Administration | 20% | 390.0 | | | Complaint coord, permits, SMP |
| P&P MGR | Planning | 5% | 97.5 | | | Planning, rules |
| AP Grants | Planning | 0% | - | | | N/A |
| | | | 5,226.0 | | \$272,940.31 | |

* Based on single Payroll Database code for Burn Program. Other payroll code impacts not included

** Beginning in year 16-17, assumed CPI of 2% applied to personnel costs only.

Burn Program Cost Distribution

| | | |
|--------------------|-----|-----------------|
| Burn Program/FO | 55% | 2,886.00 |
| Admin/Front Office | 9% | 487.50 |
| Finance | 7% | 390.00 |
| Monitoring | 6% | 292.50 |
| Compliance | 21% | 1,072.50 |
| Permitting | 0% | - |
| Planning | 2% | 97.50 |
| | | <u>5,226.00</u> |



Indirect Cost Calculation

| | |
|---------------------------------|--------|
| Total Burn Program Hours Worked | 5,226 |
| Total District Hours Worked | 26,390 |
| Indirect Cost Percentage | 19.80% |

Indirect Cost Breakdown*

| | |
|------------------------------|----------|
| General, Liability Insurance | \$10,820 |
| Repairs & Maintenance | \$4,758 |
| Communications | \$13,471 |
| Utilities | \$9,139 |
| Office Expense | \$6,195 |
| Online Renewal Program | \$3,000 |
| | \$47,383 |

Utilization Adjustment 19.80%

Indirect Cost Total \$9,383

** Not all financial impacts are represented/distributed (Ex. audits, budgeting, outreach etc.)*

Transportation Cost Calculation

| Vehicle | Annual Miles | Gas & Maintenance (\$/mile) | Mileage Cost | Replace Value | Replace Int (years) | Capital Cost |
|----------------|--------------|-----------------------------|--------------|---------------|---------------------|--------------|
| Explorer #1 | 15,000 | \$0.20 | \$3,000 | 35,000 | 10 | \$3,500 |
| Explorer #2 | 15,000 | \$0.20 | \$3,000 | 35,000 | 10 | \$3,500 |
| Utility Vehicl | 10,000 | \$0.20 | \$2,000 | 35,000 | 10 | \$3,500 |
| Sedan | 4,000 | \$0.20 | \$800 | 35,000 | 10 | \$3,500 |
| | | | \$8,800 | | | \$14,000 |

Utilization Adjustment 30.00%

Transportation Total \$6,840

Burn Program Expenditures

| | |
|---------------------------|---------------------|
| Personnel | \$272,940.31 |
| Indirect | \$9,383.22 |
| Transportation | \$6,840.00 |
| Total Program Cost | \$289,163.53 |

Burn Program Revenue - Existing

| | | |
|------------------|-------|------------------|
| \$15 Std Permits | 4,085 | \$61,260 |
| \$30 NS Permit | 2,949 | \$88,455 |
| \$60 NS Permit | 146 | \$8,760 |
| \$1000 NS Permit | 7 | \$7,000 |
| SMPs | 150 | \$0 |
| | | \$165,475 |

| | | | |
|---------|-------|-----------------------|------------------|
| Permits | 4,085 | \$3/Std permit to FDs | (12,255) |
| | | Total Revenue | \$153,220 |

Current Net Loss -\$135,944

Burn Program Revenue - Proposed

| | Fee | Qty Permits | Actual | Proposed |
|------------------|------------|-------------|------------------|------------------|
| Standard Permit | \$20.00 | 4,085 | \$61,260 | \$81,700 |
| NS < 1 ac | \$40.00 | 2,949 | \$88,455 | \$117,960 |
| NS 1 < x < 10 | \$80.00 | 146 | \$8,760 | \$11,680 |
| NS 10 < x < 100 | \$250.00 | 2 | \$0 | \$500 |
| NS 100 < x < 300 | \$500.00 | 1 | \$0 | \$500 |
| NS x > 300 | \$1,250.00 | 4 | \$7,000 | \$5,000 |
| No Burn | \$65.00 | 10 | \$0 | \$650 |
| SMPs | \$65.00 | 150 | \$0 | \$9,750 |
| | | | \$165,475 | \$227,740 |

| | | | | |
|---------|-------|---------------------------|------------------|------------------|
| Permits | 4,085 | \$3 to FD / Permit | (12,255) | (12,255) |
| | | Total Revenue | \$153,220 | \$215,485 |
| | | Total Fee Increase | \$62,265 | |

Post Increase Net Loss -\$73,679

Appendix B

Proposed Rule Changes

Regulation IV

Rule 408 – Burn Permit Fees

*This Rule was first adopted December 16, 2004; revised February 1, 2014.
The current version was adopted by the Governing Board via Resolution 2018-XX on March 8, 2018.*

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RULE 408

BURN PERMIT FEES

- A. **PURPOSE:** The purpose of this rule is to allow the District to recover its reasonable costs incurred for direct and incidental costs associated with the burn program, including but not limited to the issuance of burn permits, inspection of burn projects, enforcement and surveillance, planning, research and monitoring, and administration. The authority to establish this rule is provided for in H&SC §41512.5.
- B. **APPLICABILITY:** The following fees shall be assessed by the District for burn permits issued pursuant to Regulation II, Open Burning.
- C. **PERMIT FEES:** Every applicant for a Burn Permit shall, at the time of application, pay to the District the corresponding fee for each type of permit requested. Fee amounts are listed in this Section and in Table 1 below. Burn Permits are issued for a limited term beginning on the date issued by the APCO and ending on December 31st of that same year.
1. **Standard Burn Permit:** Every applicant for a Standard Burn Permit for residential burning shall pay a fee of \$20.00.
 2. **Non-Standard Burn Permit:**
 - a. **Less than one acre:** Every applicant for a Non-Standard Burn Permit requesting to burn vegetation removed from an area less than one acre in size that will be burned in a single pile no larger than 10' in diameter, shall pay a fee of \$40.00.
 - b. **Non-Standard Burn Permit, 1 to 10 acres:** Every applicant for a Non-Standard Burn Permit requesting to burn vegetation removed from an area equal to or greater than one acre, but less than 10 acres in size, shall pay a fee of \$80.00. Burns conducted by Fire Safe Councils may be eligible for a reduced fee at the discretion of the APCO.
 - c. **Non-Standard Burn Permit, 10 to 100 acres:** Every applicant for a Non-Standard Burn Permit requesting to burn vegetation removed from an area equal to or greater than 10 acres, but less than 100 acres in size, shall pay a fee of \$250.00.
 - d. **Non-Standard Burn Permit, 100 to 300 acres:** Every applicant for a Non-Standard Burn Permit requesting to burn vegetation removed from an area equal to or greater than 100 acres, but less than 300 acres in size, shall pay a fee of \$500.00.
 - e. **Non-Standard Burn Permit, more than 300 acres:** Every applicant for a Non-Standard Burn Permit requesting to burn vegetation removed from an area equal to or more than 300 acres in size, shall pay a fee of \$1,250.00.
 3. **No Burn Day Permit:** Every applicant for a No Burn Day Permit requesting to burn materials pursuant to a Non-Standard Burn Permit, shall pay a fee of \$65.00. A fee for No Burn Day Permits shall not be assessed for a Non-Standard Burn Permit issued for the purpose of burning vegetation removed from an area equal to or larger than 300 acres in size.
 4. **Fire Training Burn Permit:** No fee shall be assessed.
 5. **Burn Barrels:** Burn barrels may only be used in exempt areas. Every applicant requesting to use a burn barrel must first possess a valid Standard or Non-Standard Burn Permit for the proposed location. No additional fees shall be assessed.

6. **Smoke Management Plan Review:** Every applicant for a Non-Standard Burn Permit issued for the purpose of burning vegetation removed from an area more than one acre but less than 300 acres in size which is required to prepare and submit a smoke management plan to the District for review and approval, shall pay a fee of \$65.00. A fee for smoke management plans shall not be assessed for a Non-Standard Burn Permit issued for the purpose of burning vegetation removed from an area larger than 300 acres in size.

Table 1 – Burn Permit Fees

| Permit Type or Service | Fee |
|--------------------------------|---------|
| Standard | \$20 |
| Non-Standard, < 1 acre | \$40 |
| Non-Standard, 1 to 10 acres | \$80 |
| Non-Standard, 10 to 100 acres | \$250 |
| Non-Standard, 100 to 300 acres | \$500 |
| Non-Standard, > 300 acres | \$1,250 |

Table 2 – Other Fees and Permits

| Permit Type or Service | Fee |
|---|---|
| No Burn Day Permit Application Review | \$65 Does not apply to Non-Standard permits for 300 acres or more. |
| Fire Training Burn Permit | No fee. |
| Burn Barrel (May only be used in exempt areas) | No additional charge. Appropriate Standard or Non-Standard Fee applies. |
| Smoke Management Plan Review | \$65 Does not apply to Non-Standard permits for 300 acres or more. |

- D. **PERMIT FEE WAIVER:** Standard Burn Permit fees may be waived by the APCO upon a showing of economic hardship or during circumstances deemed by the APCO as an emergency.

Regulation IV

Rule 408 – Burn Permit Fees

This Rule was first adopted December 16, 2004; revised February 1, 2014.

*The current version was adopted by the Governing Board via Resolution ~~2014-072018-XX~~ on ~~October 16,~~
2014March 8, 2018.*

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- C. **PERMIT FEES:** Every applicant for a Burn Permit shall, at the time of application, pay to the District the corresponding fee for each type of permit requested. Fee amounts are listed in this Section and in Table 1 below. Burn Permits are issued for a limited term beginning on the date issued by the APCO and ending on December 31st of that same year.
1. **Standard Burn Permit:** Every applicant for a Standard Burn Permit for residential burning shall pay a fee of ~~\$1520.00~~.
 2. **Non-Standard Burn Permit:**
 - a. **Less than one acre:** Every applicant for a Non-Standard Burn Permit requesting to burn vegetation removed from an area less than one acre in size that will be burned in a single pile no larger than 10' in diameter, shall pay a fee of ~~\$3040.00~~.
 - b. **Non-Standard Burn Permit, 1 to 100 acres:** Every applicant for a Non-Standard Burn Permit requesting to burn vegetation removed from an area ~~more equal to or greater~~ than one acre, but less than 100 acres in size, shall pay a fee of ~~\$6080.00~~. Burns conducted by Fire Safe Councils may be eligible for a reduced fee at the discretion of the APCO.
 - c. **Non-Standard Burn Permit, ~~more than 10 to~~ 100 acres:** Every applicant for a Non-Standard Burn Permit requesting to burn vegetation removed from an area ~~more than equal to or greater than 10 acres, but less than~~ 100 acres ~~is size, shall pay a fee of \$250.00.~~
 - d. **Non-Standard Burn Permit, 100 to 300 acres:** Every applicant for a Non-Standard Burn Permit requesting to burn vegetation removed from an area equal to or greater than 100 acres, but less than 300 acres in size, shall pay a fee of \$500.00.
 - e. **Non-Standard Burn Permit, more than 300 acres:** Every applicant for a Non-Standard Burn Permit requesting to burn vegetation removed from an area equal to or more than 300 acres in size, shall pay a fee of ~~\$1,000~~250.00.
 - ~~3. **No Burn Day Permit:** No fee shall be assessed.~~
 3. **No Burn Day Permit:** Every applicant for a No Burn Day Permit requesting to burn materials pursuant to a Non-Standard Burn Permit, shall pay a fee of \$65.00. A fee for No Burn Day Permits shall not be assessed for a Non-Standard Burn Permit issued for the purpose of burning vegetation removed from an area equal to or larger than 300 acres in size.
 4. **Fire Training Burn Permit:** No fee shall be assessed.
 5. **Burn Barrels:** Burn barrels may only be used in Exempt Areas; exempt areas. Every applicant requesting to use a burn barrel ~~in an exempt area~~ must first possess a valid Standard or Non-Standard Burn Permit for the

proposed location. No additional fees shall be assessed.

6. Smoke Management Plan Review: Every applicant for a Non-Standard Burn Permit issued for the purpose of burning vegetation removed from an area more than one acre but less than 300 acres in size which is required to prepare and submit a smoke management plan to the District for review and approval, shall pay a fee of \$65.00. A fee for smoke management plans shall not be assessed for a Non-Standard Burn Permit issued for the purpose of burning vegetation removed from an area larger than 300 acres in size.

Table 1 – Burn Permit Fees

| Permit Type or Service | Fee |
|---|---|
| Standard | \$ 1520 |
| Non-Standard, < 1 acre | \$ 3040 |
| <u>Non-Standard, 1 to 10 acres</u> | \$80 |
| Non-Standard, 10 to 100 acres | \$ 60250 |
| Non-Standard->, 100 to 300 acres | \$ 1,000500 |
| <u>No Burn Day</u> | No charge |
| <u>Fire Training</u> | No charge |
| <u>Burn Barrel Non-Standard, > 300 acres</u> | Appropriate Standard or Non-Standard Fee applies. No additional charge. \$1,250 |

Table 2 – Other Fees and Permits

| Permit Type or Service | Fee |
|---|---|
| <u>No Burn Day Permit Application Review</u> | \$65 Does not apply to Non-Standard permits for 300 acres or more. |
| <u>Fire Training Burn Permit</u> | No fee. |
| <u>Burn Barrel (May only be used in exempt areas)</u> | No additional charge. Appropriate Standard or Non-Standard Fee applies. |
| <u>Smoke Management Plan Review</u> | \$65 Does not apply to Non-Standard permits for 300 acres or more. |

D. **PERMIT FEE WAIVER:** Standard Burn Permit fees may be waived by the APCO upon a showing of economic hardship or during circumstances deemed by the APCO as an emergency.