

ORDINANCE NO. _____

AN ORDINANCE TO AMEND CHATTANOOGA CITY CODE, PART II, CHAPTER 4, WHICH CHAPTER IS KNOWN AS “THE CHATTANOOGA AIR POLLUTION CONTROL ORDINANCE,” BY PROVIDING FOR INCREASED PERMIT AND CERTIFICATE FEES.

WHEREAS it is the declared public policy of this city to achieve and maintain such levels of air quality as will protect human health and safety, and to the greatest degree practicable, prevent injury to plant and animal life and property, and to foster the comfort and convenience of the people; and

WHEREAS local regulation of air quality is the most efficient means toward that end; and

WHEREAS, in order to maintain the Certificate of Exemption granted by the Tennessee Air Pollution Control Board for operating a local air pollution control program, it is necessary to adopt regulations no less stringent than state standards; and

WHEREAS the adoption of these amendments is required for the protection of the health, safety, and welfare of the citizens of Chattanooga and to insure maintaining the local Certificate of Exemption;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE, that Chapter 4 of Part II of the Chattanooga City Code be amended as is hereafter set forth:

SECTION 1. That Chattanooga City Code, Part II, Chapter 4, Section 4-4, is hereby amended so as to add the following Section 4-4(k):

- (k) An additional fee of 5.0 percent of the outstanding amount, compounded monthly, shall be assessed for any fine, civil penalty, damages amount, or enforcement cost that has not been paid by thirty (30) days after the due date that is indicated on the corresponding invoice. Said fee shall be collected by the Bureau and remitted to the City of Chattanooga finance officer as fiscal agent for the Board.

SECTION 2. That Chattanooga City Code, Part II, Chapter 4, Section 4-8, is hereby amended so as to delete Section 4-8(a)(14) in its entirety and substitute in lieu thereof the following:

- (14) The following fee schedules shall apply to the issuance of all installation permits. The fees in these schedules may be adjusted each year, if necessary as determined by the Board, by up to the percentage, if any, by which the Consumer Price Index for All Urban Consumers (CPI-U) for the most recent completed calendar year exceeds the CPI-U for calendar year 2025. The CPI-U is compiled by the Bureau of Labor Statistics of the U.S. Department of Labor. The Board may review these fees annually to determine if they continue to meet the financial requirements of the Bureau to fulfill the activities allowed to be funded by these fees. A source shall be required to pay the required fee prior to issuance of an installation permit to that source. Said fees shall be collected by the ~~director~~ Bureau and remitted to the City of Chattanooga finance officer as fiscal agent for the ~~b~~Board who shall accumulate such fees in an account dedicated to the ~~b~~Board for air pollution control activities.

INSTALLATION PERMITS

SCHEDULE 4-8-A-I. FUEL-BURNING EQUIPMENT

Fees shall be assessed based upon the design fuel burning rate per unit as expressed in millions of British thermal units (Btu) per hour, using gross heating values of the fuel.

Fuel Burning Rate (Million Btu per Hour)	Fee
0.5 to 4.99 <u>9.99</u>	\$530.00 <u>660.00</u>
5.10 to 14.99 <u>39.99</u>	\$625.00 <u>780.00</u>
15.40 to 99.99	\$720.00 <u>900.00</u>
100 or greater	\$960.00 <u>1,200.00</u>

~~(NOTE: One boiler horsepower is equivalent to approximately 33,472 Btu per hour)~~

SCHEDULE 4-8-A-II. INCINERATORS

Fees shall be assessed based upon the design input incineration rate as expressed in pounds per hour.

Incineration Rate (Pounds per Hour)	Fee
Up to 200	\$100.00 <u>125.00</u>
200 to 599	\$200.00 <u>250.00</u>
600 to 999	\$295.00 <u>365.00</u>
1,000 to 1,999	\$385.00 <u>480.00</u>
2,000 to 4,999	\$480.00 <u>600.00</u>
5,000 to 9,999	\$580.00 <u>660.00</u>
10,000 or greater	\$680.00 <u>720.00</u>
+\$90.00 for each additional 100 lbs/hr over 10,000 lbs/hour	

SCHEDULE 4-8-A-III. PROCESS EQUIPMENT

Fees shall be assessed based upon the design input process weight per hour as expressed in pounds per hour.

Process Weight (Pounds per Hour)	Fee
Up to 999	\$200.00 <u>250.00</u>
1,000 to 9,999	\$340.00 <u>425.00</u>
10,000 to 49,999	\$480.00 <u>600.00</u>
50,000 to 149,999	\$625.00 <u>780.00</u>
150,000 to 499,999	\$780.00 <u>960.00</u>
500,000 to 999,999	\$940.00 <u>1,140.00</u>
1,000,000 or greater	\$960.00 <u>1,200.00</u>

(NOTE: Examples of this type of equipment include but are not limited to: chemical processing equipment; crushing, grinding or milling equipment; and metal forming equipment.)

SCHEDULE 4-8-A-IV. ODOR PRODUCING EQUIPMENT

Each unit shall be assessed a fee of ~~three hundred eighty five~~ four hundred eighty dollars (~~\$385.00~~480.00).

(NOTE: Examples of this type of equipment include but are not limited to: tar and asphalt kettles, varnish and paint heating kettles, and rendering kettles.)

SCHEDULE 4-8-A-V. MISCELLANEOUS

Any article, machine, equipment or other contrivance ~~which~~ that is not included in the preceding schedules shall be assessed a fee of ~~three hundred eighty five~~ four hundred eighty dollars (~~\$385.00~~480.00) per unit.

SECTION 3. That Chattanooga City Code, Part II, Chapter 4, Section 4-8, is hereby amended so as to delete Section 4-8(c)(12) in its entirety and substitute in lieu thereof the following:

(12) *Fees for Certificate(s) of Operation.*

- a. *Fees.* A source shall be required to pay the required fee prior to issuance of any certificate of operation to that source and to maintain the certificate of operation, once issued.
- b. **Initial Certificate of Operation Fees.** The following fee schedules shall apply to the initial issuance of any certificate of operation. The fees in these schedules may be adjusted each year, if necessary as determined by the Board, by up to the percentage, if any, by which the Consumer Price Index for All Urban Consumers (CPI-U) for the most recent completed calendar year exceeds the CPI-U for calendar year 2025. The CPI-U is compiled by the Bureau of Labor Statistics of the U.S. Department of Labor. The Board may review these fees annually to determine if they continue to meet the financial requirements of the Bureau to fulfill the activities allowed to be funded by these fees. Said fees shall be collected by the ~~director~~ Bureau and remitted to the City of Chattanooga finance officer as fiscal agent for the ~~b~~BBoard, who shall accumulate such fees in an account dedicated to the ~~b~~BBoard for air pollution control activities.

INITIAL CERTIFICATES OF OPERATION
SCHEDULE 4-8-C-I. FUEL-BURNING EQUIPMENT

Fuel Burning Rate (Million Btu per Hour)	Fee
0.5 to 4.99 <u>9.99</u>	\$720.00 <u>900.00</u>
510 to 14.99 <u>39.99</u>	\$820.00 <u>1,020.00</u>
1540 to 99.99	\$960.00 <u>1,200.00</u>
100 or greater	\$1,105.00 <u>1,380.00</u>

SCHEDULE 4-8-C-II. INCINERATORS

Incineration Rate (Pounds per Hour)	Fee
Up to 200	\$340.00 <u>420.00</u>
200 to 599	\$385.00 <u>480.00</u>
600 to 999	\$440.00 <u>540.00</u>
1,000 to 1,999	\$480.00 <u>600.00</u>
2,000 to 4,999	\$530.00 <u>660.00</u>
5,000 to 9,999	\$580.00 <u>720.00</u>
10,000 or greater	\$625.00 <u>780.00</u>
+\$45.00 for each additional 100 lbs/hr over 10,000 lbs/hour	

SCHEDULE 4-8-C-III. PROCESS EQUIPMENT

Process Weight (Pounds per Hour)	Fee
Up to 999	\$ 440.00 <u>540.00</u>
1,000 to 9,999	\$ 580.00 <u>720.00</u>
10,000 to 49,999	\$ 720.00 <u>900.00</u>
50,000 to 149,999	\$ 865.00 <u>1,080.00</u>
150,000 and or greater	\$ 960.00 <u>1,200.00</u>

SCHEDULE 4-8-C-IV. ODOR PRODUCING EQUIPMENT

Each unit shall be assessed a fee of ~~three hundred eighty five~~ four hundred eighty dollars (\$~~385.00~~480.00).

SCHEDULE 4-8-C-V. MISCELLANEOUS

Each unit shall be assessed a fee of ~~three hundred eighty five~~ four hundred eighty dollars (\$~~385.00~~480.00).

- c. *Renewal Certificate of Operation Annual Fees.* A source that has applied for renewal of one or more certificates of operation shall pay the required annual fee prior to issuance of any renewal certificate(s) of operation to it. Subsequent to issuance of any renewal certificate(s) of operation to a source, the source shall pay the required annual fee throughout the term of the permit, not later than the anniversary of issuance of any renewal certificate(s) of operation. The following annual fee schedules shall apply to the renewal of any certificate of operation. The fees in these schedules may be adjusted each year, if necessary as determined by the Board, by up to the percentage, if any, by which the Consumer Price Index for All Urban Consumers (CPI-U) for the most recent completed calendar year exceeds the CPI-U for calendar year 2025. The CPI-U is compiled by the Bureau of Labor Statistics of the U.S. Department of Labor. The Board may review these fees annually to determine if they continue to meet the financial requirements of the Bureau to fulfill the activities allowed to be funded by these fees. Said fees shall be collected by the ~~b~~Bureau ~~director~~ and remitted to the ~~finance officer~~ of the City of Chattanooga finance officer as ~~the~~ fiscal agent ~~of for~~ the ~~b~~Board, who shall accumulate such fees in an account dedicated to the ~~b~~Board for air pollution control activities.

RENEWAL CERTIFICATES OF OPERATION
SCHEDULE 4-8-C-VI. FUEL-BURNING EQUIPMENT

Fuel Burning Rate (Million Btu per Hour)	Fee
0.5 to 4.99 <u>9.99</u>	\$340.00 <u>420.00</u>
5 <u>10</u> to 14.99 <u>39.99</u>	\$385.00 <u>480.00</u>
15 <u>40</u> to 99.99	\$440.00 <u>540.00</u>
100 or greater	\$500.00 <u>620.00</u>

SCHEDULE 4-8-C-VII. INCINERATORS

Process Weight (Pounds per Hour) Incineration Rate (Pounds per Hour)	Fee
Up to 200	\$240.00 <u>300.00</u>
200 to 599	\$260.00 <u>320.00</u>
600 to 999	\$295.00 <u>365.00</u>
1,000 to 1,999	\$350.00 <u>435.00</u>
2,000 to 4,999	\$385.00 <u>480.00</u>
5,000 to 9,999	\$425.00 <u>530.00</u>
10,000 or greater	\$460.00 <u>575.00</u>

SCHEDULE 4-8-C-VIII. PROCESS EQUIPMENT

Process Weight (Pounds per Hour)	Fee
Up to 999 \$240.00 1,000 to 9,999	\$340.00 <u>\$300.00</u>
<u>1,000 to 9,999</u>	<u>\$420.00</u>
10,000 to 49,999	\$440.00 <u>\$540.00</u>
50,000 to 149,999	\$530.00 <u>\$660.00</u>
150,000 to 499,999	\$625.00 <u>\$780.00</u>
500,000 to 999,999	\$720.00 <u>\$900.00</u>
1,000,000 or greater	\$820.00 <u>\$1,020.00</u>

SCHEDULE 4-8-C-IX. ODOR PRODUCING EQUIPMENT

Each unit shall be assessed a fee of ~~\$240.00~~ three hundred dollars (\$300.00).

SCHEDULE 4-8-C-X. MISCELLANEOUS

Each unit shall be assessed a fee of ~~\$240.00~~ three hundred dollars (\$300.00).

SECTION 4. That Chattanooga City Code, Part II, Chapter 4, Section 4-8, is hereby amended so as to delete Section 4-8(d)(4) in its entirety and substitute in lieu thereof the following:

- (4) *Duplicate Permits.* Duplicate permits or certificates of operation may be issued by the ~~d~~**D**irector if requested by the owner or operator. A fee of ~~sixty-seventy-five~~ seventy-five dollars (~~\$60.00~~ \$75.00) shall be charged for issuing a duplicate installation permit or certificate of operation. A fee of ~~two-hundred-forty-three hundred~~ three hundred dollars (~~\$240.00~~ \$300.00) shall be charged for issuing a duplicate Part 70 operating permit. Said fees shall be collected by the Bureau and remitted to the City of Chattanooga finance officer as fiscal agent for the Board who shall accumulate such fees in an account dedicated to the Board for air pollution control activities.

SECTION 5. That Chattanooga City Code, Part II, Chapter 4, Section 4-8, is hereby amended so as to delete Section 4-8(d)(6) in its entirety and substitute in lieu thereof the following:

- (6) ~~Reserved.~~ An additional fee of 5.0 percent of the outstanding amount, compounded monthly, shall be assessed for any certificate of operation fee that has not been paid by thirty (30) days after the due date that is indicated on the corresponding invoice. Said fee shall be collected by the Bureau and remitted to the City of Chattanooga finance officer as fiscal agent for the Board who shall accumulate such fees in an account dedicated to the Board for air pollution control activities.

SECTION 6. That Chattanooga City Code, Part II, Chapter 4, Section 4-8, is hereby amended so as to delete Section 4-8(f)(4) in its entirety and substitute in lieu thereof the following:

- (4) *Fees.* The following fee schedules shall apply to the issuance of permits for all demolitions or for those renovations involving friable asbestos-containing materials (ACM) subject to Rule 17.5, except in paragraphs (f)(5) and (f)(6) below. The fees in these schedules may be adjusted each year, if necessary as determined by the Board, by up to the percentage, if any, by which the Consumer Price Index for All Urban Consumers (CPI-U) for the most recent completed calendar year exceeds the CPI-U for calendar year 2025. The CPI-U is compiled by the Bureau of Labor Statistics of the U.S. Department of Labor. The Board may review these fees annually to determine if they continue to meet the financial requirements of the Bureau to fulfill the activities allowed to be funded by these fees. If work begins on any regulated renovation or demolition without having obtained the required permit, or if work is performed other than in accordance with the plans and specifications filed with and approved by the ~~d~~Director to obtain the permit, the ~~d~~Director may grant such permit; provided, however, that the permit fee is doubled in all such cases. Fees shall be collected by the ~~b~~Bureau and remitted to the ~~e~~City of Chattanooga finance officer as fiscal agent for the Board who shall accumulate such fees in an account dedicated to the ~~b~~Board for air pollution control activities. Only one initial fee shall be assessed for any renovation or demolition project occurring at an installation on one contiguous site owned by the same owner within six months after receipt of the initial application where the ACM is calculated (as set forth in Section 4-41, Rule 17.5 of this chapter) in both linear feet and in square feet. When ACM is to be removed and involves calculating in both linear and square feet, the ACM footage will be summed to determine the appropriate fee from Schedule 4-8-F-~~2~~II or Schedule 4-8-F-~~3~~III:

SCHEDULE 4-8-F-I.

DEMOLITIONS WHERE NO ASBESTOS IS PRESENT

Fee	\$200.00 <u>250.00</u> per structure
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SCHEDULE 4-8-F-II.

DEMOLITIONS WHERE REGULATED ASBESTOS IS PRESENT

For ACM used to fireproof or insulate pipes, or to insulate any duct, boiler, tank, reactor, turbine, furnace, or structural member, including interior and exterior walls, floors, ceilings, and roofs:

Linear/Square Feet of ACM	Fee
160 – 299 (square feet)	\$325.00 <u>390.00</u> plus \$200.00 <u>250.00</u> per structure
260 – 299 (linear feet)	\$325.00 <u>390.00</u> plus \$200.00 <u>250.00</u> per structure
300 – 499	\$500.00 <u>625.00</u> plus \$200.00 <u>250.00</u> per structure
500 – 999	\$700.00 <u>855.00</u> plus \$200.00 <u>250.00</u> per structure
1,000 – 1,499	\$825.00 <u>1,015.00</u> plus \$200.00 <u>250.00</u> per structure
1,500 – 4,999	\$1,000.00 <u>1,250.00</u> plus \$200.00 <u>250.00</u> per structure
5,000 and up	\$1,250.00 <u>1,560.00</u> plus \$200.00 <u>250.00</u> per structure

SCHEDULE 4-8-F-III.

RENOVATIONS WHERE REGULATED ASBESTOS IS PRESENT

For ACM used to fireproof or insulate pipes, or to insulate any duct, boiler, tank, reactor, turbine, furnace, or structural member, including interior and exterior walls, floors, ceilings, and roofs:

Linear/Square Feet of ACM	Fee
160 – 299 (square feet)	\$325.00 <u>390.00</u>
260 – 299 (linear feet)	\$325.00 <u>390.00</u>
300 – 499	\$500.00 <u>625.00</u>
500 – 999	\$700.00 <u>855.00</u>
1,000 – 1,499	\$825.00 <u>1,015.00</u>
1,500 – 4,999	\$1,000.00 <u>1,250.00</u>
5,000 and up	\$1,250.00 <u>1,560.00</u>

SECTION 7. That Chattanooga City Code, Part II, Chapter 4, Section 4-41, is hereby amended so as to delete Rule 6.3(2) in its entirety and substitute in lieu thereof the following:

- (2) A non-refundable application fee of ~~sixty-seventy-five~~ dollars (~~\$60.00~~**75.00**) shall be included with the application, which fee shall be collected by the ~~b~~**B**Bureau and remitted to the **City of Chattanooga finance officer as** fiscal agent ~~of~~**for** the ~~b~~**B**Board;

SECTION 8. That Chattanooga City Code, Part II, Chapter 4, Section 4-41, is hereby amended so as to delete Rule 6.6(3) in its entirety and substitute in lieu thereof the following:

- (3) A non-refundable application fee of ~~five-hundred-six~~ **hundred twenty-five** dollars (~~\$500.00~~**625.00**) shall be included with the application, which fee shall be collected by the ~~b~~**B**Bureau and remitted to the **City of Chattanooga finance officer as** fiscal agent ~~of~~**for** the ~~b~~**B**Board;

SECTION 9. That Chattanooga City Code, Part II, Chapter 4, Section 4-41, is hereby amended so as to delete Rule 7.5 in its entirety and substitute in lieu thereof the following:

Rule 7.5. On and after March 1, 1973, the person in responsible charge of the operation of an incinerator (including a cremation system) must be licensed by the ~~b~~**B**ureau. Such license shall be issued only after a passing score is received on a standardized test to be devised and administered by the bureau. The bureau shall test persons on their knowledge of the principles of incineration, including but not necessarily limited to the subjects of preignition, firing and cleaning. The ~~b~~**B**ureau shall have the power to collect a one (1) time fee of ~~twenty-one hundred~~ one hundred dollars (~~\$20.00~~100.00) pursuant to the issuance of such license. Such fee shall be ~~remitted to the city treasurer~~ collected by the Bureau and remitted to the City of Chattanooga finance officer as fiscal agent for the Board. The ~~d~~**D**irector shall have the authority to suspend or revoke such license if the person holding such license willfully or by reason of incompetence violates any provision of this chapter. No license issued in accordance with the provisions of this rule shall be assignable or transferable. The failure to issue a license, or suspension or revocation of such license, shall be an order or determination of the ~~d~~**D**irector within the meaning of ~~s~~**S**ection 4-18(e) of this chapter.

SECTION 10. That Chattanooga City Code, Part II, Chapter 4, Section 4-41, is hereby amended so as to delete Rule 17.5(1)(e) in its entirety and substitute in lieu thereof the following:

- (e) Courtesy notification. The owner or operator of a renovation activity at any facility being renovated that is not described in paragraph (1)d. of Rule 17.5 shall provide the Director with a written courtesy notification on a form specified by the Director and available from the Bureau before any renovation activity begins. None of the requirements of paragraphs (2) and (3) of Rule 17.5 are applicable to such renovations. A fee of two hundred dollars (\$200.00) shall be included with the notification, which fee shall be collected by the Bureau and remitted to the City of Chattanooga finance officer as fiscal agent for the Board.

SECTION 11. That Chattanooga City Code, Part II, Chapter 4, Section 4-60, is hereby amended so as to delete Section 4-60(e)(1) in its entirety and substitute in lieu thereof the following:

- (1) The owner or operator or the “responsible official” of a Part 70 source shall pay an annual emission fee to the ~~b~~**B**ureau based on “regulated pollutant (for presumptive fee calculation)” as those terms are defined in ~~s~~**S**ection 4-53 of this chapter. The minimum annual emission fee charged to a Part 70 source will be ~~four-eight~~ eight thousand dollars (~~\$4,000.00~~8,000.00).

SECTION 12. That Chattanooga City Code, Part II, Chapter 4, Section 4-60, is hereby amended so as to delete Section 4-60(e)(6) in its entirety and substitute in lieu thereof the following:

- (6) The rate at which annual emission fees are assessed shall be the “Part 70 presumptive minimum fee rate” of ~~fifty dollars (\$50.00)~~ sixty-five dollars and thirty-eight cents (\$65.38) per ton as adjusted for each annual accounting period by the percentage, if any, by which the Consumer Price Index for All Urban Consumers (CPI-U) for the most recent completed twelve (12)-calendar month period of September through August exceeds the CPI-U for the twelve-(12) calendar month period of September 2024 through August 2025. This adjusted Part 70 presumptive minimum fee rate is calculated annually by the U.S. Environmental Protection Agency using the preceding criteria. The CPI-U is compiled by the Bureau of Labor Statistics of the U.S. Department of Labor.

SECTION 13. That Chattanooga City Code, Part II, Chapter 4, Section 4-60, is hereby amended so as to add the following Section 4-60(e)(11):

- (11) An additional fee of 5.0 percent of the outstanding amount, compounded monthly, shall be assessed for any Part 70 permit fee that has not been paid by thirty (30) days after the due date that is indicated on the corresponding invoice. Said fee shall be collected by the Bureau and remitted to the City of Chattanooga finance officer as fiscal agent for the Board who shall accumulate such fees in an account dedicated to the Board for air pollution control activities.

SECTION 14. BE IT FURTHER ORDAINED that Chattanooga City Code, Part II, Chapter 4, codifying ordinances as previously adopted be construed to be cumulative in effect, and it is here declared to be the legislative intent that compliance with any one or more provisions of that chapter shall not be construed as defense for non-compliance with any other applicable provisions of the Code or the Ordinance or rules or regulations thereof nor with any applicable provisions of that chapter.

SECTION 15. BE IT FURTHER ORDAINED that if any section, part of a section, sentence, clause or phrase of this Ordinance is for any reason declared unconstitutional or otherwise invalid by any court of competent jurisdiction, such decision shall not affect the validity of any other portion of this Ordinance, and only such invalid portion shall be elided from this Ordinance.

SECTION 16. BE IT FURTHER ORDAINED that this Ordinance shall become effective within two (2) weeks from and after its passage.

PASSED on second and final reading: xxxx xx, 2025

S/ _____
CHAIRPERSON

APPROVED: _____ DISAPPROVED: _____

DATE: _____, 2025

S/ _____
MAYOR