

TV Fee Committee | MINUTES

Meeting date | time 11/1/2018 10:00 AM - 12:00 PM **Meeting location:** Grantham Lane

Meeting called by	Joe Martini	Attendees:
Type of meeting	Semi-Annual Meeting	See Sign-In Sheet
Facilitator	Tony Manson & Joe Martini	Acronyms:
Organizer	Tony Manson & Joe Martini	TVFCIM-Title V Fee Committee Industry Member
Approving Manager	Martini, Joseph (DNREC)	TVFCAQM-Title V Fee Committee Air Quality Member

Purpose: Semi-Annual Committee Meeting (follow-up to 7/18/2018).

Agenda Topic

Topic: Staffing Level Update

Presenter: Tony Manson

Time Allocated: 5 min

Discussion: Tony provided a staffing update projecting staffing levels through March 2019.

A TVFCIM (Tom Webster) asked if we will post the org charts and/or slides on the website. Tony confirmed the slides will be posted on the website and he will send Tom Webster PDF versions of the Org Charts.

Questions surfaced regarding the Succession Planning efforts for the refinery. Angela Marconi indicated that Lindsay Rennie will take the lead and she will provide appropriate oversight and support. DAQ anticipates the EE-VI position will be difficult to fill (experience level) and fully supports Lindsay Rennie's continued professional development and role as the primary manager for the refinery.

TVFCAQM asked for clarification on personnel "gains" and highlighted the recent statewide engineer salary leveling (\$240k). Tony mentioned that during the recent hiring activities DAQ received many qualified applicants. Additionally, Dave Fees indicated that projected engineer vacancies will be filled with lower level engineer positions (EE-1), where possible.

Conclusions: Action item completed, no additional questions. Brief staffing update at the next meeting.

<u>Action Items</u>	<u>Assigned To</u>	<u>Deadline</u>
Post presentation slides on the website.	DAQ (Tony)	ASAP
Email Tom Webster PDF versions of the Org Charts.	DAQ (Tony)	Completed

Agenda Topic

Topic: 2018 Billing Update

Presenter: Tony Manson

Time Allocated: 5 min

Discussion: 2018 Billing update (see below) was provided.

- Fully Paid: 124 of 129 (96.1%)
- Partial Payment: 2 of 129 (1.6%)
- No Payment: 3 of 129 (2.3%)
- Fees Collected: **\$2,821,791.98** (97.9%)
- Balance Due **\$59,987.35** (includes Lars Recycling @ \$32K)

Conclusions: No additional questions. Brief final 2018 billing results at the next meeting.

<u>Action Items</u>	<u>Assigned To</u>	<u>Deadline</u>
None	N/A	N/A

Agenda Topic

Topic: Delinquent Facility (Lars Recycling)

Presenter: Angela Marconi

Time Allocated: 5 min

Discussion: Angela provided an update of the pending legal action against Lars Recycling.

The committee asked if Lars Recycling had filed for bankruptcy. Angela explained that the Department and DOJ are pursuing multiple legal actions to recover delinquent fees from several Divisions (Air & Waste). The DAQ claim amount is \$32,079.50. However, due to the pending legal actions no additional information can be provided at this time. She confirmed the facility was abandoned and the operating permit was cancelled in October 2018.

Conclusions: The committee appreciated the update and fully supports the action being taken.

<u>Action Items</u>	<u>Assigned To</u>	<u>Deadline</u>
None	N/A	N/A

Agenda Topic

Topic: 2019 Projected TV Facility List

Presenter: Tony Manson

Time Allocated: 5 min

Discussion: A projected Facility List update for the 2019 Billing Cycle was provided (see summary below):

- January 1, 2018 = 129 Facilities
 - 77 SM
 - 52 TV
- October 31, 2018 = 125 Facilities
 - 74 SM
 - 51 TV
- Projected January 1, 2019 = 119
 - 68 SM
 - 51 TV
- Two possible TV permitting gains at the Port of Wilmington and one potential gain at DuPont Edgemoor.

The projected loss of revenue (after fee credit) = \$151,030.00.

The committee raised the concern about a shrinking payer universe with expanding staffing levels. DAQ indicated the loss of revenue would initially be absorbed by the carryover balance.

Regarding the expanding staffing levels, Tony indicated the current staffing level (52 FTEs) is a result of numerous retirements and separations in late 2017 and early 2018. The current level reflects an 11-position reduction in the past 10-years.

Additionally, the projected staffing levels (55 FTEs) are still below the authorized (61 FTEs) and Department level caps (57 FTEs).

A TVFCIM (Tom Webster) requested a copy of the Excel spreadsheet.

Conclusions: The committee is concerned about loss of revenue and rising salary costs. Specifically, the impact on future fees on a smaller pool of facilities.

<u>Action Items</u>	<u>Assigned To</u>	<u>Deadline</u>
Email Tom Webster an Excel copy of the 2019 Projected TV Facility list.	DAQ (Tony)	Completed

Agenda Topic

Topic: 2015 EPA TV Program Review

Presenter: Tony Manson

Time Allocated: 5 min

Discussion: Tony provided a summary of the 2015 EPA TV Program Evaluation. All previous questions from past meetings were briefed and answered.

As a follow-up, TVFCIM asked about VSM on the TV permitting program. Joe Martini explained that as part of the IT modernization, many processes will be mapped and believes that this will happen for TV Permitting. Tom Webster asked about timing of IT modernization. This question was addressed in the discussion about ePermitting (see next agenda topic).

Conclusions: The committee was satisfied with the summary and responses.

<u>Action Items</u>	<u>Assigned To</u>	<u>Deadline</u>
None	N/A	N/A

Agenda Topic

Topic: ePermitting – Phase One

Presenter: Angela Marconi

Time Allocated: 5 min

Discussion: Angela Marconi, a Project Committee Member, provided a project update briefing.

Angela indicated that Phase One discovery and process selection was developed several years ago and will be subject to reprioritization. She believes that Natural Minor Permitting will occur first and Title V will follow naturally.

TVFCAQM (Bob Z.) informed the committee that “Vanguard” is the selected contractor and briefly explained the selection process.

Bob further explained that simpler processes and/or those with the greatest need rose to the top (hunting & fishing licenses) of Phase One priorities. More complex processes will be pushed to later phases.

Bob mentioned ECM (DNREctory) will be introduced very soon and DAQ would be one of the first to implement. He expects the Department will be complete with the ECM project in 12 months. He anticipates solid progress on ePermitting in 12-18 months.

Bob also mentioned the FOIA add-in function for ECM to reduce burden on internal administrative resources.

TVFCIM asked about DAQ or Title V cost share for these projects. Bob indicated that the total project is about \$4 million. ECM and Phase One of ePermitting are being funded by Department, which included the TV program subsidy (\$477.9K) repaid in 2016. Additional support requests are in the DNREC budget, and have been for the last few years. DNREC expects that positive results from ECM and Phase One will prompt additional support for Phase Two. The OTS anticipates requesting additional monetary support (amount TBD) from the TV committee for future phases.

Agenda Topic

TVFCAQM (Joe Martini) mentioned in the previous topic, process mapping and related improvements will occur during the development and implementation of the project. Additionally, Bob highlighted a third party vendor is evaluating methods to map processes without in depth VSM methods.

The committee recommended customer training for the new tools and methods. DAQ will consider this type of training as part of the Joint Training Initiative.

<u>Action Items</u>	<u>Assigned To</u>	<u>Deadline</u>
None	N/A	N/A

Agenda Topic

Topic: EPA Region 3, Title V Permit Fee Accounting Audit

Presenter: Tony Manson & Angela Marconi

Time Allocated: 10 min

Discussion: DAQ briefed the committee about the TV Fee Accounting Audit conducted by EPA, Region 3, in July 2018.

Although the draft report is still under development, the initial verbal feedback from the Region 3 Team was very positive and reported no significant deviations (see slides).

The committee asked if there were any changes to the EPA Guidance identifying eligible program costs factors. Angela said the audit team had appropriate guidance and DAQ will acquire a copy and compare to previous guidance. Any updates will be posted on the website.

In support of the Department and to highlight effective cooperation of the committee, the industry members requested the opportunity to review and provide comments on the draft evaluation report. TVFCIM suggested a conference call with the committee to discuss. OTS (Bob Z.) said we need time to digest the reports and coordinate with the Secretary before sharing with the committee. However, OTS will share the Department's responses to the audit report with committee before submittal to the EPA.

Conclusions: The committee appreciated the opportunity and agreed with the path forward.

<u>Action Items</u>	<u>Assigned To</u>	<u>Deadline</u>
Obtain the most recent version of the EPA Guidance on program costs factors.	Angela Marconi.	Next Meeting (TBD)
Provide an update at the next meeting.	Angela Marconi.	Next Meeting (TBD)
Coordinate DNREC responses to the audit report with the committee.	Bob Zimmerman	When available.

Agenda Topic

Topic: Reg 2. Program Fee Initiatives

Presenter: Bob Zimmerman & Angela Marconi

Time Allocated: 30 min

Discussion: DAQ briefed current streamlining and improvement efforts.

TVFCAQM (Bob Z.) indicated the Secretary is still considering adding Reg 2. Fee Initiatives into the DNREC legislative agenda.

A TVFCIM committee member asked if the Secretary wants to piece meal or consolidate fee recommendations. Bob indicated the specific approach is undetermined at this time.

However, Bob described potential enabling language to pursue fee adjustments to other areas of the Department that would be modeled after the TV structure.

The committee recommends detailed time accounting during any process mapping activities to support fee increase initiatives.

Conclusions: The committee stands ready to support and requests continued updates.

<u>Action Items</u>	<u>Assigned To</u>	<u>Deadline</u>
Provide an update at the next meeting.	Bob Zimmerman.	Next Meeting (TBD)

Agenda Topic

Topic: Joint (Customer & DAQ) Focused Training

Presenter: Angela Marconi

Time Allocated: 15 min

Discussion: Regarding the Joint Training Initiative, DAQ recommends the establishment of a joint sub-committee for Customer Focused Training. The recommendation was supported by all present.

The committee envision the first training event in the spring-Summer of 2019 (before reporting requirements).

The subcommittee will collectively establish a charter identifying the training needs, methods and frequency and build an action plan to ensure success.

Given the holiday season, the recommended timeline to form the committee is NLT Dec 31, 2018.

Although discussed by the committee, DAQ prefers not to identify consultants that frequently commit application errors and target them as potential members of the training sub-committee.

Additional recommendations and guidance for the subcommittee:

- Recommend 5-6 members.
- Include consultants.
- Consider half-day training events.
- Synchronize with the implementation of ECM & ePermitting efforts.
- As a reference, consider Ohio (Air, Waste & Water) training programs.

Agenda Topic

- Most committee members recommended face-to-face training approach.
- Initial training topic should consider a “Back-to-Basics Permitting” theme.
- Consultants may be willing to sponsor training events.
- DAQ asked the committee to make member recommendations on behalf of industry.
 - The industry members will discuss among industry members and the state and county chambers.
- When available, utilize online permitting metrics, published as part of the IT modernization, to monitor and track performance and training impact.
 - Specific type of application errors, causing delays, should be identified as contributing factors to delays (missing information, etc.)
 - If doing multi-media, reach out to other media. Dave said we’re just committing to air right now.
 - Tony said this is info the sub-committee can discuss and recommend.

Conclusions: The committee appreciated the update and fully supports the action being taken.

Action Items	Assigned To	Deadline
DAQ submit recommended training sub-committee members, NLT Dec 31, 2018.	Dave Fees	Dec 31, 2018
Industry submit recommended training sub-committee members, NLT Dec 31, 2018.	Tom Webster	Dec 31, 2018

Agenda Topic

Topic: Title V Committee Membership List Strategy & Action Plan

Presenter: Joe Martini

Time Allocated: 15 min

Discussion: Joe Martini briefed some maintenance options for the TV Fee Committee membership & contact list (see slides).

After some brief discussion the committee agreed that a basic excel spreadsheet seems to be the best approach.

Additionally, DAQ has requested a legal interpretation of the TV Legislation to determine the exact membership and nomination process for the mandatory committee positions.

Conclusions: The committee supports proposed approach and requests updates at the next meeting.

<u>Action Items</u>	<u>Assigned To</u>	<u>Deadline</u>
Provide update at next meeting	DAQ (Tony)	Next meeting (TBD)

Agenda Topic

Topic: Miscellaneous and Closing Comments

Presenter: All Present

Time Allocated: 10 Min

Additional Discussion:

- **Metrics** - As mentioned during the IT Improvements discussion, the OTS (Bob Z.) will communicate when the metrics will be posted. He will also put forward the desire of this committee to drilldown the actual metrics.
- **Upwind Sources Complaint Against EPA** – we’re in the process of formalizing our appeal of their decision. Chamber will continue to support this effort (letters). Like Maryland, we’re filing on our own appeal. We have 60 days to file. The court may combine multiple states. We expect submittal second week of November.
- **EPA TV Fee Accounting Audit** – OTS (Bob Z.) is committed to sharing our response to the EPA TV Fee Accounting audit with committee before we submit to EPA.
- **Internal Projects** -
 - Joe Martini indicated that preparation for the DNREctory is a huge effort for DAQ.
 - The Department wide process identification and prioritization continues (contractor).
 - TV Billing getting tweaked (using SharePoint).
 - Workforce development and Performance Planning and Appraisal updates for leadership to provide feedback, track associated metrics (performance).
 - Flash email survey to gauge staff feedback on performance planning and appraisal system.
- **LEAN** –
 - Department rolling out second Executive Level LEAN Seminar.
 - Second Greenbelt class for Department staff is scheduled for February 2019.
 - What has air done with Greenbelts?
 - Inventoried & prioritized our internal processes.
 - Identified five simple projects.
 - Assigned projects to greenbelts.
 - Various levels of progress.
- **ECM** – OTS (Bob Z.) mentioned part of ECM is the centralized scanning of all incoming documents.
 - Three routes of intake:
 - External Mail
 - E-Mail (add-on function to Outlook)
 - Internal.
 - Need clarification on how documents coming into satellite offices will be routed.
 - Bob Z. thinks the initial assessment of this effort will be completed by committee’s next meeting.
 - Angela mentioned stack testing reports may be an exception to the scan process.
- **Acting Director (Dave Fees)** – At the time of this meeting a permanent Air Quality Director had not been selected. As Acting Director, Dave’s mission is to keep the ship afloat.
 - DAQ Leadership has met internally to start strategic planning for next year.
- **Department Website** - Angela mentioned the DAQ website is currently under construction and phased page updating is in progress (new look and feel).

Meeting Minutes Summary

Agenda Topic

- The DAQ homepage has been updated to the new format.
- Committee mentioned that browser searches are still accessing the old site.
- Bob. Z. said something should be added to the old site indicating “under construction” and advise of new.
- Angela mentioned that some links embedded in the alpha DAQ landing page take you to old pages.

Action Items

Assigned To

Deadline

Submit necessary correction for the website.

Tony Manson

ASAP

Next Meeting - The committee suggested early March 2019.