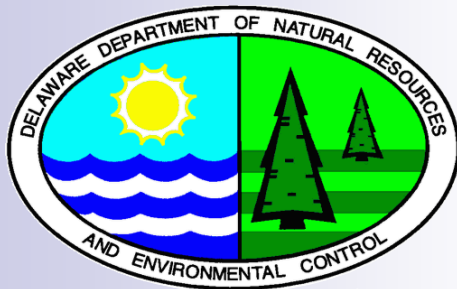


Title V Committee Meeting



August 19, 2020

Blue Skies Delaware; Clean Air for Life

Agenda

- Introductions 5 Min.
- Committee Contact List Review 10 Min.
- 2019 A Year in Review Report 30 Min.
 - Program Costs
 - Billing & Fees
 - Delinquent Facilities
 - Revenue
 - Carryover Balance
 - Staffing Levels
 - 2018 - 2020 Fees and Credit Structure
 - Impacts to Budget
- 2020 Billing Update 10 Min.
- 2021-2023 Fees & Revenue 10 Min.
- Facility Hours, Annual Reporting 30 Min.
- ePermitting Update 5 Min.
- Open Discussion (Q & A) & Action Items 15 Min.
- Closing Comments 5 Min.

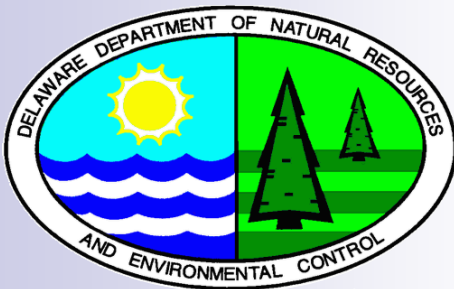


Committee Introductions



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TV Committee Contact List Review



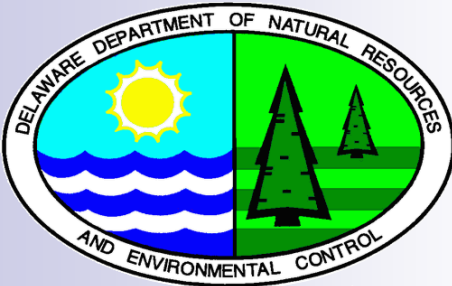
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Open Committee List File



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2019 A Year in Review



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2019 Overall Program Costs

Salary	\$2,445,336.04
Travel	\$3,265.08
Contractual ²	\$221,368.20
Supplies	\$23,710.71
Capital Outlay	\$14,905.00
Additional Support Services ³	\$485,709.29
Small Business Ombudsman Program ⁴	\$53,390.11
Total	\$3,247,684.43

² Items covered under the “Contractual” category include: Fleet charges (vehicle rental), building rent, utilities, vendor payments, temp services, and the upkeep of some air monitoring equipment. During the 2017-2019 Federal Air Pollution Control Grant internal review and close-out, \$170,194.20 was recoded from the TV Account to the Federal Grant for rent and seasonal employee services for the three - year award period.

³ Items covered under “Additional Support Services” include: Information Technology (**\$6,377.02**), the Environmental Crimes Unit (**\$458,816.56**) and Office of the Secretary Support (**\$20,515.71**).

⁴ Items covered under “Small Business Ombudsman Program” include salary and expenses of 0.3 FTEs.



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2019 Overall Program Costs Considerations

Note: While the state operates on a fiscal year basis (July 1 - June 30), the Title V fees are billed and spent on a calendar year basis. Consequently, some “Additional Support Services” costs, provided by other programs/organizations, in CY 2019 may include FY 2020 cost factors.

Note: 2019 Title V Account Annual/Monthly statement is presented in Table 11, Appendix A, of the 2019 Annual Report.

Note: As a result of the “Updated Guidance on EPA Review of Fee Schedules for Operating Permit Programs Under Title V” (March 27, 2018) and the recent EPA Audit, the Small Business Ombudsman position funding was changed from 100% to 30% Title V program funding for a portion of the year starting in July 2019.



2019 Fees Collected

- **122 Facilities Billed**
 - 73 SM
 - 49 TV
- **\$2,734,039.77** was billed
 - Includes previous years' back fees
 - After the user fee credit program (approximately \$385,000)
- **\$2,726,339.00** was collected
 - \$7,700.77 is overdue
 - One facility's non-payment of fees.



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2019 Delinquent Facility Status

Facility Name	Amount Due	Recovery Actions
Micropore Inc.	\$7,700.77	Includes 2019 overdue balance and late fees. Facility was notified and payment plan established.
TOTAL	\$7,700.77	



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2019 TV Revenue

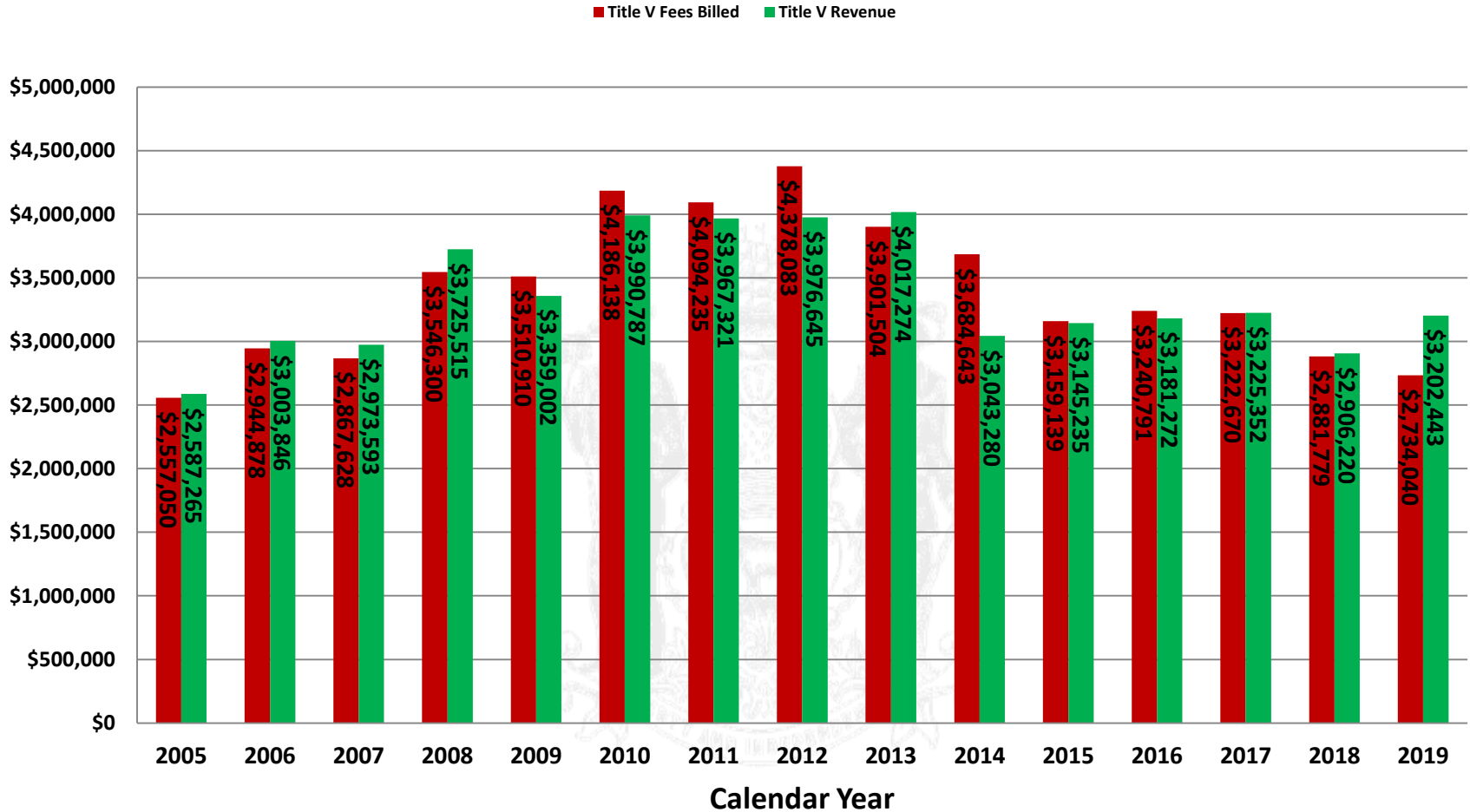
- Title V Revenue was **\$3,202,443.31**
 - Determined by the actual monies deposited into the account during a calendar year
 - The final revenue is impacted by
 - Interest gained
 - Quarterly payments
 - Late payments

Note: As a result of the 2017 - 2019 Federal Air Pollution Control Grant internal review and reconciliation process, several recoding transactions occurred from the Title V account to the Air Grant during calendar year 2019. Resulting from the three-year grant period, these recoding transactions, totaling \$400,742.79, were deposited as revenue in the Title V account in 2019. Included in the recoding was the 2018 capital expense repayment, Dover facility rent, seasonal staff salary, and additional support services (Environmental Crimes Unit).



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Title V Billing History



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TV Account Activities

Table 12: 2019 Title V Account Expenses & Revenue

MONTH	EXPENSES						INTEREST	REVENUE
	Salary	Energy	Travel	Contractual	Supplies	Capital Outlay		
January	\$246,643.77	\$0.00	\$1,416.83	\$15,566.34	\$5,585.52	\$0.00	\$4,744.46	\$362,158.31
February	\$204,861.31	\$0.00	\$124.90	\$19,927.56	\$3,646.63	\$0.00	\$5,062.83	\$2,018,999.83
March	\$266,183.58	\$0.00	\$0.00	\$434,008.85	\$4,388.05	\$0.00	\$7,159.10	\$179,566.35
April	\$201,994.87	\$0.00	\$573.01	\$140,697.41	\$378.18	\$0.00	\$9,563.29	\$18,515.29
May	\$181,466.21	\$0.00	\$1,111.43	\$34,714.77	\$2,044.04	\$0.00	\$8,799.25	\$76,042.50
June	\$199,641.05	\$0.00	\$23.91	\$45,034.34	\$899.13	\$0.00	\$8,741.77	\$60,739.77
July	\$165,783.94	\$0.00	\$0.00	\$6,013.37	\$3,210.62	\$0.00	\$8,463.39	\$45,247.39
August	\$248,350.62	\$0.00	\$5.00	\$3,312.52	\$907.52	\$0.00	\$8,407.10	\$66,506.35
September	\$202,062.65	\$0.00	\$0.00	\$16,804.87	\$2,397.23	\$0.00	\$8,456.52	\$16,797.52
October	\$178,913.10	\$0.00	\$0.00	\$8,383.14	\$187.31	\$0.00	\$7,772.99	\$40,414.99
November	\$186,734.57	\$0.00	\$0.00	\$24,833.64	\$34.94	\$0.00	\$7,551.92	\$101,843.12
December	\$162,700.37	\$0.00	\$10.00	\$11,170.79	\$31.54	\$14,905.00	\$6,886.47	\$215,611.89
2019 Totals	\$2,445,336.04	\$0.00	\$3,265.08	\$760,467.60	\$23,710.71	\$14,905.00	*\$91,609.09	\$3,202,443.31
2019 Total Expenses	\$3,247,684.43							

* Total interest included in revenue totals

Note: As a result of the 2017 - 2019 Federal Air Pollution Control Grant internal review and reconciliation process, several recoding transactions occurred from the Title V account to the Air Grant during calendar year 2019. Resulting from the three-year grant period, these recoding transactions, totaling \$400,742.79, were deposited as revenue in the Title V account during CY 2019. Included in the recoding was the 2018 capital expense repayment, Dover facility rent, seasonal staff salary, and additional support services (Environmental Crimes Unit).



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2019 Carryover Balance

- On December 31, 2019, the Title V Carryover Balance was **\$2,828,083**.

	2018
2018 Carryover Balance	\$2,838,432
2019 Title V Fee Revenue	\$3,202,443
Sub-Total	\$6,040,875
2019 Total Expenses	-\$3,247,684
+ 2019 Encumbrances	\$34,892
2019 Actual Carryover Balance	\$2,828,083



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Carryover Balance History

	2016	2017	2018	2019
Total Title V Fee Revenue	\$3,181,272	\$3,225,352	\$2,906,220	\$3,202,443
Total Expenses	\$3,141,964	\$3,232,830	\$3,626,944	\$3,247,684
Actual Carryover Balance	\$3,612,029	\$3,559,156	\$2,838,432	\$2,828,083



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EOY 2020 Carryover Balance Projection

	CY 2020 Prediction
2019 Actual Carryover Balance	\$2,828,083
Estimated 2020 Title V Fee Revenue	\$2,713,107
Estimated 2020 Total Expenses	\$3,525,732
Δ Revenue – Expenses	-\$812,625
2020 Projected Carryover Balance	2,015,458

Estimation Factors

- 2018 - 2020 Fee Tables
- Actual fees billed for 2020 (include overdue fees from previous year)
- Actual 2019 salary adjusted for a projected average staffing level of 93%
- 2019 expenses plus a 2% CPI adjustment.

Note: The average Division staffing level in **CY 2019** was **83.5%**.



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2018 – 2020 Fee Schedule

Fee Type	Category	Category Description	2018 - 2020 Fees
Base Fee	A	> 6,000 Hours	\$277,020
Base Fee	B	5,001 – 6,000 Hours	\$108,300
Base Fee	C	4,001 – 5,000 Hours	\$93,480
Base Fee	D	3,001 – 4,000 Hours	\$80,940
Base Fee	E	2,001 – 3,000 Hours	\$57,000
Base Fee	F	1,501 – 2,000 Hours	\$42,180
Base Fee	G	1,001 – 1,500 Hours	\$28,500
Base Fee	H	667 – 1,000 Hours	\$18,240
Base Fee	I	334 – 666 Hours	\$9,120
Base Fee	J	0 – 333 Hours	\$5,700
User Fee	1	> 2,000 Tons	\$350,000
User Fee	2	1,001 – 2,000 Tons	\$100,000
User Fee	3	501 – 1,000 Tons	\$60,000
User Fee	4	201 – 500 Tons	\$28,000
User Fee	5	101 – 200 Tons	\$12,000
User Fee	6	51 – 100 Tons	\$9,000
User Fee	7	26 – 50 Tons	\$6,000
User Fee	8	6 – 25 Tons	\$4,100
User Fee	9	0 – 5 Tons	\$3,950



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2018 -2020 Fee Credit Program

User Fee Category	Fee Credit Percent	Fee Credit
1	Will receive a credit of 30.14% of \$385,000	\$116,039
2	Will receive a credit of 8.61% of \$385,000	\$33,149
3	Will receive a credit of 5.17% of \$385,000	\$19,905
4	Will receive a credit of 2.41% of \$385,000	\$9,279
5	Will receive a credit of 1.03% of \$385,000	\$3,966
6	Will receive a credit of 0.77% of \$385,000	\$2,965
7	Will receive a credit of 0.52% of \$385,000	\$2,002
8	Will receive a credit of 0.35% of \$385,000	\$1,348
9	Will receive a credit of 0.34% of \$385,000	\$1,309



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2019 Staffing 12/31/2019

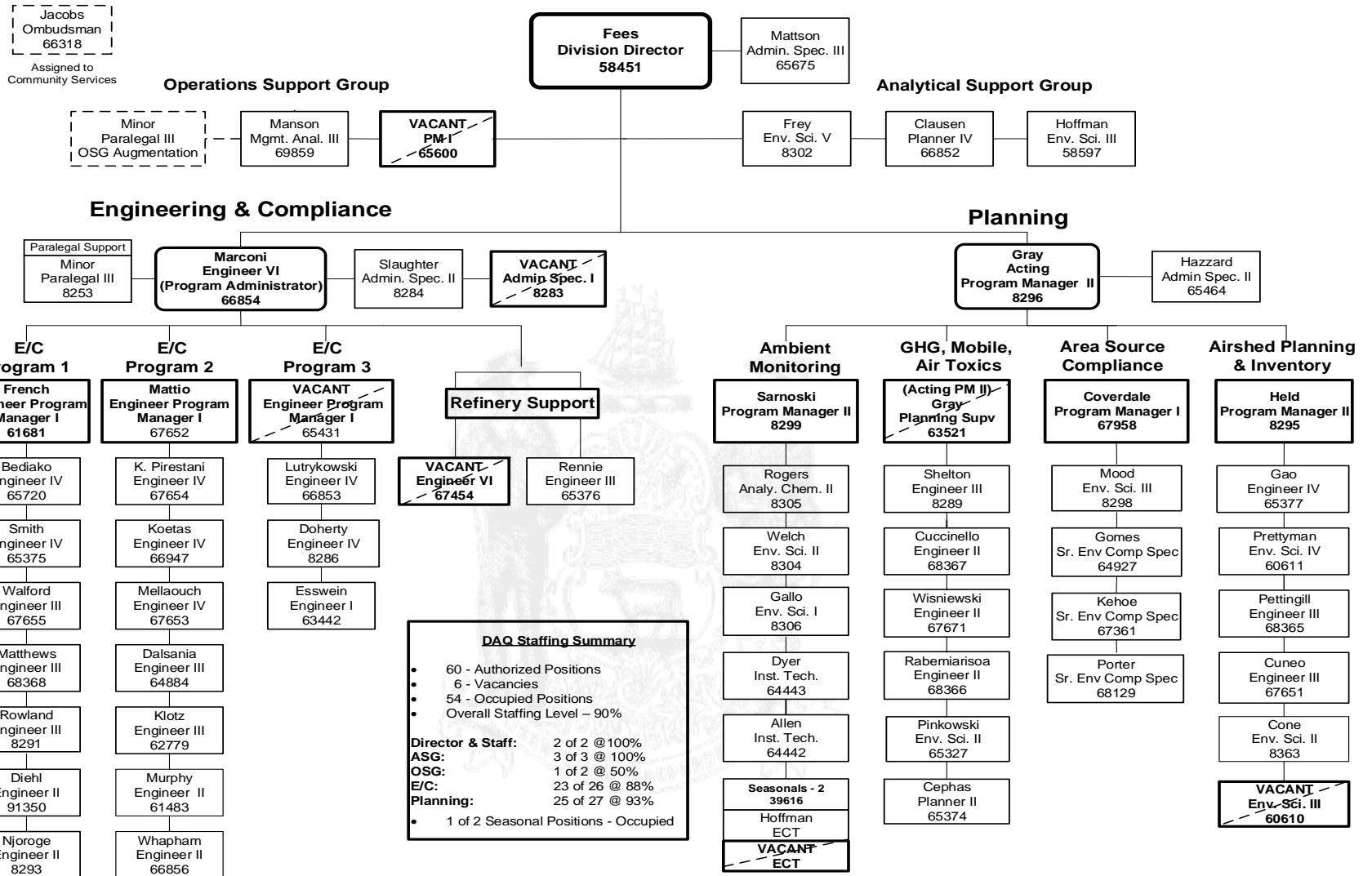
Branch/Group	Authorized	Occupied	Staffing Level
Director Staff	2.0	2.0	100%
Analytical Support Group	3.0	3.0	100%
Operations Support Group	2.5	1.5	60%
Engineering & Compliance Branch	25.5	22.5	88%
Planning Branch	27.0	25.0	74%
Total	60.0	54.0	90%
Temporary Positions	2.0	0.0	0%
Seasonal Positions	2.0	1.0	50%

- 1 - full-time employees separated or retired
- 7 - additional full-time employees were hired

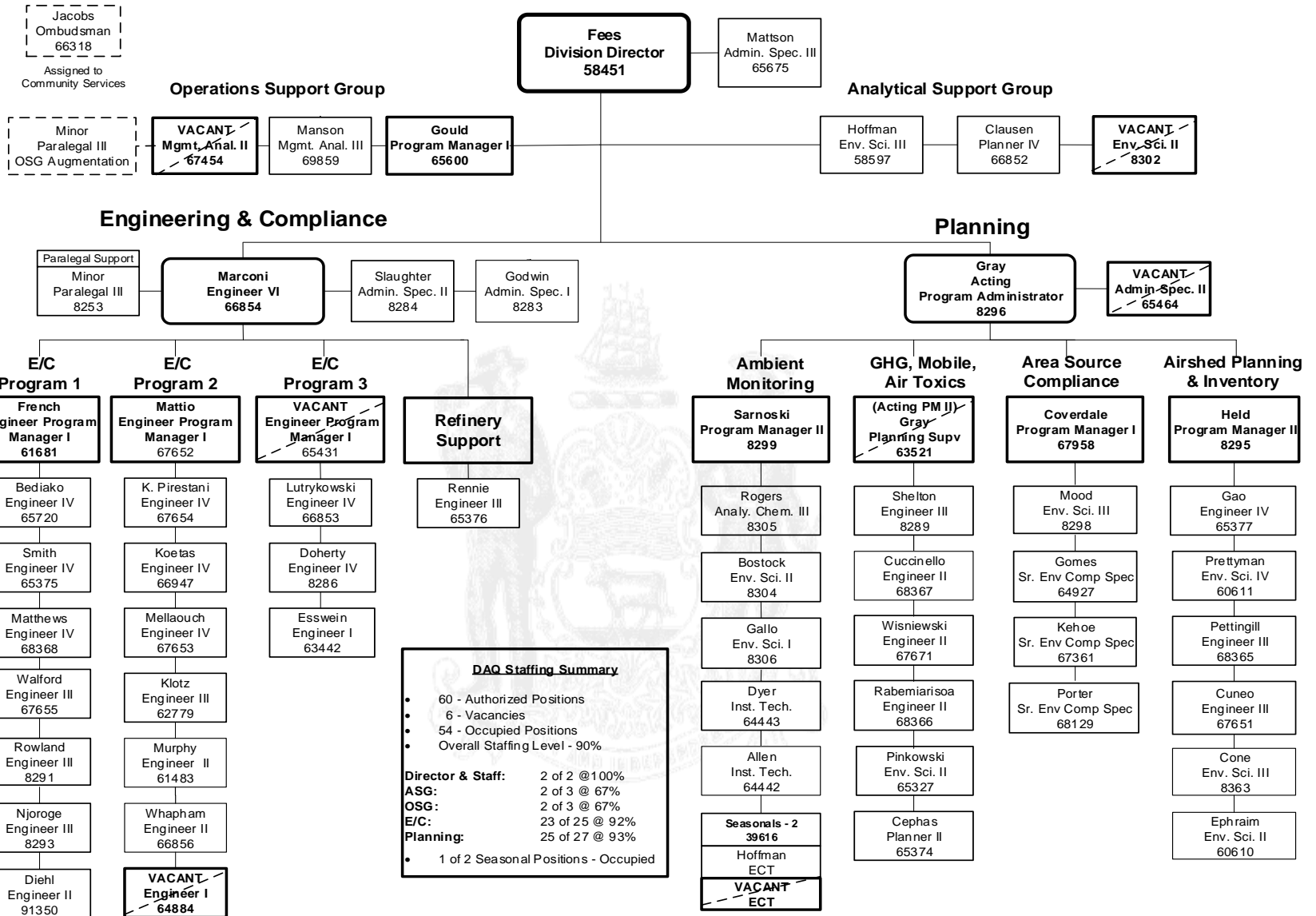


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Division of Air Quality (December 31, 2019)



Division of Air Quality (Aug 1, 2020)



Staffing Summary (8/1/2020)

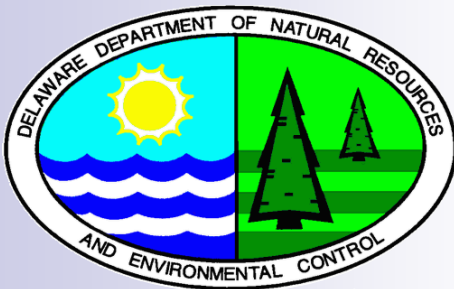
- 60 - authorized positions
- 54 - occupied positions
- 6 - vacancies
- Overall staffing level = 90%
 - Director + Staff - 2 of 2 @ 100%
 - ASG - 2 of 3 @ 67%
 - OSG - 2 of 3 @ 67%
 - E/C - 23 of 26 @ 88%
 - Planning - 25 of 27 @ 93%
- Recent Reclassifications:
 - Engineer VI - Management Analyst II
 - Program Manager II - Program Administrator
 - Scientist V - Scientist II



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2020 Title V Billing Update

As of August 1, 2020



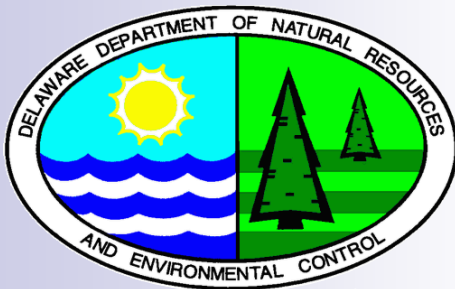
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2020 Billing Update (8/1/20)

- 120 Facilities Billed
 - 73 SM
 - 47 TV
- Fee Credits Awarded: **\$350,144**
- 2020 Total Amount Billed: **\$2,712,736**
- Status as of Aug 1, 2020:
 - Fully Paid: 107 of 120 (89.2%)
 - Partial Payment: 3 of 120 (2.5%)
 - No Payment: 10 of 120 (8.3%)
 - Fees Collected: **\$2,623,652** (96.7%)



2021-2023 Title V Legislation & Fee Update



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2021 - 2023 Title V Legislation

- Introduced in Senate Bill No. 249
 - SPONSOR: Sen. Paradee & Rep. Heffernan
- Streamlined version of our original proposal
 - Essential revisions only
 - Base and User Fees remain the same
 - Rescinded Fee Credit Program
 - Established Program Fee Category
- Passed the Senate June 23, 2020
- Passed the House June 25, 2020
- Signed by the Governor Aug 6, 2020



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2021 – 2023 Base & User Fees

Fee Type	Category	Category Description	2021-2023 Fees
Base Fee	A	> 6,000 Hours	\$277,020
Base Fee	B	5,001 – 6,000 Hours	\$108,300
Base Fee	C	4,001 – 5,000 Hours	\$93,480
Base Fee	D	3,001 – 4,000 Hours	\$80,940
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2021 – 2023 Program Fees

2021 – 2023 Program Fees		
Category	Total Base & User Fee	Program Fee Amount
PF 1	>\$125,000	\$38,250
PF 2	\$100,000 - \$124,999	\$34,425
PF 3	\$50,000 - \$99,999	\$22,950
PF 4	\$25,000 - \$49,999	\$11,475
PF 5	\$15,000 - \$24,999	\$6,120
PF 6	\$10,000 - \$14,999	\$3,825
PF 7	< \$10,000 will pay	\$3,060



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Title V Fee Structure Summary

■ Projected @ 122 Facilities

□ 49 TV

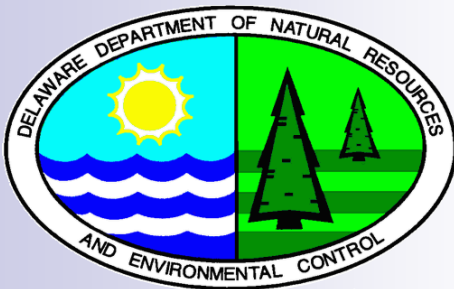
□ 73 SM

Base Fees:	\$2,032,620
User Fees:	\$1,015,800
Program Fees:	<u>\$799,419</u>
Total =	<u>\$3,847,839</u>



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Title V Program Expanded Data Reporting



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Expanded Data Reporting

- Per industry request, expanded time-data reporting
 - Incorporate expanded reporting in 2020 Annual Report
- Data will include:
 - Per Facility - Total Hours
 - Per Facility - Funding Codes (Project Codes)
 - Per Facility - Activity Codes (Permitting, Enforcement, Admin, etc.)
 - Staff Member(s) - All staff logging time to facilities.
 - Non-Facility Specific Title V Program Summary
 - Non-Facility specific time charged to the TV Program



Expanded Data Reporting

- We propose reporting data annually
 - First year reporting for CY 2020
 - Finalized March 31, 2021
 - Attachment or supplement to current Annual Report.
 - Posted on the TV Committee Website
 - Posted NLT March 31st each year.



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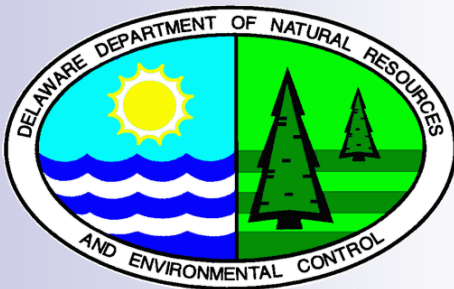
Expanded Data Example

Open/See Excel Spreadsheet



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ePermitting Update



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ePermitting Update

- Progress continues throughout the Department
- For DAQ, development is progressing through the Area Sources Program (Asbestos → Autobody)
 - This progression leads into the Reg. 1102 Permitting Program
- Expect testing in the Fall 2020, with Go Live at year's end
- TV will come later
 - DAQ intends to leverage the work for Reg. 1102 by utilizing existing information and forms to streamline the process



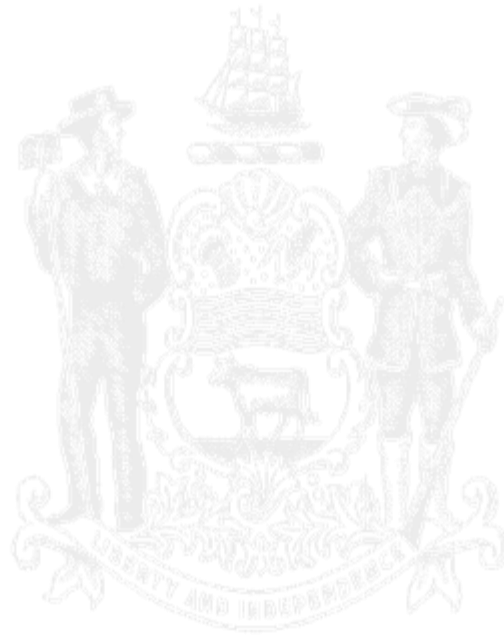
Action Items

■ DAQ Follow-up

1. ?
2. ?
3. ?

■ Committee:

1. ?
2. ?
3. ?



Next Meeting?



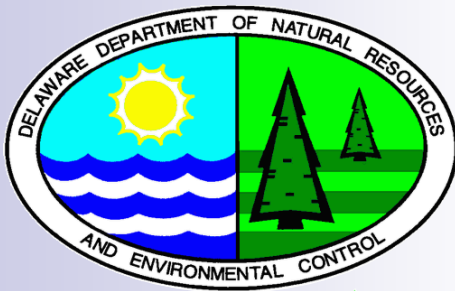
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Summary

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Director's Comments



Aug 19, 2020

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