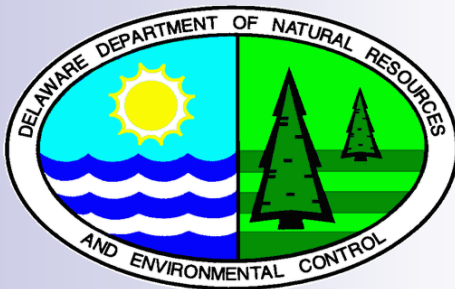


2018 Title V Annual Committee Meeting



July 18th, 2018

Blue Skies Delaware; Clean Air for Life

Agenda

- Introductions 5 Min.
- 2017 A Year in Review Report 30 Min.
 - Program Costs
 - Billing & Fees
 - Revenue
 - Carryover Balance
 - Delinquent Facilities
 - Staffing Levels
 - 2018 - 2020 Fees and Credit Structure
 - Impacts to Budget
- DAQ Strategy (Customer, Process, People, Resources)
 - Reg. 2 fees 15 Min.
 - E-Permitting & ECM 15 Min.
 - TV Billing Improvement Project 10 Min.
- Open Discussion (Q & A) 30 Min.
- Action Items 10 Min.
- Closing Comments 5 Min.



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Committee Introductions



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2017 Overall Program Costs

Salary	\$2,342,707.38
Travel	\$15,278.83
Contractual ²	\$476,337.97
Supplies	\$100,699.63
Capital Outlay	0.00
Additional Support Services ³	\$209,109.35
Small Business Ombudsman Program ⁴	\$88,697.04
Total	\$3,232,830.20

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 2017 may include FY 2018 cost factors.

^[2] Items covered under the “Contractual” category include: Legal Assistance, Fleet charges (vehicle rental), building rent, utilities, vendor payments, temp services, and the upkeep of some air monitoring equipment.

^[3] Items covered under “Additional Support Services” include: Information Technology (\$28,105.28), the Environmental Crimes Unit (\$153,595.91 based on actual workload), and OTS support (\$27,408.16).

^[4] Items covered under the “Small Business Ombudsman Program” include the salary and expenses of 1.0 FTE.



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2017 Fees Collected

- **77 SM & 50 TV facilities billed**
- **\$3,222,670** was billed
 - ☐ Includes previous year(s)' back fees
 - ☐ After the user fee credit program (\$300,000)
- **\$3,204,270** was collected
 - ☐ **\$18,400** is overdue
 - ☐ One facility's non-payment of 2016 & 2017 fees



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2017 TV Revenue

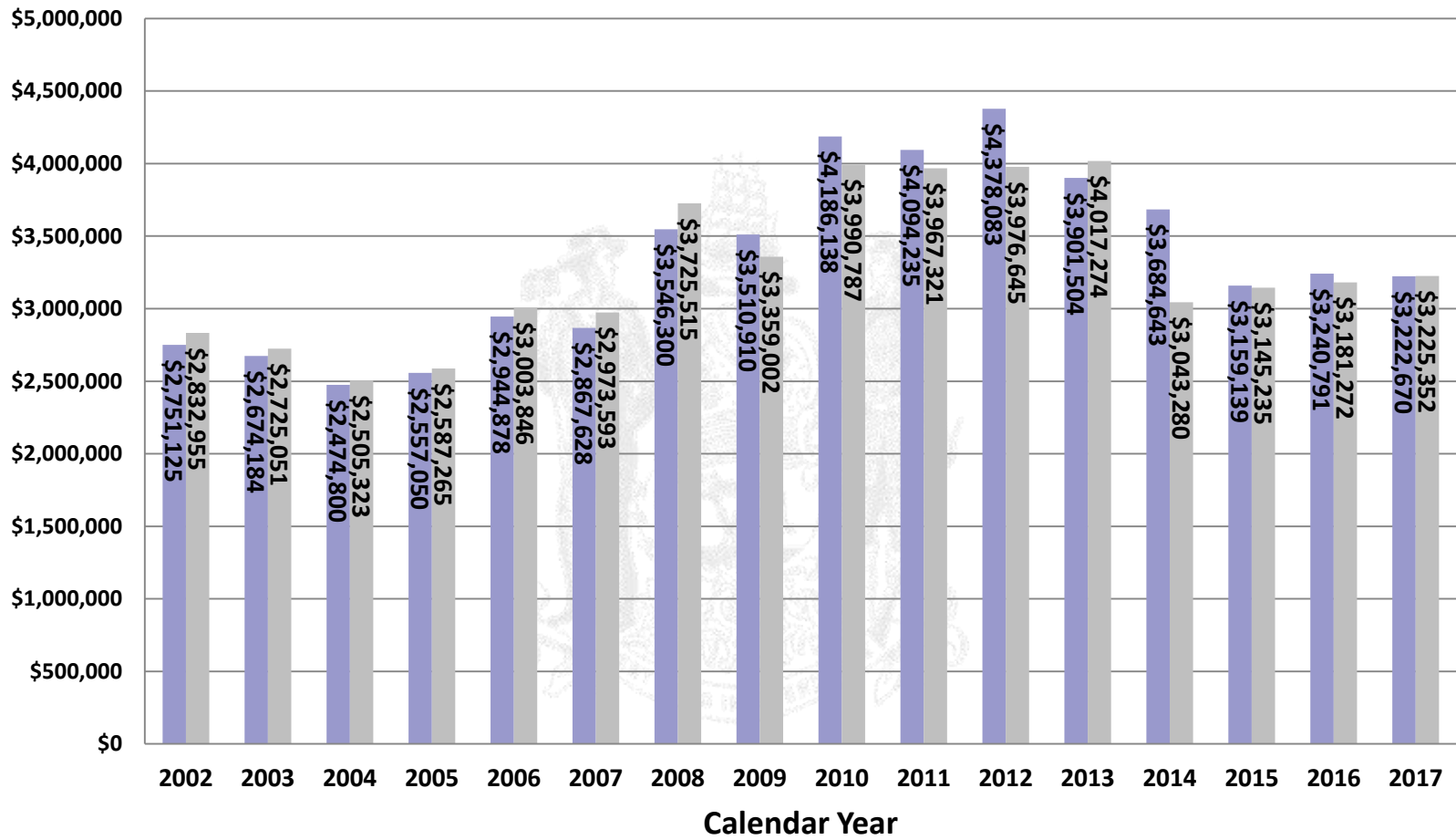
- Title V Revenue was **\$3,225,352.**
 - Determined by the actual monies deposited into the account during a calendar year
 - The final revenue is impacted by
 - Interest gained
 - Quarterly payments
 - Early payments



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Title V Billing History

■ Title V Fees Billed ■ Title V Revenue



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TV Account Activities

2017 Title V Account Expenses and Revenue								
MONTH	EXPENSES						INTEREST	REVENUE
	Salary	Energy	Travel	Contractual	Supplies	Capital Outlay		
January	\$167,651.83	\$0.00	\$1,944.81	\$41,546.64	\$31,545.71	\$0.00	\$3,513.82	\$82,858.82
February	\$190,051.76	\$0.00	\$1,232.20	\$42,803.58	\$1,001.67	\$0.00	\$3,647.51	\$2,395,932.51
March	\$241,462.30	\$0.00	\$842.37	\$163,065.51	\$15,021.66	\$0.00	\$4,236.77	\$260,399.27
April	\$203,144.66	\$0.00	\$2,050.77	\$45,837.49	\$13,044.38	\$0.00	\$5,293.70	\$105,866.20
May	\$176,579.53	\$0.00	\$3,853.99	\$156,355.25	\$7,046.64	\$0.00	\$5,160.23	\$161,610.23
June	\$208,367.32	\$0.00	\$335.93	\$123,524.52	\$8,189.27	\$0.00	\$5,160.93	\$34,978.93
July	\$202,919.12	\$0.00	\$963.94	\$4,679.86	\$3,044.93	\$0.00	\$4,372.62	\$56,002.62
August	\$168,002.06	\$0.00	\$473.80	\$41,858.60	\$2,322.94	\$0.00	\$2,230.72	\$40,138.22
September	\$260,678.35	\$0.00	\$1,478.81	\$13,008.25	\$326.65	\$0.00	\$2,056.09	\$17,216.09
October	\$164,527.07	\$0.00	\$2,551.58	\$19,681.40	\$15,983.60	\$0.00	\$1,927.28	\$4,152.28
November	\$166,313.78	\$0.00	-\$458.12	\$68,176.37	\$0.00	\$0.00	\$1,888.94	\$20,889.44
December	\$193,009.60	\$0.00	\$8.75	\$53,606.89	\$3,172.18	\$0.00	\$1,732.80	\$45,307.80
2017 Totals	\$2,342,707.38	\$0.00	\$15,278.83	\$774,144.36	\$100,699.63	\$0.00	*\$41,221.41	\$3,225,352.41
2017 Total Expenses	\$3,232,830.20							



DAQ

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2017 Carryover Balance

- On December 31, 2017, the Title V Carryover Balance was **\$3,559,156**

	2017
2016 Carryover Balance	\$3,612,029
2017 Title V Fee Revenue	\$3,225,352
2017 Encumbered Cash	\$454,605
Sub-Total	\$7,291,986
2017 Total Expenses	-\$3,232,830
OMB Budget Subsidy, Fund Transfer	-\$500,000
2017 Actual Carryover Balance	\$3,559,156



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Projected EOY 2018 Carryover Balance

	CY 2018 Prediction
2017 Actual Carryover Balance	\$3,559,156
Estimated 2018 Title V Fee Revenue	\$2,884,453
Estimated 2018 Total Expenses	\$3,297,487
Salary Leveling Increase @ 90% Engineer Staffing	\$208,600
Δ Revenue – Expenses	-\$621,634
2018 Projected Carryover Balance	\$2,937,522

Estimation Factors

- 2018 - 2020 Fee Tables
- 2018 - 2020 Fee Credit (\$385K)
- Actual fees billed for 2018 to include overdue fees from previous year billings
- 2017 expenses plus a 2% cost of living adjustment
- Engineer salary leveling (\$208K)



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Carryover Balance History

	2015	2016	2017	*2018
Total Title V Fee Revenue	\$3,145,235	\$3,181,272	\$3,225,352	*\$2,884,453
Total Expenses	\$2,979,694	\$3,141,964	\$3,232,830	*\$3,505,487
Actual Carryover Balance	\$4,445,358	\$3,612,029	\$3,559,156	*\$2,937,522

* Projected



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2016 Delinquent Facilities Update

Facility Name	2016 Remaining Delinquent Balance	Recovery Actions Update
Micropore, Inc	\$0.00	2016 fees paid in full.
Coker Concrete	\$0.00	2016 fees paid in full.
Lars Recycling, LLC	\$8,750.00	No payment received in 2016. 2017 fees not paid. Overdue balance accumulating and late fee assessed.
2016 Remaining Balance	\$8,750.00	

2017 Current Delinquent Status

Facility Name	Amount Due	Recovery Actions
Lars Recycling, LLC	\$18,400.00	Includes 2016 overdue balance. No payments received in 2016 or 2017. Facility abandoned. Pursuing collection through Department level legal action.
TOTAL	\$18,400.00	



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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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2017 Staffing

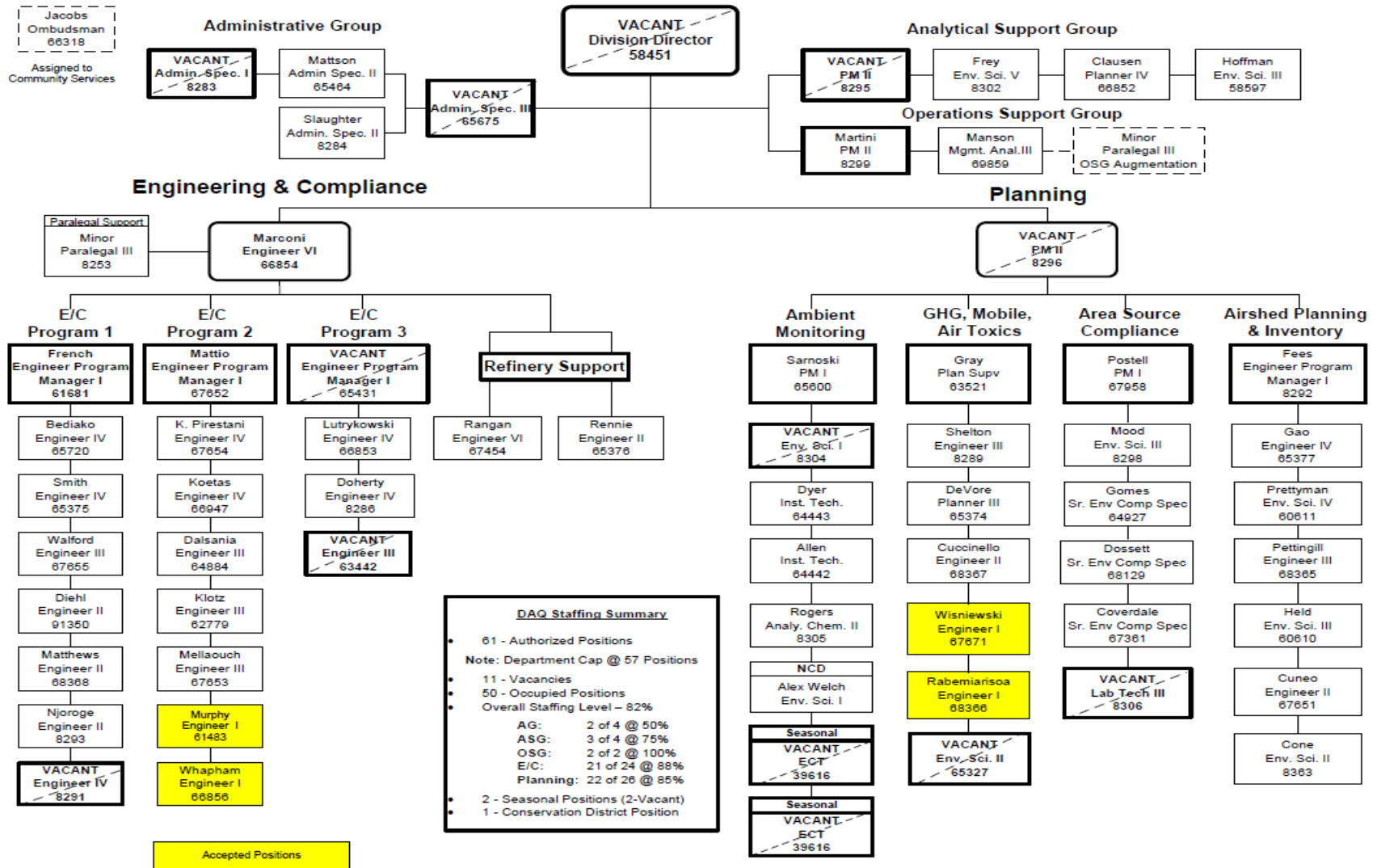
Branch/Group	Authorized	Occupied	Staffing Level
Director	1.0	1.0	100%
Analytical Support Group	3.0	2.0	67%
Operations Support Group	2.5	2.5	100%
Administrative Group	4.0	2.0	50%
Engineering & Compliance Branch	23.5	18.5	91%
Planning Branch	27.0	24.0	89%
Total	61.0	50.0	82%
Conservation District Employee	1.0	1.0	100%
Temporary Positions	2.0	1.0	50%
Seasonal Positions	2.0	0.0	0%

- 6 - full-time employees separated or retired
- 2 - additional full-time employees were hired



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Division of Air Quality (July 15, 2018)



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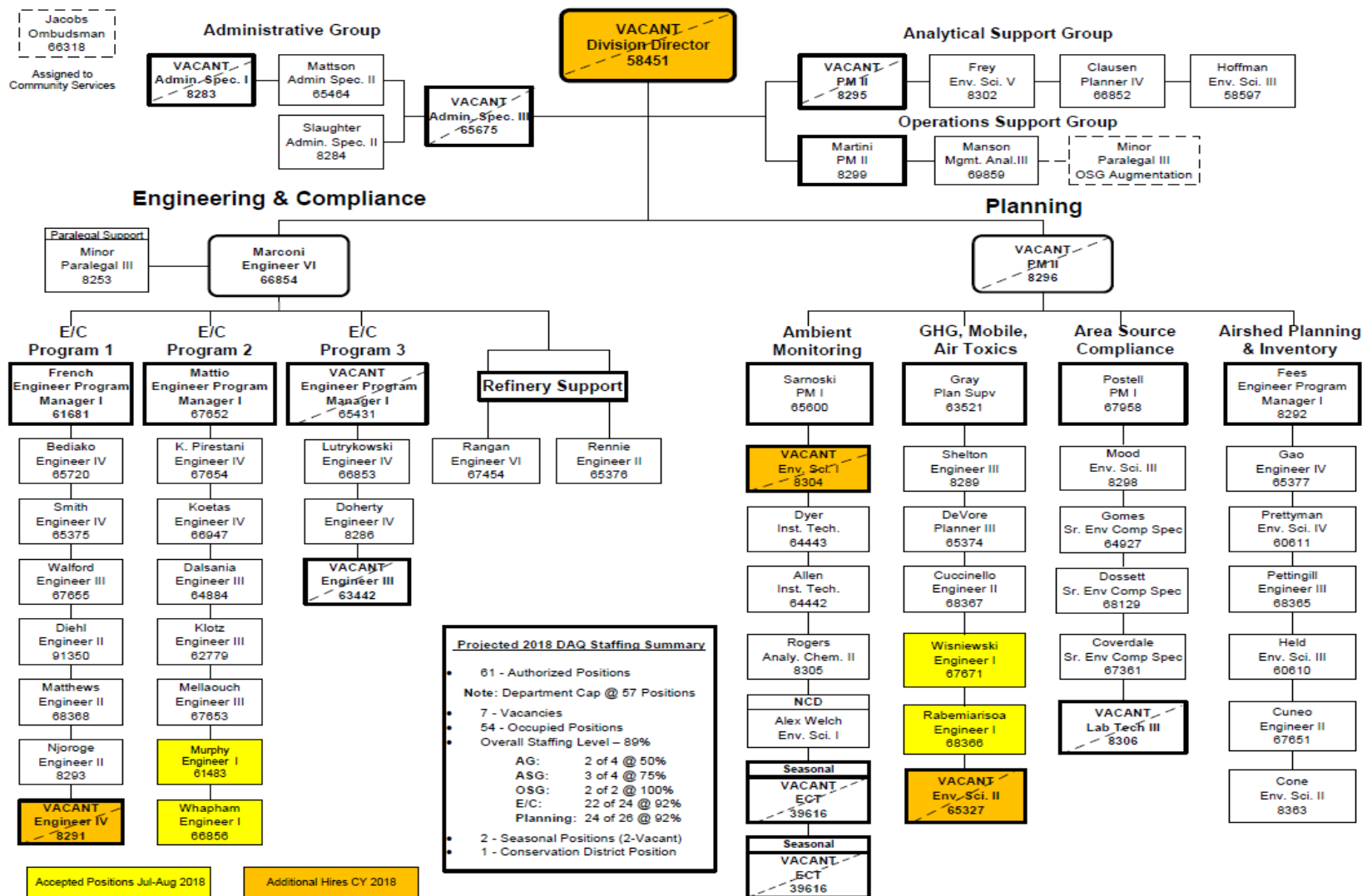
Staffing Summary

- 61 - authorized positions
Note: Department cap @ 57 positions
- 11 - vacancies
- 50 - occupied positions
- Overall staffing level = 82%
 - AG - 2 of 2 @ 50%
 - ASG - 3 of 4 @ 75%
 - OSG - 2 of 2 @ 100%
 - E/C - 21 of 24 @ 88%
 - Planning - 22 of 26 @ 85%



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Division of Air Quality (Project EOY 2018)



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TV Budget Impact

- Engineer Salary Leveling
 - Salary and OECs: \$208,000
- Recent Hires (4-Positions)
 - Salary & OECs: \$130,000
 - 1.6 FTEs
- Projected Hires CY 2018 (4-Positions)
 - Salary and OECs: \$156,000
 - 2.3 FTEs
- Returning to 2017 Staffing Levels
 - July 2017, 55 of 61 @ 90%



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Reg. 2 Permitting

- Status of 1991 Fees, Options:
 - ☐ Continue with existing fees
 - ☐ Revise the fees
- Exploring Efficiencies
 - ☐ Streamlined procedures for standard permitting (emergency generators, concrete plants)
 - ☐ Updated Desk Reference to house templates and reference information
- Working with new facilities
 - ☐ Chemours Discovery Hub





DeskReference

EDIT LINKS

DeskReference

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Site Content

Folder Structure

Status: Waiting for approval

Welcome to Desk Reference SharePoint Version 1.0

This contains information necessary for Permitting, Complianace, and Enforcement activites.

Folder Structure

new document or drag files here

✓		Name	Approval Status	Approver Comments
		I. Administration	... Approved	
		II. Permitting	... Approved	
		III. Compliance	... Approved	
		IV. Enforcement	... Approved	
		Modeling	... Approved	

Approval Status

Type	Name	Modified	Created By	Modified By	Approver Comments
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Approval Status : Approved (831)

Add document

My Change Requests

new document or drag files here

	Name	Modified	Modified By	Approval Status
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Approval Status : Approved (2)

	legalreq	...	May 23, 2017	Marconi, Angela D. (DNREC)	Approved
	County Contact Information	...	May 23, 2017	Marconi, Angela D. (DNREC)	Approved



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ePermitting & ECM

***See additional Briefing Posted
on the TV Committee Website***



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TV Billing Improvement Project

OBJECTIVE

- To streamline the Title V & Synthetic Minor (“TV & SM”) invoice and tracking payment process to achieve:
 - ☐ Reduction in lead time
 - ☐ 100% invoicing accuracy
 - ☐ Continuous downward trending for delinquency



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TV Billing Improvement Project

BACKGROUND

- 2 months lead time
- 90% invoicing accuracy
- Delinquency rate



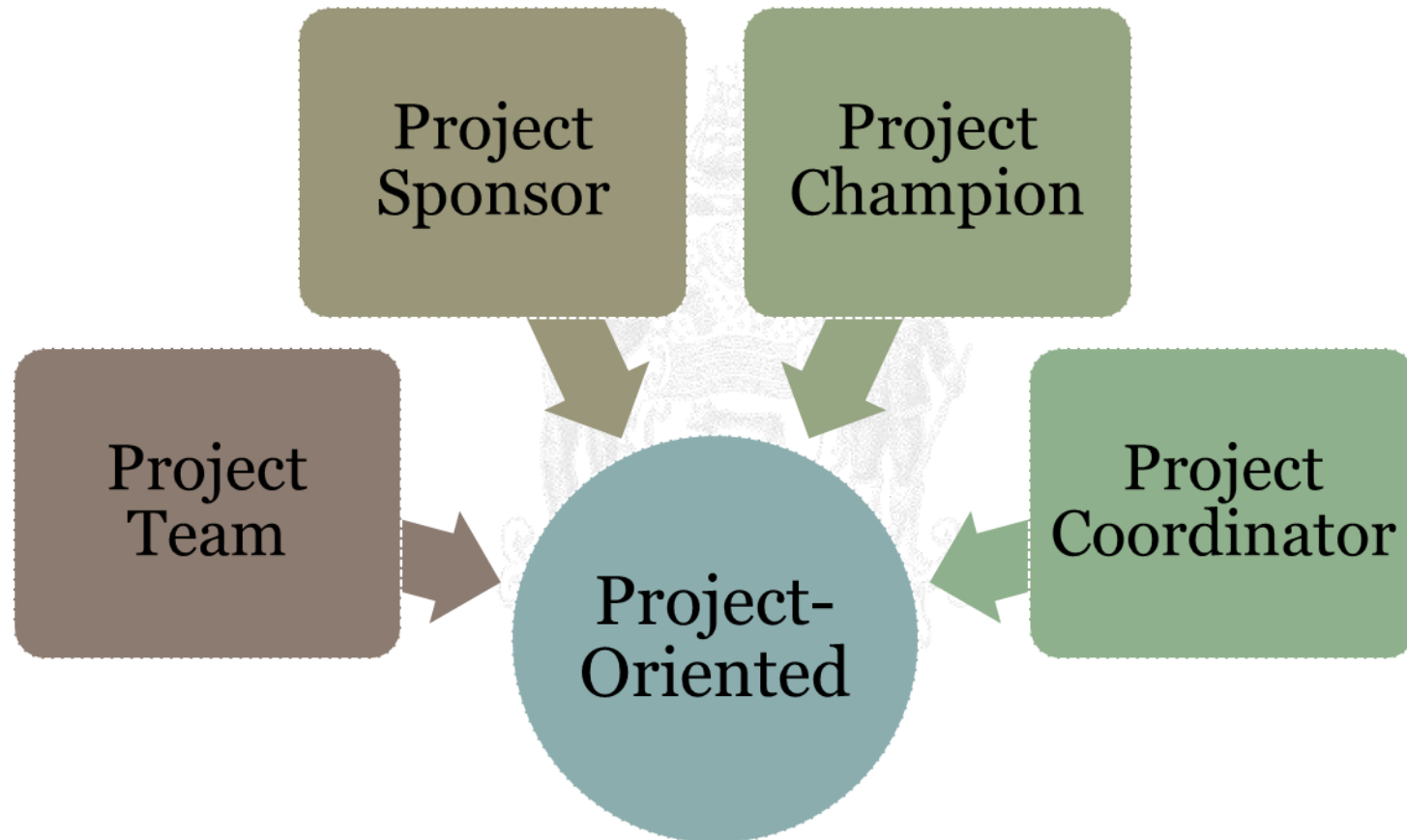
Delinquent Amount		
2016	2015	2014
\$21,479	\$268,701	\$404,370



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TV Billing Improvement Project

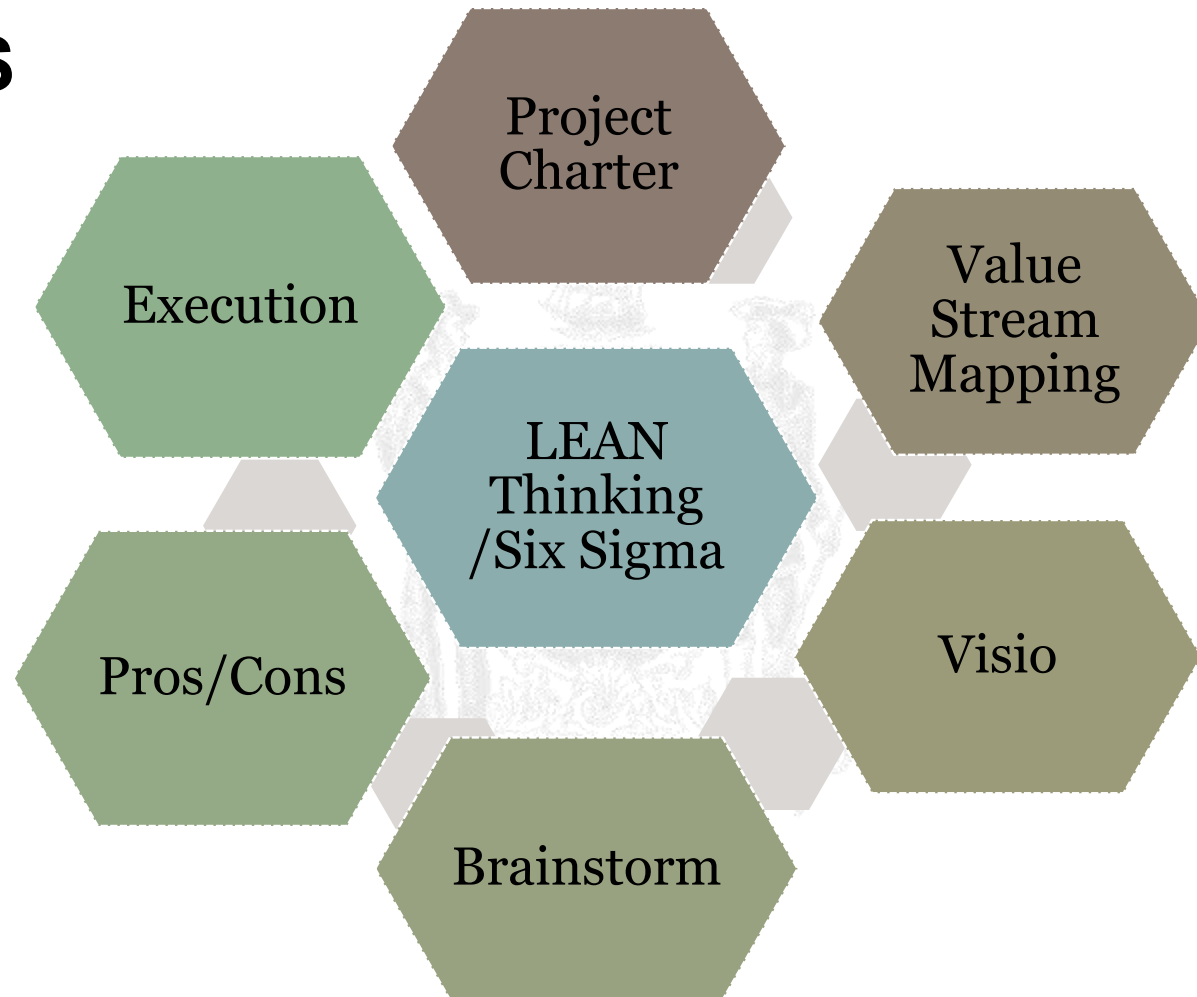
METHOD



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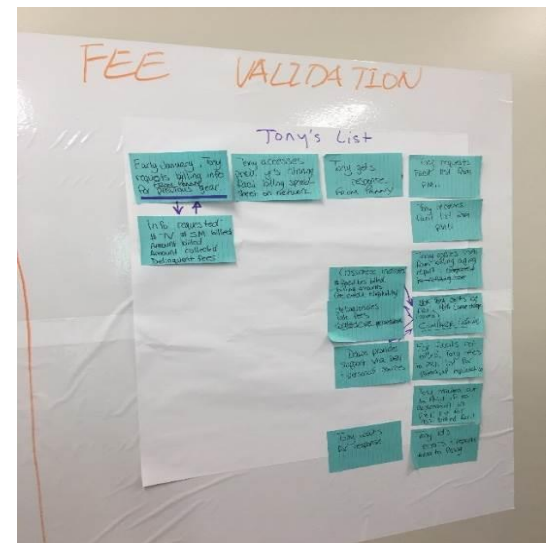
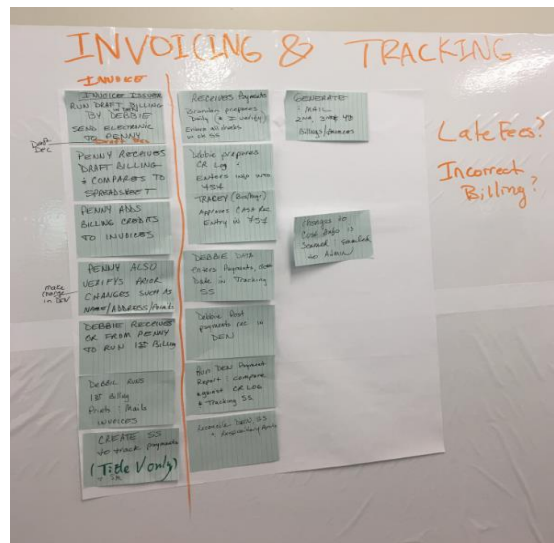
TV Billing Improvement Project

TOOLS



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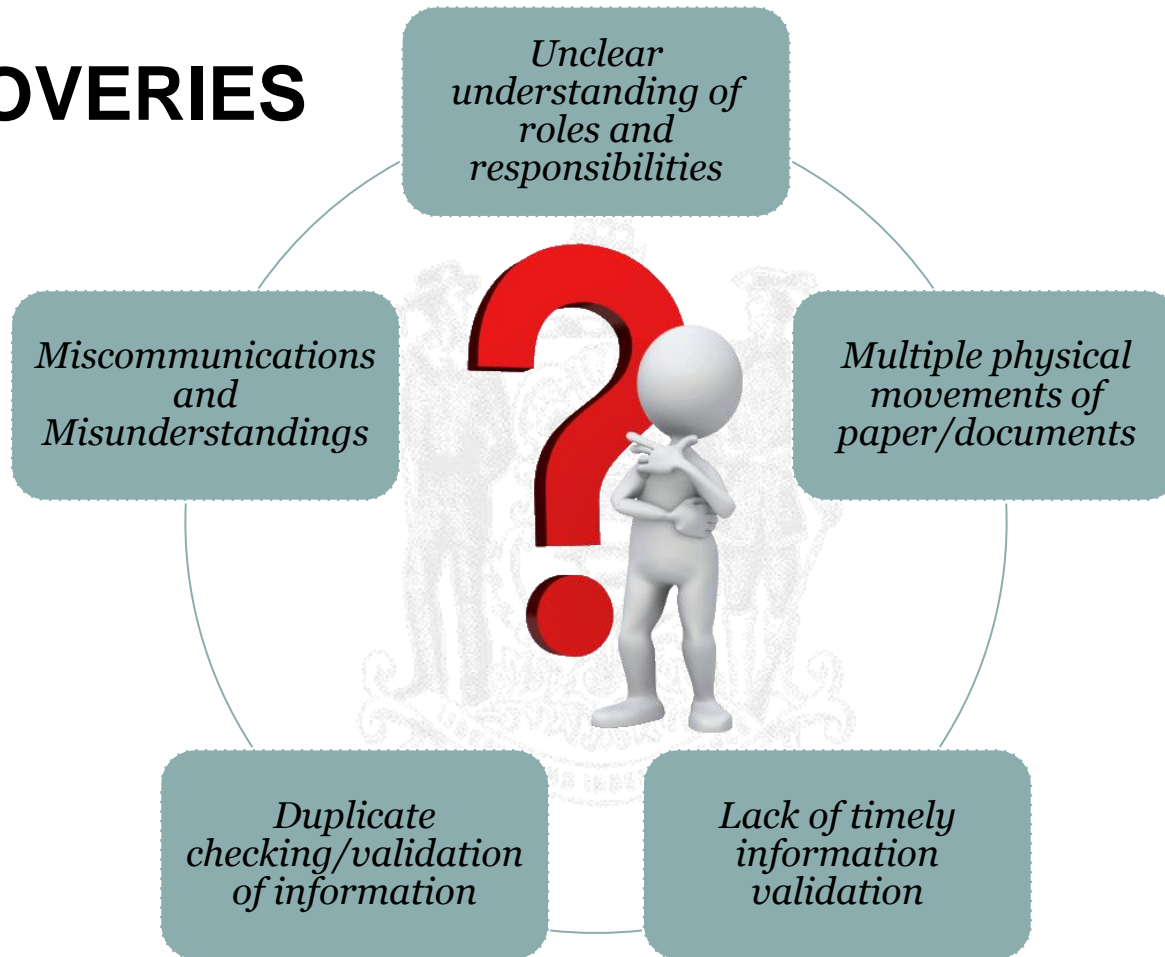
Completed existing process mapping



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TV Billing Improvement Project

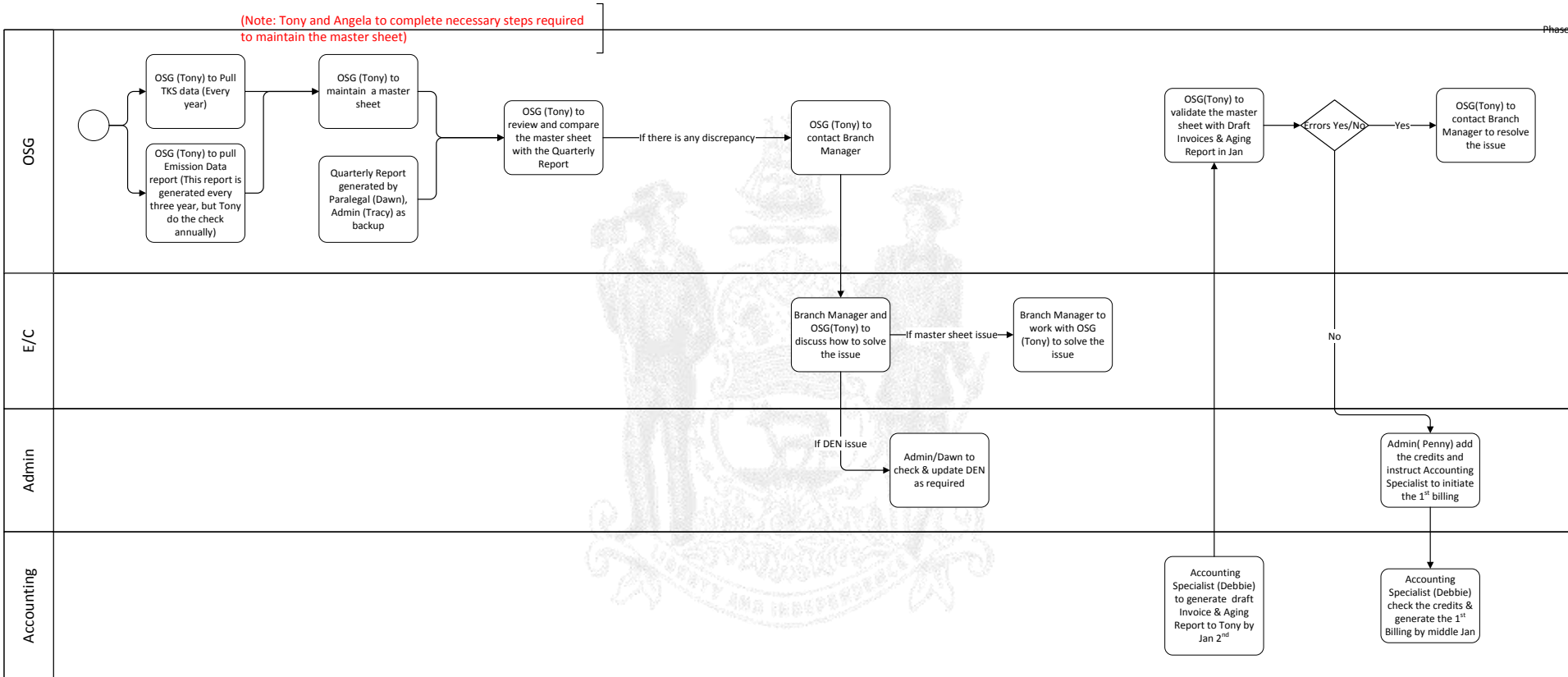
KEY DISCOVERIES



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TV Billing Improvement Project

Fee Determination for Existing Process



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TV Billing Improvement Project

**Enhanced DEN
as a stand-alone
system**

**SharePoint plus
DEN**

Email plus DEN

**Onbase plus
DEN**



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TV Billing Improvement Project

RESULTS

- Just-In Time
- 100% invoicing accuracy
- Delinquency rate (not determined)



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2018 Billing Update

- 129 Facilities Billed

- ☐ 77 SM

- ☐ 52 TV

- Fee Credits Awarded: **\$363,311**

- 2018 Total Amount Billed: **\$2,898,940**

- Status as of June 30, 2018:

- ☐ Fully Paid: 110 of 129 (85%)

- ☐ Partial Payment: 4 of 129 (3%)

- ☐ No Payment: 15 of 129 (12%)

- ☐ Fees Collected: **\$2,680,787** (92.5%)



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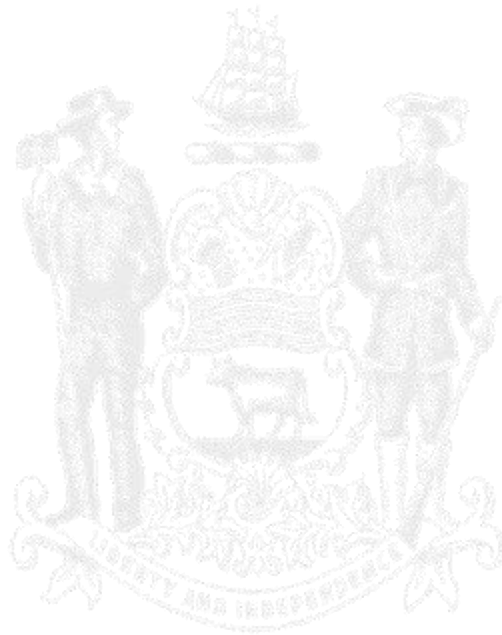
Action Items

■ DAQ Follow-up

1. ?
2. ?
3. ?

■ Committee:

1. ?
2. ?
3. ?



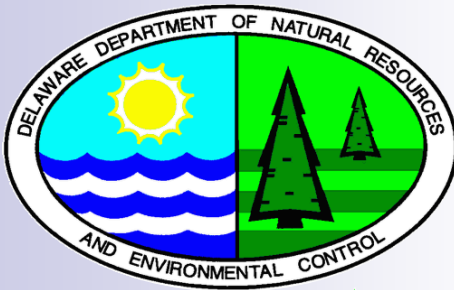


Next Meeting?



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Director's Comments



July 18th, 2018

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