

TV Fee Committee | MINUTES

Meeting date | time 5/12/2017 10:00 AM - 12:15 PM **Meeting location:** Grantham Lane

Meeting called by	Joe Martini & Tony Manson	Attendees:
Type of meeting	Meeting with a Facility	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: 2018-2020 Fee Negotiations: Determine TV Management Review Report Completeness: Carryover Balance; Legislation Revisions

Agenda Topic

Topic: TV Management Review Report Completeness

Presenter: Tony Manson & Joe Martini

Time Allocated:

Discussion: Committee didn't think the report found areas for improvement outside of recommending DAQ contact VA about its system. TVFCAQM asked the TVFCIMs what specifically about VA system did they think was worth pursuing. Some general discussion about the ability to track work flow and that fact the system was developed with input from the users. Question was asked was the interest in e-permitting. Bob Zimmerman indicated that the Department was pursuing LEAN for processes and e-permitting. Question posed to TVFCIM, how was DAQ going to pay for this. At first, TVFCIM indicated from the carryover balance, but later discussions on that resulted in the determination that because not much carryover will be left to use for it, not pursuing research into VA system. TVFCIM also indicated it would like to be kept apprised of the initiatives the DAQ currently is undertaking that are in line with process improvements (i.e. succession planning).

Conclusions: While the report didn't provide specific recommendations for DAQ to pursue for potential efficiencies (outside of looking into VA system); both TVFCIM & TVFCAQM concurred that the report met legislative requirements and could be closed to allow payment to AAQS who has not yet submitted an invoice. Joe Martini had contacted AAQS prior to the meeting about the invoice and AAQS indicated it has not submitted because unsure of proper format of the invoice. Joe provided guidance and an invoice is expected soon.

Action Items	Assigned To	Deadline
Pay Invoice	DAQ	Within 30 days of receipt of invoice from AAQS.
Provide TVFCIM with periodic updates on progress with DAQ process improvement initiatives.	DAQ	Include in upcoming TV Annual Report and periodically after that (i.e. quarterly or semi-annually)
Provide TVFCIM with periodic updates on Department process improvement initiatives that involve DAQ.	OTS	Bob Zimmerman indicated it will be at least 6 months before he can provide updates on this.

Agenda Topic

Topic: Carryover Balance

Presenter: Tony Manson & Joe Martini

Time Allocated:

Discussion: After presenting slides with final carryover balance calculation, TVFCIM asked what cash call was? Bob Zimmerman explained that the state asked all agencies to contribute money for the budget shortfall. DNREC was tasked with \$4 million. \$500k was taken from the TV carryover balance but it is in a holding account and could possibly be returned, but as it has been removed it was factored into the carryover balance calculations. TVFCIM asked how much other sections within DNREC had to contribute. Bob Zimmerman indicated that \$1 million was taken from the scrap tire account and that in addition to that, for 2018 budgeting purposes some operating costs are being shifted to the scrap tire account. TVFCIM asked if the committee had any say in this matter and Bob Zimmerman indicated no, legislation gives the state the authority

TVFCIM asked why the subsidy wasn't tracked all these years would like to see documentation of the subsidy. Also asked "why now?" Bob Zimmerman indicated that money was being used for the Department wide LEAN initiative. TVFCIM asked what are other divisions were contributing? Bob Zimmerman reminded the TVFCIM that when the money was loaned to the TV Program in 2006, it was by a non-DAQ source. Therefore how the payback is being used is not really relevant.

TVFCIM brought up the application fee program to reduce TV fee support of permitting processes that won't result in TV fee income until later down the line or maybe not at all if abandoned (Data Center). TVFCIMs support this, Ali indicated DAQ does as well but who should propose it. He believes it should be TVFCIM. TFCIM suggested adding a line item to this legislation about doing this. TVFCAQM & Secretary indicated that is not a good idea, could potentially stall processing of this legislation by introducing never before included language. Ali Mirzakhilili suggested that after July, evaluating how DAQ is overall funded may be a good idea.

Engineer Salary leveling will be absorbed by carryover balance. Hopefully CPI cushion will keep the carryover balance around \$2 million. No reinvestments since carryover balance not to be used for that.

Based on agreed upon the carryover balance and the target of \$2 million, the fee rebate program needs to be adjusted in the legislation to approximately \$385,000 per year.

Conclusions: Committee voted and approved a \$2 million carryover balance.

Action Items	Assigned To	Deadline
Evaluation of how DAQ funded.	DAQ	Begin after July 2017.

Agenda Topic

Topic: Legislation Revisions

Presenter: Tony & Joe

Time Allocated:

Discussion: Most changes were not controversial, changes to years, removal of TV Management Review, etc. Based on comment by TVFCIM, the fee tables may be revised. The language providing for a one year extension of the fee structure should legislation not be agreed upon during the session for the next round of fee negotiations was removed by the TVFCIM who believe it is not necessary based on having the carryover balance and that if legislation not passed in June, it could be introduced in January which is about when DAQ currently bills.

Ali Mirzakhali indicated that he would like to flag the language regarding payment due dates for revision next time if it is found that the carryover balance drops below \$2 million. Payments may need to be due before the end of the year to maintain the \$2 million carryover balance.

Conclusions: Legislation fine the way it is now with the changes needed for the revised fee tables and fee rebate table.

Action Items	Assigned To	Deadline
Revised Fee Tables	TVFCIM	Week of 5/15/17
Revised Fee Rebate Table	TVFCIM	Week of 5/15/17
Propose Legislation	DAQ	Next Pre-File Date