

MEMORANDUM

TO: Western North Carolina Regional Air Quality Agency Board of Directors

FROM: Ashley Featherstone, Director

RE: Minutes for May 10, 2021

DATE: July 1, 2021

Enclosed, please find the Minutes for the **Monday, May 10, 2021** WNCRAQA board meeting. The next meeting of the WNCRAQA Board is scheduled for **Monday, July 12, 2021 at 4:00 pm**. Due to recommendations to limit public gatherings and Corona Virus Disease 2019 (COVID-19), this meeting will be conducted remotely as authorized by Session Law 2020-3 and GS §166A-19.24. The meeting will be hosted via Zoom Webinar. The public may listen to the meeting as it occurs at the following link: <https://bit.ly/2UeGk18>. Meetings will continue to be virtual until further notice.

****Public comment on agenda items will be taken via electronic means only. The following criteria for comment will apply: (1) any public comment must be received by 5:00 pm Sunday before the Board Meeting by sending an email to wncair@buncombecounty.org or by leaving a voice message at 828-250-6777; and (2) must be no more than 350 words.****

Comments will be read into the record, but the Board reserves the right to limit this practice to one hour. All comments received will be retained by the Agency as permanent record.

The Western North Carolina Regional Air Quality Agency Board of Directors met via Zoom Webinar and phone on Monday, May 10, 2021 as authorized by Session Law 2020-3 and GS §166A-19.24 due to COVID-19.

The attendance of the Board members was as follows:

Members Present:

Karl Koon

Vonna Cloninger (issue with connection – late to meeting)

Joel Storrow

Evan Couzo

Garry Whisnant

Members Absent:

Staff Present: *Ashley Featherstone, Director; Kevin Lance, Field Services Program Manager; James Raiford, Permitting Program Manager; Mike Matthews, Senior AQ Specialist; Betsy Brown, Air Quality Supervisor*

Others Present: *Patty Beaver, CIBO*

Mr. Storrow called the meeting of the Western North Carolina Regional Air Quality Agency Board of Directors to order on May 10, 2021 at 4:04 pm.

The order of business was as follows:

I. Public Comment Protocol Announcement

Mr. Storrow read the announcement:

Due to recommendations to limit public gatherings and Corona Virus disease 2019 (COVID-19), this meeting will be conducted remotely as authorized by Session Law 2020-3 and GS §166A-19.24.

Public comment on agenda items is taken via electronic means only and must have been received by 5:00pm Sunday before the Board Meeting by email or voice message.

Comments should be limited to air quality or specific topics relevant to the Board.

No comments have been received.

II. Introduction of New Staff Member, Alex Latta

Ms. Featherstone introduced our new staff member, Alex Latta. The Agency is excited to have him on our staff. He is in the office today. We are still in COVID-19 mode and have one staff member in the office each day. Mr. Latta came to us from SC DHEQ.

Mr. Latta said he did air quality environment work with SC DHEC. He had five and a half years of experience with them doing both air and hazardous waste inspections.

Mr. Storrow welcomed Mr. Latta to Air Quality.

III. Adjustment and approval of agenda

Mr. Koon moved to approve the agenda as written. Mr. Whisnant seconded the motion. Voting was conducted by roll call.

Ms. Cloninger-not connected

Mr. Koon-yes

Dr. Couzo-yes

Mr. Storrow-yes

The motion passed 4-0.

IV. Consent Agenda:

A. Approval of minutes from March 8, 2021

Mr. Koon moved to approve the minutes as written. Mr. Whisnant seconded the motion.

Voting was conducted by roll call.

Ms. Cloninger-not connected

Mr. Koon-yes

Mr. Whisnant-yes

Dr. Couzo-yes

Mr. Storrow-yes

The motion passed 4-0.

B. Approval of minutes from Board Retreat on April 15, 2021

Mr. Koon moved to approve the Board Retreat minutes. Ms. Cloninger seconded the motion.

Voting was conducted by roll call.

Ms. Cloninger-yes

Mr. Koon-yes

Mr. Whisnant-yes

Dr. Couzo-yes

Mr. Storrow-yes

The motion passed 5-0.

V. Unfinished Business:

A. April 15th Retreat Follow Up

Mr. Storrow thanked staff for their work and the Board again for attending. He asked if there were any further discussion or comment. There was none.

B. Consideration of FY 2022 Budget

The Board needs to consider and adopt the 2022 Budget since the budget year begins July 1 and the Board does not meet again until July.

Ms. Featherstone noted that there were updates made to the salary and benefit numbers in the budget packet included with the March Board packet which were reflected in documents provided for the Board retreat. Ms. Featherstone noted that if the Air Quality fee study proposal is approved and the fees are increased, the Agency will be required to do a budget amendment for the BCFY 2022. None of those proposed increases were included in the current 2022 budget proposal. The proposed indirect charges for 2022 were projected at \$120,000. We have received updated information from Budget which suggests that the indirect costs might go up 8% rather than the anticipated 2% that we projected. When we do the budget amendment, we may also increase the budgeted amount for indirect.

Mr. Latta filled the sixth position that has been empty for over six months, since Mr. Raiford accepted the Permitting Program Manager position previously held by Ms. Featherstone. The seventh position has not been filled since 2014 when we had three people retire. In previous years, we have budgeted for it without filling it due to lack of revenue. Updated salary and benefit numbers for Mr. Latta are reflected in the amended numbers. The salary and benefit costs of the 7th position were removed from the FY2022 budget. There is a projected \$152,000 deficit. This includes a contingency of \$15,000 that we hope we would not need to use. The projected deficit generally ends up being much less than the budget projection. If the fees increase, this will be reduced to below \$100,000..

Mr. Koon moved to approve the 2022 Budget. Mr. Whisnant seconded the motion. Voting was conducted by roll call.

Ms. Cloninger-yes
Mr. Koon-yes
Mr. Whisnant-yes
Dr. Couzo-yes
Mr. Storrow-yes
The motion passed 5-0.

C. Advisory Committee

Mr. Storrow met with Dr. Couzo in person to discuss the committee. The Board is interested in keeping the Advisory Committee going forward. Currently there are two members who have shown interest in continuing with the committee. At present the committee has been limited to consideration of the Clean Air Excellence awards. Mr. Storrow would like to set up meeting that he would chair to brainstorm what to do going forward. Dr. Couzo has expressed some willingness to act as the Board liaison to the committee. The Advisory committee is great and has value so long as they have something useful to work on. The Citizen Science aspect is of particular interest. The committee might be able to work with the school system and have an educational focus. Mr. Storrow asked Ms. Featherstone to set that meeting up to include Mr. Storrow and Dr. Couzo.

D. Branding and Agency Logo

There was a lot of discussion at the Board retreat concerning this. The complete design packet, provided by Cataldo Perrone, the designer who works for Buncombe County Communications Department, was included in this Board packet. These six pages provide additional information about the design and how it was developed. This explains the choice of colors, the font and the logo representation. Ms. Featherstone and Mr. Raiford did speak with Mr. Perrone and passed on the comments from the Board. Mr. Perrone can create some variations for the Board to consider. When we do settle on a design, he will also provide a black and white version.

If we change the name of the Agency, we can adopt the new logo at the same time. Mr. Perrone said a name change to Asheville-Buncombe Air Quality Agency for example, would not be significant for him from a design perspective. Rebranding will be included as unfinished business on the agenda for the next meeting.

VI. Director's Report:

A. Agency Fee Study

Staff had multiple meetings. Mr. Raiford put together the actual fee study. We looked at our 70 permitted industrial sources, about 150 gas stations, and the asbestos application fees. This included what the fees were over a three-year period. Then we looked at increases and changes to the fee structure and compared the change in the costs to the facility and Agency income. We have made changes to fees over the years. We charge a tonnage fee for emissions; we started charging for tonnage in 2007 for small and synthetic minor facilities (Title V fees always included a tonnage fee). We have a flat-rates for Synthetic Minor and Title V facilities. The Agency charges Small sources equipment fees, charges by equipment type and number.

The Board packet included a memo, Proposed Fee Changes. Also included were line through strike out and clean copies of the proposed changes to the fees in Chapter 17 Section .0200 of our regulations.

We are proposing to raise the tonnage fee that Smalls and Synthetic Minors pay. The ability to raise the tonnage fee for Title V facilities is written into our rules. It

is also included in 40 CFR Part 70. The Board can raise the Title V tonnage during the budget process every year. This is the one thing we can change outside rule making. The Title V tonnage fee has been raised in recent years up to \$53 per ton. The other fees are in the rules and those have not been changed in 10 years. We propose raising the tonnage fees for Smalls and Synthetic Minors up to the current TV tonnage fee.

The Synthetic Minor annual source fee has been \$3,000 since 2007; we propose raising this annual permit fee to \$4,000. For the Small source equipment fee, we propose different increases for different equipment based on the ease or difficulty of implementing those permits. We are proposing a fee cap for the Smalls. If the facility has a lot of equipment, the facility can have a large fee which affects a handful of our Small facilities. We plan to limit the Small source fee so the annual fees would not be higher than the annual Synthetic Minor source fee. Synthetic Minor sources generally emit more pollution than Small sources.

The Title V rules do allow us to apply a consumer price index (CPI) increase each year. The State of NC has been using this option and we have not. This applies to the application and the flat base fees for the Title V facilities. We propose to include language to allow us to do this. The new fees would be calculated and posted on our website each year. This would not require opening our rules. The fees for Smalls and Synthetic Minors, gas stations, and asbestos-demolition permits are part of our rules; we must open them to increase them, which we do every few years. They require going through the Agency Board and rulemaking process. We are trying to keep our fees from being a lot higher than the state's fees even though we could justify more to support our programs. We are proposing a Complexity Fee- 6 or more federal programs such as NSPS and NESHAP would result in an additional fee for Title V facilities. Some of the facilities are subject to multiples subparts under different federal programs, such as 2 NSPS and 5 NESHAP standards. We would count each subpart of the NESHAP and the NSPS in the complexity fee number. This is the structure that the NC DAQ has proposed this year and has support from the regulated community.

Asbestos permits fees are now based on ranges of the amount or surfaces of asbestos being removed which is confusing. Instead we propose a charge per square feet which is easier to determine. We also proposed a limit on these fees, because they can be high when a large amount of material is removed. Raising the amount of the smaller fees will help make up for the loss of the larger fees with the proposed cap. We believe this is more equitable.

The purpose of the fee study was to find more income for the Agency but also to be more predictable and ensure fees are reasonable. The Title V fees are very close to the proposed NC Division of Air Quality (DAQ) Title V fees. DAQ did reduce what they originally proposed for the annual Title V fee, and ours is higher. We are proposing to charge a similar complexity fee for more complicated facilities. We have a 100-ton minimum emissions fee that DAQ does not have, which is why our fees are higher. Our Small and Synthetic Minor fees are also higher than the State's. We looked at DAQ's fees as well as the fees charged by Mecklenburg County Air Quality. The State is charging \$1,500 for a Synthetic Minor permit annual fee compared to \$5,000 charged by Mecklenburg County. Mecklenburg has not raised their fees in 10 years either. Our Small source annual fee average is around \$1,000 with the cap and the State is charging \$250. The State has additional sources of revenue. They get 50% of their revenue from gas tax and the I&M (Inspection and Maintenance) fees; whereas we only get about 14% of our fees from mobile sources (gas tax only we don't receive I&M fees). Local program fees have been higher

than state programs with the exception of Forsyth County in recent years. Forsyth County provides additional funds for their air quality agency.

The fee study will be discussed again at the July meeting. Sometime in the fall the Board will need to complete a budget amendment if fees are adjusted.

B. Buncombe County Building Study

The County is doing a building study. They are working with a contractor and a consultant. In the latest plan we appear to be one of the County departments that will be moved twice. Due to poor building conditions in the leased building on Asheland Avenue, Elections has been moved to the warehouse next to Air Quality on Coxe Avenue. We will be moved sometime between June and September. One option for our next office is the Interchange Building which is located I-240 and Charlotte Street. Another option would be moving into the Permits and Inspections Building with Matt Stone. We think it would be better to go there to Permits and Inspections. Mr. Matthews's office is there. The building and parking lot are easier to navigate. Ultimately in two or more years, the plan is for the Agency to move in to 35 Woodfin along with other forward-facing departments such as Permits and Inspections, and Planning.

A big part of this plan is teleworking which gained positive interest during the pandemic. The County is working on a permanent teleworking policy. It appears that teleworking will be continued. If an employee continues to telework three days per week, they would share a desk space with someone else. We have to decide what is best for us and our customers. We are meeting with Performance Management on May 21 to consider what will work best. They are writing the teleworking policy. We will walk through 30 Valley Street. Plans all depend on the teleworking policy and what space will be available due to teleworking of staff that are currently assigned offices and space at 30 Valley Street.

We will also walk through 35 Woodfin. Air Quality was going to be located on the 2nd floor; now they are talking about putting our office in the basement. There was a lab in the basement (wet lab). Our requirements do include lab space but we do not need a wet lab or exhaust hood. We will get information about options going forward. The County will move us. We have a lot of paper files that we are required to keep. County management assures us that they will work with us on our space needs.

C. Monitoring Update

Mr. Lance reported that the monitoring network is running well so far this year. Data completeness year to date for PM 2.5 is 98.9%, and 95.8 % for ozone. EPA performed the technical systems audit in March. That went well. EPA said our monitoring data generated was defensible and of good quality. The EPA brought up some suggestions and issues having to do with the State lab that the local programs use. The State was included in the exit interview. We will be working with the State to rectify these issues.

D. COVID-19 Update

There is not much new there. The County expects that the Governor will remove the State of Emergency designation sometime this summer. At that time we will transition to the new teleworking policy and be expected to go back to in person meetings. Mr. Frue will help us with that. The meeting room at 30 Valley is reserved for our Board meetings.

Mr. Raiford and Mr. Latta are starting inspections later this week. In keeping with COVID protocols, we will wear face coverings, minimize time indoors, and practice social distancing. We will be respectful of each facility's current protocols and call ahead of time.

E. Clean Air Excellence Awards

We received one nomination. It was from Eaton, the company that submitted one last year; however, this is for a different project. The facility did include emissions calculations. We plan to get the advisory committee together to consider this nomination. We can also look at interest moving forward so far as the committee goes.

F. Clean Air Compliance Awards

There is a memo in the packet. We do this every year for those facilities that are in compliance with their permit all year. There are 54 facilities listed, but MSD should also be on the list. One facility had closed and we removed it. Occasionally we see these certificates framed in the lobby of a facility.

G. Facility Permit Modifications

The facility has requested a modification. They are updating some equipment – replacing a baghouse which allowed an increase in airflow. With the upgrade, they want to increase the maximum capacity listed in the permit in case they wanted to operate at a higher rate. This triggered requirements to look at NC Air Toxics which means we had to do air pollution modeling since the stack parameters changed. Those include the input, stack height, air flow, temperature of the exhaust gas, etc. There are no changes in maximum emissions; they still have a 240,000 ton annual production limit. Within an hour the facility can make more asphalt, but they still have an annual limit. If there is no change to the production limit, the potential emissions stay same.

Facility Name	Type of Facility	Facility Classification	Location	Changes from Existing Permit
APAC – Atlantic, Inc., Black Mountain Facility	Asphalt Manufacturing Facility	Synthetic Minor	Old U.S. 70, Black Mountain	APAC Black Mountain has requested an increase in the permitted capacity of the plant. They are also planning to replace their air pollution control device system. The stack parameters will be modified requiring a NC Air Toxics evaluation. Permitted limits and NC Air Toxics conditions will be updated.

Mr. Koon moved to approve the permit modification for APAC Atlantic-Black Mountain. Ms. Cloninger seconded the motion. Voting was conducted by roll call.

- Mr. Koon-yes
- Ms. Cloninger-yes
- Mr. Whisnant-yes
- Dr. Couzo-yes
- Mr. Storrow-yes
- The motion passed 5-0.

VII. New Business:

A. Renaming of Agency

This was brought up at the retreat, to change the name of the Agency to a more appropriate name. Ms. Featherstone will discuss with Mr. Frue about the legal aspect of this, including opening the interlocal agreement. We will set this topic aside and bring it back up at the July meeting. Hopefully, Mr. Frue will be here and able to offer more consultation on the next steps.

B. Legal Counsel Report

There is no attorney in attendance today. The Board will talk about the Mt Carmel building at a later time. It is not completely resolved in the Board members' minds.

VIII. Other Business:

A. Calendar

Next regular scheduled meeting is July 12, 2021

The Board thought that members can plan on the July meeting being virtual, and in person in September. Several Board members noted that they could not attend on July 12, unless it is a virtual meeting. We will follow up with Mr. Frue this week so the Board can make plans.

B. Announcements

Ms. Cloninger thanked Mr. Storrow for the retreat. She felt it was worthwhile and the Board needed it. Ms. Featherstone, on behalf of the staff, thanked the Board members for taking the time to participate in the retreat.

IX. Public Comment

There were no public comments for this Board meeting.

X. Adjournment

Mr. Koon moved to adjourn. Dr. Couzo seconded the motion.
Voting was conducted by roll call.

Mr. Koon-yes

Ms. Cloninger-yes

Mr. Whisnant-yes

Dr. Couzo-yes

Mr. Storrow-yes

The motion passed 5-0.

The meeting was adjourned at 5:04 PM.