

MEMORANDUM

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

FROM: Ashley Featherstone, Director

RE: Minutes for March 8, 2021

DATE: May 3, 2021

Enclosed, please find the Minutes for the **Monday, March 8, 2021** WNCRAQA board meeting. The next meeting of the WNCRAQA Board is scheduled for **Monday, May 10, 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/3gNQVte> 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, March 8, 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:

*Vonna Cloninger
Joel Storrow
Evan Couzo
Garry Whisnant*

Members Absent:

Karl Koon

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: *Sybil Tate, Assistant County Manager; Michael Frue, County Attorney; Patty Beaver, CIBO*

Mr. Storrow called the meeting of the Western North Carolina Regional Air Quality Agency Board of Directors to order on March 8, 2021 at 4:00 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. Adjustment and approval of agenda

Ms. Featherstone requested that a COVID-19 Update be added to the Director's Report as item J.

Ms. Cloninger moved to approve the agenda with COVID Update addition. Mr. Whisnant seconded the motion.

Voting was conducted by roll call.

Ms. Cloninger-yes

Mr. Whisnant-yes

Dr. Couzo-yes

Mr. Storrow-yes

The motion passed 4-0.

III. Consent Agenda:

A. Approval of minutes from January 11, 2021

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

Voting was conducted by roll call.

Mr. Whisnant-yes

Ms. Cloninger-yes

Dr. Couzo-yes
Mr. Storrow-yes
The motion passed 4-0.

IV. Unfinished Business:

A. The Board Retreat is scheduled for April 15th from 10 am to noon. The meeting will be virtual. The topics for in-depth discussion include the 2022 budget, the fund balance, financial planning now and in years to come, and the advisory committee. A packet with relevant materials will be sent out to the Board to review a couple of weeks before the retreat. Mr. Storrow thanked staff for getting this information together in addition to their usual job duties.

V. Director's Report:

A. FY 2021 Budget Discussion

Preliminary budget materials were included in the Board packet. The Agency has been through the budget process with the County. We also presented our 2022 Budget to the County Manager, Avril Pinder.

For FY 2022 we are proposing a reclassification request of the Air Quality Supervisor position. Whenever a reclassification request takes place it can potentially affect salaries so it is a part of the budget process. The Air Quality Supervisor took on additional grant management and budget duties in 2015 when we lost a couple of staff positions. This reclassification would update the job description to add these additional job duties. As a result, we have not had to hire additional staff to perform those duties. There could be an increase in salary for this position that would be offset by lower salary for the new hire.

During the January Board Meeting, we discussed the possibility of moving travel and training funds in FY2021 to the line item for Accela. There was approximately \$10,000 budgeted. There were some funds remaining from the original budget line. We had talked about shifting unused funds to allow for continued development of Accela. Air Quality now pays the full cost allocation (non-discretionary indirect). This amount is based on the number of full time employees (FTEs) and the County is not tracking hours for specific projects (i.e., IT hours for the development of the Accela module for Air Quality). We were able to take the \$10,000 out of our budget for FY2022 for continued development of Accela; this is already covered by what we are paying for IT in indirect charges.

We are not proposing to fund our seventh position in the FY2022 budget. This is different from previous years and is a little less confusing. We still hope to fill that position one day, but we know it will not be right away. Another benefit is that our indirect charges are based on budgeted FTEs. Indirect is billed 2 to 3 years in arrears. We hope that if we no longer budget for the seventh position, our indirect will be reduced. Three staff retired in 2014. We went from eight positions to six positions. The accounting technician position was eliminated. The unfilled seventh position was an Air Quality Specialist.

There is an annual license charge of around \$2,600 for Accela, which will be charged back in indirect.

Another significant item in the budget is a substantial decrease in TV revenue. We are projecting an \$89,000 decrease in TV revenue compared to what we received last year. This is due to Duke Energy switching from coal to gas. Part of the fees for TV are based on emissions. It is great for the air quality that emissions have decreased but does affect our budget. We are planning to conduct a fee study this

year. If we propose something similar to the State Division of Air Quality (DAQ) Title V fee change proposal, we hope to increase the TV revenues by \$63,000. This increase is subject to Board approval and the rule making process. We hope to get this concluded by July. This change is not reflected in the FY2022 budget numbers presented to the Board. We would have to submit a budget amendment reflecting the increase in revenues if approved. We are looking at keeping the tonnage fee of \$53.00 the same. We do charge a 100-ton minimum emission fee. The loss of Title V income is an issue for air agencies all across the nation and different agencies have used different fee structures to increase their revenue. If we do what DAQ is proposing, we would raise the base fee from \$5k to 10K for each source, six sources. The state is proposing a new complex source fee for facilities subject to different programs including New Source Performance Standards (NSPS), and National Emission Standards for Hazardous Air Pollutants (NESHAP). In addition to the base fee, if you were subject to 1-3 of these federal programs an additional \$2,500 would be charged to your bill. The facility complexity fee increases to \$7,500 if the facility were subject to 3-6 programs for example. Even though we only permit six Title V facilities, those facilities are subject to many programs, which makes the permit and compliance inspections much more complicated, requiring a lot of staff time. Our fees are a bit different from DAQ's, our tonnage fee is different and we have the 100 ton minimum charge. The DAQ went through a lengthy stakeholder's process and let the stakeholders write the fee increase proposal. The Environmental Management Commission, EMC, did approve it. There is not a lot of opposition to it. We would have to go out to public notice and comment with our proposal. We would reach out to our permitted facilities, the City Council and City Manager, and the County Commissioners and County Manager's office. We would need to show impact financially and the need to raise the fees to support the program. Many of the documents that will be provided for the Board retreat will be supporting documents for this process.

We have an appropriated fund balance in the FY 2022 budget. Currently we are showing a fund balance draw of \$171,644. If we get our new fee schedule approved, that amount will be reduced. The fund balance is the difference in the assets and the liabilities for the Agency. Ms. Tate explained you could look at the Budget as a checking account and the Fund Balance as a rainy day fund. Mr. Storrow noted that in recent years we have budgeted a large amount from the fund balance, but have not needed to draw down nearly that amount. When we have a large purchase like new monitors, that amount would typically be paid for from these funds. He would like to see a bit more predictability. Not budgeting for the seventh position that we are not filling, will increase the accuracy of the budget.

We are projecting putting nearly \$100,000 back into the fund balance this year. Part of this is due to not filling the sixth position we had open, and not traveling for meetings and trainings due to COVID-19. We also had a budget contingency of \$15,000 that we did not have to spend. We do not know what our indirect will be for FY2021, but we may know something by the end of March. An indirect charge of \$110,000 to \$115,000 is likely. FY2021 is not a very representative year. However, it is always good to put money back into the fund balance. Within the next few years, we anticipate purchasing new ozone monitoring equipment for about \$50,000.

B. City of Asheville Annual Report

There is a copy of the Agency's report to the City of Asheville in the board packet. This year the City asked us to use a template to provide certain information including who the members are and what we are doing.

C. Board of Commissioners Virtual Tour-March 9th

Ms. Featherstone is doing a virtual tour tomorrow just for the new County Commissioners, Terri Wells and Parker Sloan. This will be in conjunction with three other departments- Sustainability, Solid Waste and Performance Management. Air Quality will present who we are, where our office is located, our organizational structure and what our core services are. Ms. Tate said Board members may attend if they would like.

D. Board of Commissioners Presentation-March 16th

On March 16, Mr. Storrow and Ms. Featherstone will be doing an in person presentation with the Board of Commissioners. This will be shown on Facebook Live. It can be watched during the meeting or later. They are asking for the list of current members, the board's role, a financial update, challenges, and next steps for our Agency. Mr. Storrow will start it off by presenting the big picture, who we are and share our updated Mission statement. Ms. Featherstone will do the bulk of presentation. She plans to include information about our history, successes with cleaner air quality, challenges, fees, Board retreat, services, and financial planning. She will forward the Power Point to the Board.

E. Accela Update

We are taking electronic payments now. That is going really well so far. We are not taking permit applications online yet but we have received positive feedback. Mr. Matthews said the contractors are thrilled. We are receiving payments more quickly, and it has reduced time spent going to the bank and making deposits.

F. Monitoring Update

In February, Kevin Lance and James Raiford participated in the virtual annual monitoring workshop hosted by DAQ. We got our ozone equipment back from being certified, which must be done annually, and it has been installed and calibrated. Ozone season officially started March 1. We were in good shape to start the season. Our data completeness for PM 2.5 is at 99.2% for the year. Data completeness for ozone is 95.5% up to now. So far this year we have had all green days with one yellow day. The EPA comes up once every three years to do a technical systems audit of our monitoring program. This audit starts tomorrow, and will last most of the week.

G. Vacant Staff Position Update

The Agency has a new hire, Alex Latta. He starts March 22. He comes to us from SCDHEC (SC Department of Health and Environmental Control). He has experience doing air quality inspections, open burning complaints, dust complaints and solid waste inspections. We would like to do some cross training with him on asbestos NESHAP to help back up Mike Matthews. We had three good candidates. One thing that came up during the interview process is that some of the state inspectors are home based. With COVID, the applicants were particularly interested in that option. We think Mr. Latta is a good fit. He should be with us for the Board retreat in April. We plan to offer him the ability to telework some days of the week and come in some days, like most of us. Mr. Matthews is in the office primarily. The Agency is still operating under the emergency teleworking policy.

H. Buncombe County Building Study

The Commissioners had a January work session meeting. They are looking at all the buildings and the teleworking arrangements as part of a long-term building study. This includes looking at properties owned or leased by the county, their condition and costs to maintain, and the future needs for building space. There are over 400 people teleworking (in Buncombe County Government). A survey

indicated that 300 of those would like to continue teleworking if allowed by the county. This would eliminate about 26,000 square feet of building space. The County is looking at moving Air Quality in with other forward facing departments like Building Permits & Inspections and Planning. Part of this arrangement has us moving into 35 Woodfin. The building would be renovated to accommodate the departments. This is just a proposal. The Commissioners will be discussing this in April during an upcoming meeting. We will know more at that time. We might have to move more than once while demolitions and renovations take place. There is a parking lot at 35 Woodfin. The County would demolish our current building and build a facility for Elections. This is a good location for Elections since it is across from the bus station and more of their clients may need bus service. Overall, we think this change is positive and well thought out. Our last three locations have had locked doors and we do not have a receptionist since we lost our administrative position. We have been able to let them know what our needs are: we need a lab room and space for files. We are unique in that we still need to maintain paper files.

Ms. Tate asked that Air Quality bear with the County. There are 1400 people and 25 departments to consider in this building study. There is the domino effect. No one enjoys moving. The County is hoping the outcome will benefit our citizens, that it will save us money. Leasing the election space is expensive and moving elections out of that building has been a driver to this process. Moving expenses will come from General Service's budget for FY2022. Air Quality might be moved into 30 Valley Street temporarily then all of us would move to 35 Woodfin if this goes as proposed. This is where Mike Matthews and Building Permits & Inspections are now located (30 Valley Street). The buildings on Valley, where Planning and Permits & Inspections are now, will eventually be expanded for the Sheriff. The County is looking at the next 15- 20 years.

I. Branding and Agency Logo

Air Quality does not really have a formal logo. We have different images that we use in different places such as our letterhead, Facebook and website, which are outdated. We can use a Buncombe County logo, but it does not represent the Agency as an interlocal agency serving both the County and the City. A new logo could be used everywhere, such as in our email signatures, Facebook, PowerPoints, and letterhead. We are currently paying the cost allocation for Communications. The County Communications Team has experience with branding. They could come up with a new logo, and are willing to work on it. It should not cost the Agency additional funds other than what we are currently paying in indirect charges. The Board would get to approve the design. There was positive Board feedback and the Agency will proceed.

J. COVID-19 Update

Betsy Brown finished her service with the Ready Team scheduling citizens for vaccinations. She was working for them 2 days a week as much as she was able. Fortunately, the County has many people interested in volunteering which means that they will not need to continue using staff for that. To volunteer you must fill out an application and pass a background check. Mr. Storrow signed up. If you work a day, you might get the shot at the end of the day. This work is very rewarding; people are very grateful. Ms. Tate has volunteered. We see light at the end of the tunnel. There is a wide variety of work available at AB Tech. Our Buncombe County team is now eligible for the vaccine as we are in the Group 3-government category. Staff are finding appointments at Walgreens to get the vaccine.

VI. New Business:

A. Legal Counsel Report

Mr. Frue pointed out the Governor is easing up on government meetings that might impact how we do public hearings. It may not affect this Board too much. The virtual meeting rules that we are operating under now can remain in place until the Governor rescinds the emergency order all together. As restrictions ease, for the commissioners, it is Mr. Frue's advice to figure out how to allow areas for the public to attend or view and listen to meetings, if they do not have adequate home computer systems.

We need to look ahead and be nimble if the need arises. We will probably remain in the emergency order for five or six more months. The board meeting room (at 30 Valley Street) is reserved for all board meeting dates for the remainder of the year for when meeting in person is possible. Mr. Frue said that if we are all vaccinated and the emergency order is rescinded, we would have to begin in person meetings, except to the extent that our bylaws allow phone participation. If there is no reason to have a remote meeting especially if there are important matters to be voted on, there could be a challenge. That is not generally an issue with this Board.

B. 2021 Fiscal Year Budget Amendment

OPEB stands for other post-employment benefits, which covers some retirement expenses. There is an item with an explanation in the Board packet. The County did not pay these OPEB funds during the COVID period since they did not know what impact COVID would have on the Budget. Now OPEB needs to be paid. The County is taking excess reserves from an internal service fund and paying into the Air Quality fund. Air Quality does typically pay this OPEB charge. This money will be used as pass through funds to pay OPEB. Staff are proposing a budget amendment enclosed which is similar to one being presented to the Commissioners for pass through funds for OPEB payment for other County departments. If approved, staff will submit a signed budget amendment to Finance.

Mr. Whisnant moved to approve the budget amendment as presented. Ms. Cloninger seconded the motion.
Voting was conducted by roll call.

Mr. Whisnant-yes
Dr. Couzo-yes
Ms. Cloninger-yes
Mr. Storrow-yes
The motion passed 4-0.

VII. Other Business:

A. Calendar

1. Board Retreat April 15, 2021

The packet will go out to review. Board members should reach out to Mr. Storrow if they want to discuss anything else.

2. Next regular scheduled meeting is May 10, 2021

B. Announcements

None

VIII. Public Comment

None

IX. Adjournment

Ms. Cloninger moved to adjourn. Mr. Whisnant seconded the motion.
The vote was taken by roll call.

Mr. Whisnant-yes
Ms. Cloninger-yes
Dr. Couzo-yes
Mr. Storrow-yes
The motion passed 4-0.

The meeting was adjourned at 5 pm.