

TO: Western North Carolina Regional Air Quality Agency Board of Directors
FROM: Betsy Brown, Air Quality Supervisor
SUBJECT: March 12, 2018
DATE: May 4, 2018

Please find attached a copy of the **MINUTES** from the March 12, 2018 Board Meeting. The next meeting of the WNCRAQA Board is scheduled **Monday, May 14, 2018**, in the meeting room at the Buncombe County Permit Office at 30 Valley Street, Asheville, N.C. 28801.

The Western North Carolina Regional Air Quality Agency Board of Directors met on Monday, March 12, 2018, in the meeting room at the Buncombe County Permit Office located at 30 Valley Street, Asheville, N.C.

The attendance of the Board members was as follows:

Members Present:

*Britt Lovin
Vonna Cloninger
Dean Kahl*

Members Absent:

*Karl Koon
Joel Storrow*

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

Others Present: *Mike Plemmons, CIBO*

Mr. Lovin called the meeting of the Western North Carolina Regional Air Quality Agency Board of Directors to order on March 12, 2018 at 4:00 pm.

The order of business was as follows:

I. Public Comment Protocol Announcement

Mr. Lovin started the meeting by reading the announcement about the public comment protocol.

II. Adjustment and approval of agenda

Ms. Cloninger made a motion to approve the agenda. Dr. Kahl seconded. The motion passed, 3-0.

III. Consent Agenda:

A. Approval of minutes from January 8 2018.

Ms. Cloninger made a motion to approve the minutes as written. Dr. Kahl seconded. The motion passed, 3-0.

IV. Director's Report:

A. Ambient Monitoring Update

Ozone monitoring season is up and running. We are having another EPA audit soon. We had one a year and a half ago. This one will be around the middle of May. Ozone Kickoff is scheduled for March 26, 2018 for 2 to 4 PM. It is now called Air Quality Briefing.

B. Update on Delegation for 40 CFR 62 Subpart LLL-Existing Sewage Sludge Incinerators

Ashley Featherstone- the Agency received the final Memorandum of Agreement from the EPA. Mr. Brigman signed it, and we returned to the EPA, as did the state. Now we are waiting for the EPA Regional Administrator to sign it and return it to us. The EPA has a Federal Register notification already prepared that includes our Agency's and the state's delegation. We hope to get word before MSD's report is due at the end of the month so they will not have to send the reports to EPA anymore. MSD is very supportive of the local air agency and might be willing to speak up on our behalf.

C. NC Volkswagen Settlement Update

Ashley Featherstone – The state took public comment about their draft plan and how they would use the VW settlement money. The comments were posted on their website. Some states are focusing on certain type projects and others are leaving the options more broad. The State has scheduled stakeholders meetings across the state. One is scheduled at 7:30 PM at Land of Sky in

Asheville, the same evening as Air Quality Briefing, March 26, 2018. Sheila Holman, the Assistant Secretary of DEQ and former Director of DAQ for the state will be here for both events. Ashley Featherstone and/or David Brigman will go. \$92M of the settlement funds are going to NC. The state has 20 years to spend the money. Ms. Cloninger asked what Volkswagen is required to do with the vehicles. Volkswagen is having to buy back and fix the vehicles. There are hundreds parked at the old BASF plant. Brian Phillips will be at the Stakeholders Meeting. He is with NC DAQ and is heading up the handling of the VW settlement funds for the state. The final mitigation plan is expected to be out during the summer or fall of 2018. It may be 2019 before the funds are distributed.

D. FY 2019 Budget Discussion

Budget – The draft budget was included in the Agenda.

EXPENDITURES:

Salaries & Benefits	\$763,180
Service & Supplies	\$232,034
Special Projects	\$ 0
Capital Outlay	<u>\$ 0</u>
Expenditure Totals	\$ 995,214

REVENUES:

NC Gasoline Tax Allocation	\$144,000
Permits & Inspection Fees	\$264,200
Federal 105 Grant Funds	\$212,000
Miscellaneous Funds	\$9,200
Federal PM 2.5 Grant Funds	\$60,000
Title V Fees	\$189,000
General Fund Balance Draw	<u>\$115,014</u>
Revenue Total	\$ 995,214

The budget continues to include a position that is not filled. This allows us to have funds available to move around. Salaries went down because the payments for the employees that received the retirement incentive have dropped off. What we are not showing is anything from the county for our building at 49 Mt. Carmel. We are not sure how that is going to play out in the future.

The County wanted to have a meeting to discuss the budget. During the meeting we (Mr. Brigman and Betsy Brown) were told that the county was looking into pulling out of the local agreement. We were told that they would make notice by April first. We think that has been put on hold. There has not been consensus among the county commissioners. In an email received today from Ms. Stone, County Manager, she stated that they were not going to do anything until after July 1, after the end of the county budget year. At that time, they want to start looking at the Agency, and see where we are financially and what the financial obligations and retirement obligations are. The retirement obligations include carrying county health insurance coverage for some staff after they retire and until they are eligible for Medicare. This amount is substantially high. The county has some issue with the size of the fund balance and the retirement obligations of the Agency. The County should have been looking at this all along; they have been handling our personnel and finances for 50 years.

Mr. Brigman has spoken to several commissioners about this and they did not seem to think that this was moving forward. However, they expressed that the situation should be reviewed. Even with the county looking at this, the Board needs to have input. Not all of the commissioners may be aware of the situation. We are unsure about the upper level County management placing

employees. They do have that ability but we do not know if they will do it. The Commissioners might push for that to happen. It looks like three positions would be needed for the county - a position to review demolition permits (Mike Matthews does now), someone to handle dust and burning complaints, and someone to help Roger Presley's (environmental control) position. Ms. Cloninger asked how Mr. Brigman found out the county's intention. Mr. Brigman said that the County Manager told us, in the middle of a Budget meeting in a room full of people that the county was going to make notice April first that Air Quality would be shut down in a year's time. Ms. Cloninger asked if any other staff was there. Ms. Brown was present as well as other county personnel from other departments. Ms. Cloninger wanted to state on record that that Ms. Stone's statement in that manner was highly inappropriate. She invited Ms. Stone to our meetings. Ms. Cloninger said Ms. Stone needs to be present at a meeting with the Board if she is going to discuss whether the Agency will be shut down in a year. Ms. Cloninger again stated that Ms. Stone's statement was highly inappropriate, and she wanted that on record.

Mr. Lovin indicated that he and Mr. Brigman have had extensive conversations since this occurred. He wanted to take this to a higher level. He mentioned the list of information concerning risks and contributions of the Agency that Ms. Stone requested with two days' notice. He praised the staff for the document that was put together. He felt that this showed the need and welfare of having a local agency such as ours particularly in the topographical area that we live. He felt like the summary the Agency wrote helped set things straight about what we do and the benefits of having a local agency. Mr. Lovin and Mr. Brigman have talked with several County Commissioners, and those conversations have gone quite well. Some were not aware that this was going on. The Board is not going to stand by and let it happen. The Director of the Agency works directly for the Board. Although the staff, per the Interlocal Agreement, are Buncombe County employees and although the Board does not have direct control, we do have input. He stated that Mr. Brigman is looking out for the Agency, the Board, the staff and all involved. He is to be commended for that. Mr. Lovin looks forward to the next few months of conversation and presenting this to the County and to the City. We answer to the County Commissioners and the City Council, not to Ms. Stone. In the email today, Ms. Stone has taken a step back and stated we would evaluate the process after July. This may be due to the document provided to her and from statements from her own staff. Mr. Brigman and Mr. Lovin just got this email at 12:30 today. July will get us into the Buncombe County FY 2019 budget year. They will talk about this tomorrow morning and discuss our next path of action. Mr. Brigman and Mr. Lovin will sit down in a one on one meeting or call in another board member, perhaps have a special session. We want to assure everyone there that they are looking at it, talking about it and the Board will do everything it can to mitigate the situation in a professional manner. Mr. Lovin concurs with Ms. Cloninger that the comment made in the budget meeting was out of context, in bad taste and unprofessional without first talking to the Director and Board Chair. He said that the agency document was eloquent, and reiterated just how important this Agency is to him and the community. He believes that we have better control over the power plant. Most do not see the other smaller facilities that the agency permits and that we have wonderful staff. Asbestos permits might take 6 weeks if issued out of Raleigh instead of here. That is two examples of many. He wants to assure staff and the board and guest that we will do everything we can to get to the bottom of this.

Mr. Brigman stated that the county would lose monetarily by shutting the Agency down. We would lose funds here, the DAQ might hire one person for the regional office. The County would have to hire new staff. They would lose what AQ pays in indirect costs, around \$115,000 or more per year. Overall the County would lose between \$316,000 and \$995,000 (current proposed operating budget). The County would lose local control over the air program. Asbestos would be handled out of Raleigh. Oversight would be gone on the local level. The State generally does not go out on most burning complaints- they send a letter. If the power plant is an issue, Ms. Featherstone drives nearby to and from work. Mr. Matthews is out and

about every work day. Mr. Lance is out and about. We are out and about all the time in the county. We work with industry. Ms. Featherstone helps provide training at MSD. It would seem to be a step backward to lose the local agency. Buncombe County funds other departments but charges us for services that other departments are not charged for. The Interlocal Agreement would have to be discussed. The County Commissioners would have to vote to dissolve the Agency. The City Council probably does not know about this. The Agency has not asked for funding, but may need to. Buncombe County is responsible for making sure that our finances are being handled as they should be. The Agency Board approves our budget. In the past both our Board and the County Commissioners voted on our budget. The Agency budget does not appear to be included in the County Budget any more. The County Budget is posted online and is voted on in the May meeting and starts in July. Mr. Lovin said he is available to talk with anyone else necessary.

E. Facility Permit Modifications

Facility Name	Type of Facility	Facility Classification	Location	Changes from Existing Permit
APAC-Atlantic, Inc.	Asphalt Manufacturing Facility	Synthetic Minor	Smoky Park Highway, Enka	Replace baghouse
Asheville Mortuary Services, LLC	Crematory	Small	Thompson Street, Asheville	Replace incinerator
Forest Lawn Memorial Park, LLC	Crematory	Small	Sand Hill Road, Candler	Add human crematory to permit. Facility also has a pet crematory. Name change
Pentair Valves and Controls	Safety & Relief Valve Mfg. Facility	Small	Old US Highway 70, Black Mountain	Name change

Ms. Cloninger made a motion to approve permit modifications. Dr. Kahl seconded. Motion passed, 3-0.

V. New Business:

A. Proposal of Regulatory Changes and Update on Rules in NC

Ashley Featherstone – There is one regulatory change. The state adopted the 2015 Ozone standard. Back in 2013 the NC State General Assembly stated that all agencies, like the Department of Environmental Quality, had to review all rules and readopt them, and delete obsolete rules. They had to put rules in groups. They have to update rules, formatting of the rules, and the electronic format. Most are small, but there are a lot of changes which we will also need to make. If anything is more significant than what was mentioned, they will pull out of the group for further review. This will be a big project for us, and very involved. We are just giving the Board an update. The State had to hire someone in Raleigh just to do this. The last batch of rules was open burning. They are also updating names of agencies, and rules to comply with session laws. We will be coming back to the Board this year with that process. Ms. Cloninger made a motion to approve ozone rules as presented. Dr. Kahl seconded. The motion passed, 3-0.

B. Legal Counsel Report

No attorney was present.

VI. Other Business:

A. Advisory Committee Report – Dean Kahl

On February the 8th, we sent out invitation for Clean Air Excellence nominations with a March 10th deadline. We posted on Facebook, website, and sent to our media contacts and others. There were no responses, so there will be no CAE award this year.

B. Calendar

The next regular scheduled meeting is May 14, 2018.

C. Announcements

Mr. Raiford forwarded a link to Ms. Featherstone about the VW buy-back program. This is in reference to the TDIs which are the VW vehicles accumulating in the BASF parking lot mentioned earlier in the meeting. VW has agreed to retrofit or fix the vehicles to meet emission standards. These vehicles have accumulated in mass numbers. VW is trying to keep the vehicles in good shape so they can fix them when they are able and then resell them. They hope to fix and resell about 85% of the vehicles. Older vehicles may be recycled.

VII. Public Comment

None.

VIII. Executive Session-It should have been adjusted off the agenda. It was not needed.

IX. Adjournment

Ms. Cloninger motioned to adjourn. Dr. Kahl seconded. The motion passed 3-0. Adjournment was at 4:44 PM.