

Calendar Year 2012 Title V Fee Committee Report

Title V Fee Committee Meeting

July 11, 2013

Meeting Agenda

- Call Meeting to Order, Introductions
- Review 2012 Status Report
 - Report Findings
- Reorganization
- Strategic Plan
- Path Forward
 - Begin Negotiating 2015 through 2017 Fee Schedule
- Review Agreements
- Adjourn

2012 Status Report Findings

Report Findings

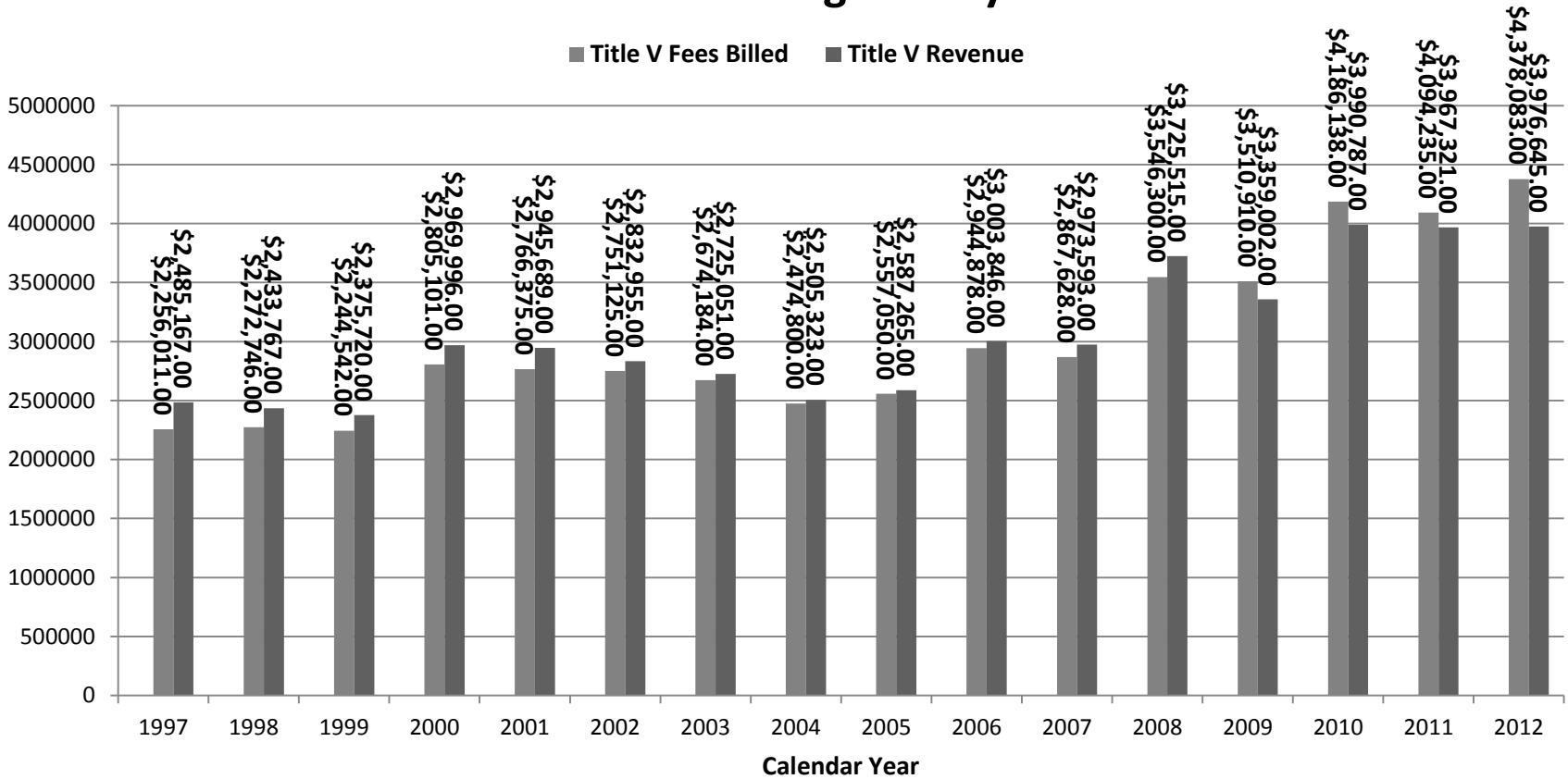
2012 Total Costs	
Salary	\$2,368,683
Travel	\$9,552
Contractual	\$476,078
Supplies	\$63,290
Additional Support Services	\$397,005
Small Business Ombudsman Program	\$89,390
Total	\$3,403,998

Report Findings: Fees Billed

- 82 Active Synthetic Minor and 57 Title V Facilities Billed
- A total of \$4,378,083 was billed
 - \$3,896,000 for new 2012 fees
 - \$482,083 for back fees
- As of December 31, 2012, \$3,843,174 was collected
- The difference of \$534,908 was the result of 13 non-payments and the quarterly billing collections
- Total Revenue (including interest) was \$3,967,645

Report Findings: History

Title V Billing History



Report Findings: Carryover

- New Method for Tracking Carryover Balance
- Starts with Carryover Balance From Previous Year
- Adds Revenue
- Subtracts Annual Title V Expenses
- 2013 Expense Prediction Based Upon 2012 Expenses Plus 2% Cost of Living Adjustment

Report Findings: Carryover

	2012	2013 Prediction
Total Revenue	\$3,976,645.00	\$3,896,000.00
Total Expenses	\$3,403,998.00	\$3,472,077.00
Δ Revenue - Expenses	\$572,647.00	\$423,923.00
Carryover Balance	\$3,502,552.00	\$3,926,475.00

Report Findings: Staffing Levels

- End of Year Staffing Level was 88%
- 8 Vacancies
- Total Authorized FTEs 68

Report Findings: Staffing Levels

Branch	Authorized	Occupied	Staffing Level
Director	1.0	1.0	100%
Analytical Support Group	3.0	2.0	66%
Operations Support Group	3.5	2.5	71%
Administrative Group	6.0	5.0	83%
Engineering & Compliance Branch	24.5	22.5	92%
Planning Branch	30.0	27.0	90%
Total	68.0	60.0	88%
Temporary Positions	2.0	2.0	100%
Seasonal Positions	1.0	0	0%

*Effective Date of December 31, 2012

Report Findings: Permitting Activities

- 10 Title V Permit Renewals were issued
- 4 Title V Permit Amendments were issued
- 3 Public Hearings for Title V Permits were held
- 3 Synthetic Minor Construction Permits were issued
- 11 Synthetic Minor Operating Permits were issued

Report Findings: Permitting Activities

- Title V Permit Renewals Issued Within 365 Days of Application Receipt on Average
- Shortest Time to Issue a Title V Permit Renewal was 119 days
- Longest Time to Issue Title V Permit Renewal was 532 days
- All Permits Issued Within 547 Day Timeframe

Report Findings: Permitting Activities

- Synthetic Minor Permits Issued Within 133 Days From Receipt on Average
- Synthetic Minor Permits Issued Within 107 Days From Technically Complete Determination on Average
- DAQ Commits to Issuing Synthetic Minor Permits Within 102 to 145 Days

Report Findings: Compliance Activities

- 59 On-Site Compliance Evaluations Were Conducted at Title V Facilities
- 139 Stack Tests and RATAs Were Conducted at Title V Facilities
- 202 Report Reviews Were Conducted for Title V Facilities
- 57 On-Site Compliance Evaluations Were Conducted at Synthetic Minor Facilities
- 19 Stack Tests Were Conducted at Synthetic Minor Facilities
- 26 Report Reviews Were Conducted for Synthetic Minor Facilities

Report Findings: Enforcement Activities

- 8 Notices of Violation Were Issued to Title V Facilities
- 6 Administrative Order Were Issued to Title V Facilities
- 0 Stipulated Penalty Demand Letter Was Issued to a Title V Facilities
- 0 Consent Decrees Were Issued to Title V Facilities
- 2 Notices of Violation Were Issued to Synthetic Minor Facilities
- 1 Administrative Orders Were Issued to Synthetic Minor Facilities

Report Findings: Other Accomplishments

- State Implementation Plan Activities
- Regulatory Development Activities
- Emission Inventory Activities
- Air Monitoring Activities
- Small Business Ombudsman Activities
- Outreach Activities
- Modeling Support Activities

Permitting Observations

- Discipline Instilled in Permitting Process During 2005 Value Stream Mapping Exercise is Diminishing
- Many Facilities Submitting Incomplete Applications to “Get In Line” Again
- Many Facilities Requesting Emergency Permits
- Recommendations on How to Address this?

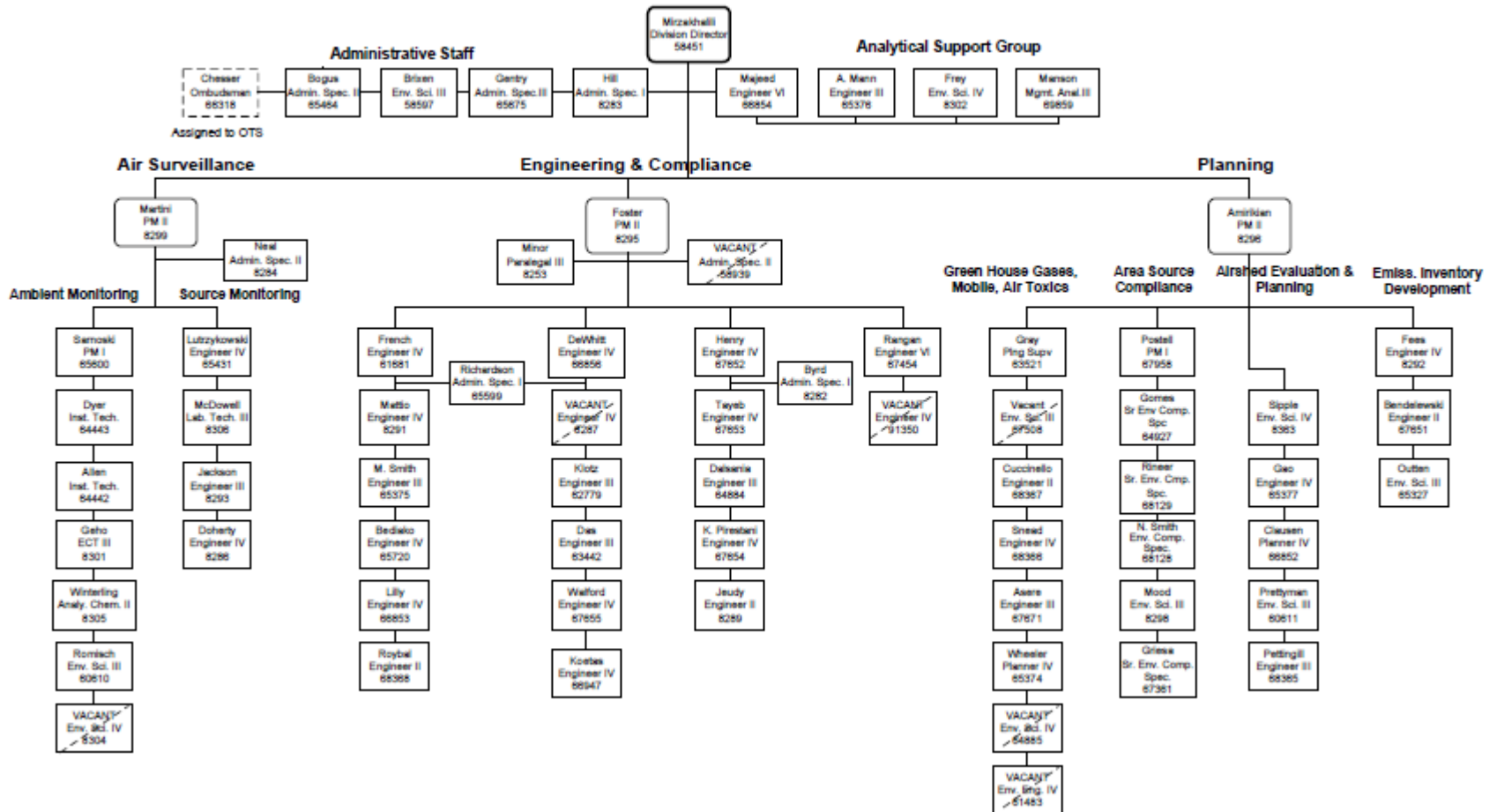
DAQ Reorganization

Reorganization Background

- **Implemented:** March 1, 2012
- **Purpose:**
 - Streamline the organizational structure at the branch level
 - Planning & Engineering / Compliance Branches
 - Realign programs supporting similar objectives
 - Air Monitoring → Planning Branch
 - Source Testing → Engineering & Compliance Branch
 - Provide additional staff support to all employees & programs
 - Operational Support Group
 - Vital for continued development of our workforce
 - Essential for continuity of our critical functions
 - Significant, but essential changes to improve the services we provide our customers

Before Reorganization

Division of Air Quality July 2011



Reorganization Objectives

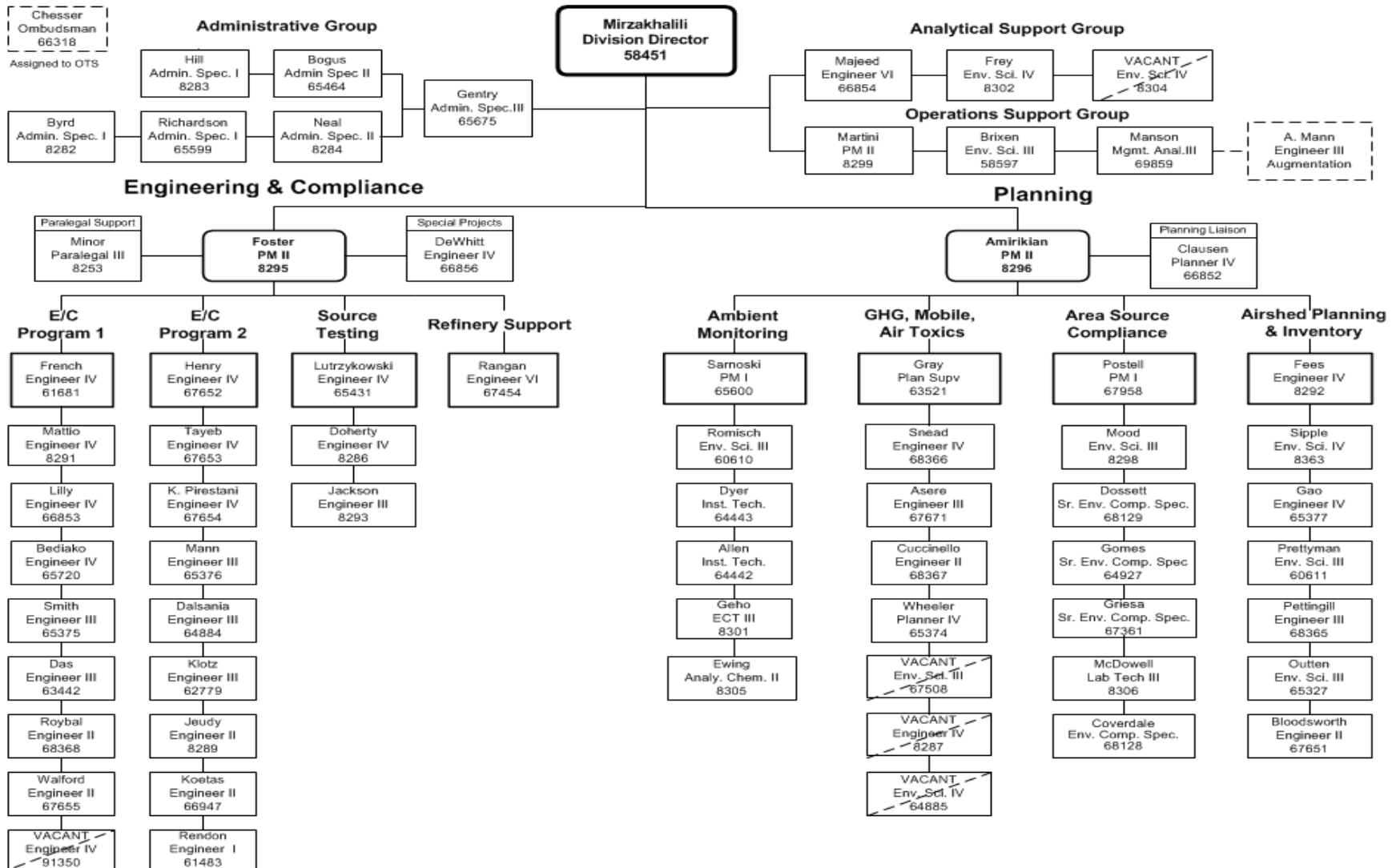
- Streamline Division to two operating branches
 - Planning
 - Engineering & Compliance
- Restructure Director's Staff, to three functional groups
 - Analytical Support Group (ASG)
 - Operations Support Group (OSG)
 - Administrative Group
- Realign Air Monitoring and Planning Functions
 - Improve Communication and Coordination
- Synchronize Source Testing and Permitting/Compliance
- Optimize leadership span of control (Across Division)
- Provide direct leadership/management for all programs
 - Airshed Planning & Emission Inventory

Reorganization Objectives

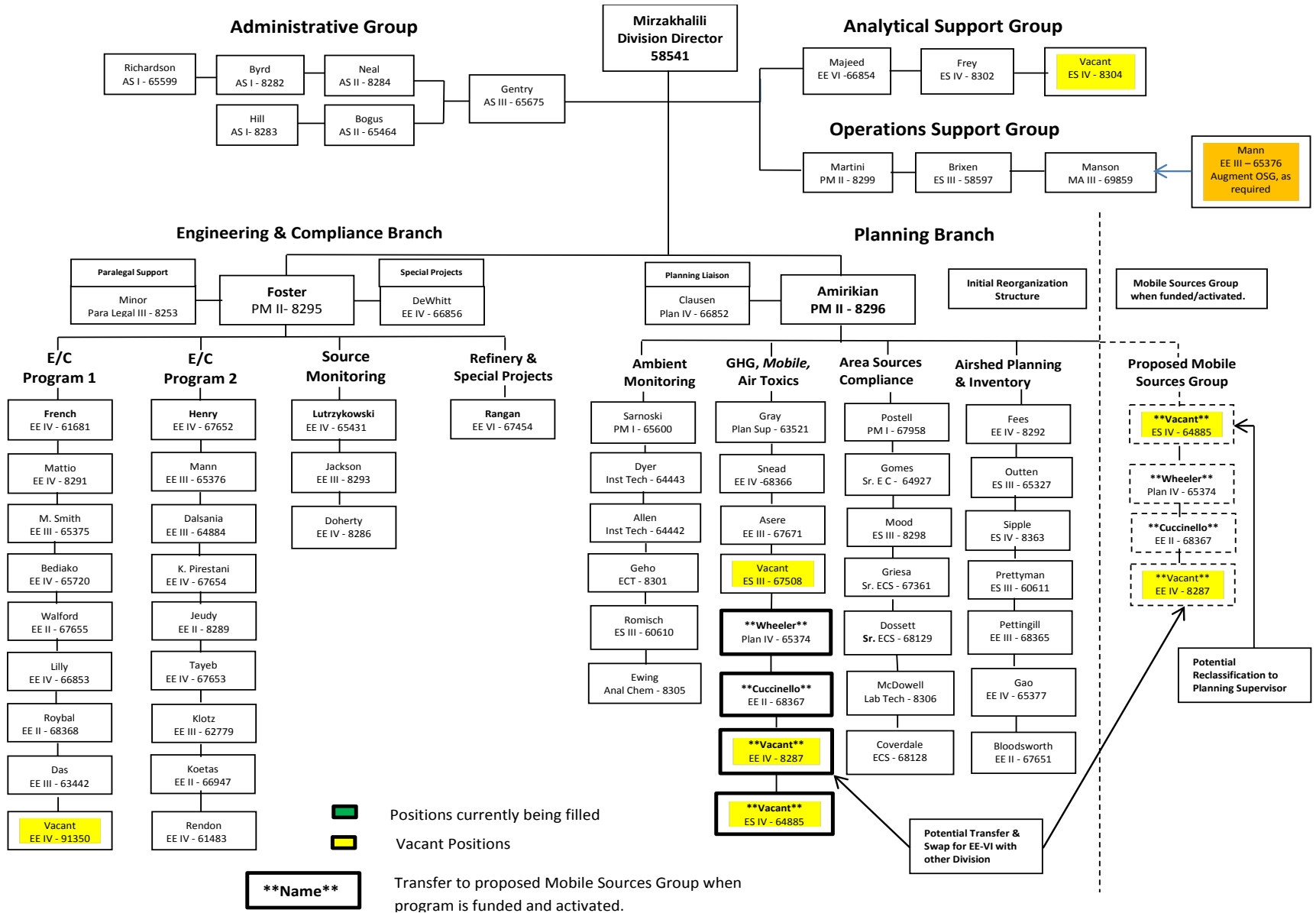
- Recommend creation of New Mobile Sources Program
 - Planning Branch
- Redefine the mission of the Analytical Support Group
- Provide focused Operational Project Management
 - Operational Support Group
- Provide comprehensive Resource Management and Strategic Planning
 - Operational Support Group
- Consolidated Administrative Support Team
 - All Administrative Support Functions in Administrative group

After Reorganization

Division of Air Quality (June 4, 2012)



Future Organization

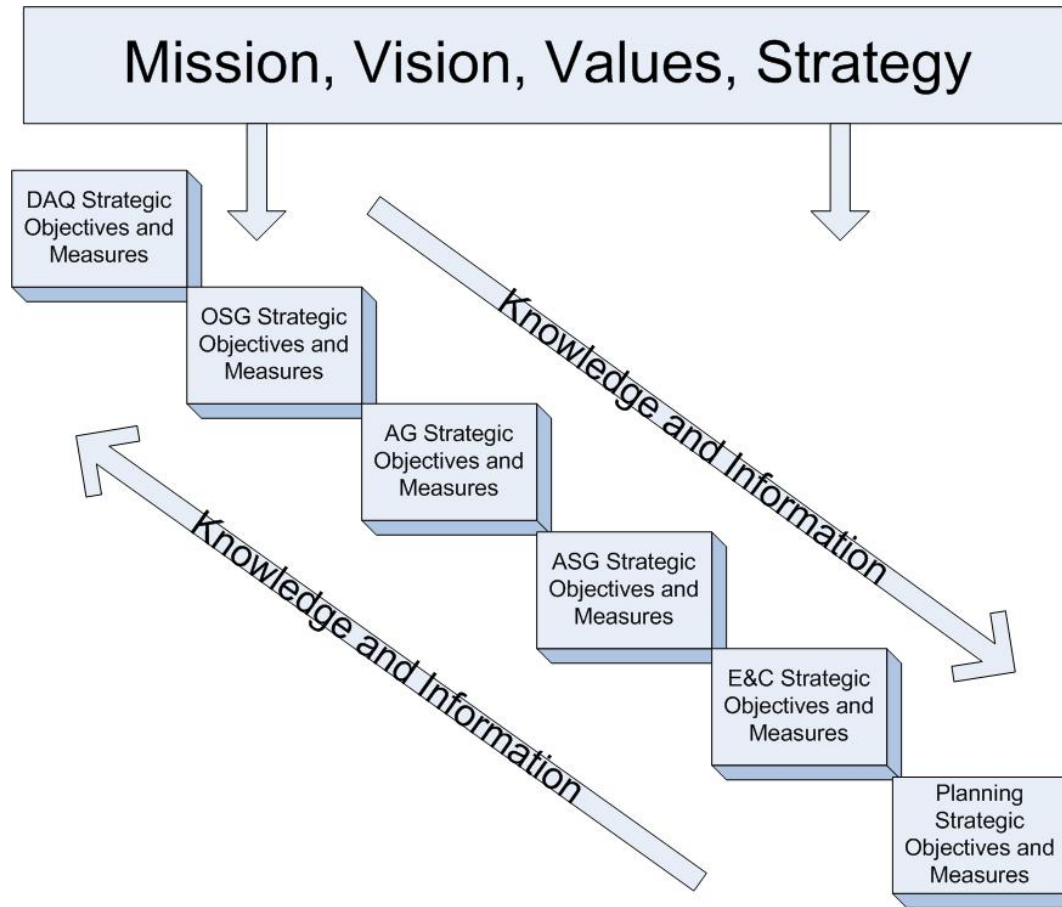


DAQ Strategic Planning

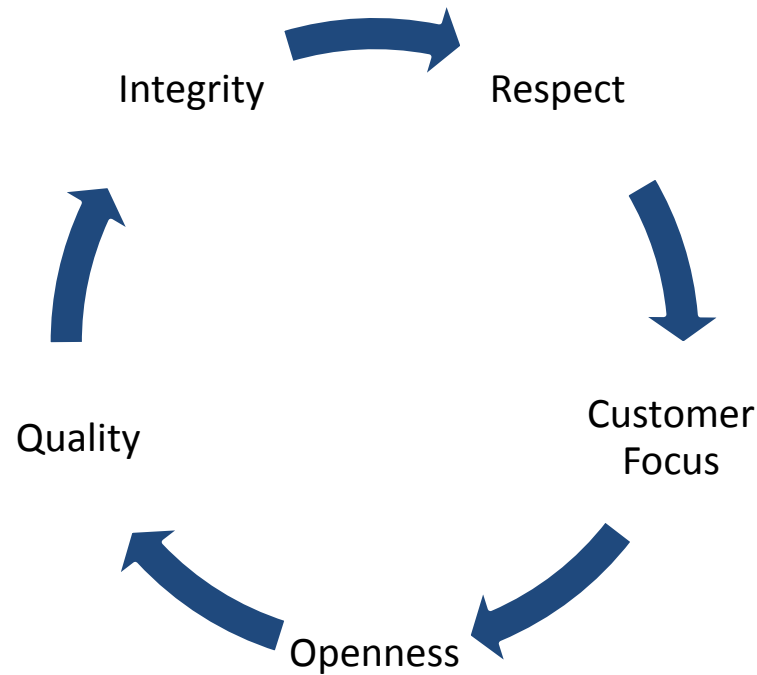
DAQ Strategy: Our Mission

- To continuously optimize Delaware's Air Quality by working with citizens and businesses to protect public health, welfare, and the environment.

DAQ Strategy: Creating our Strategy



DAQ Strategy: Business Values



DAQ Strategy: Development and Execution

Customer

Internal Process

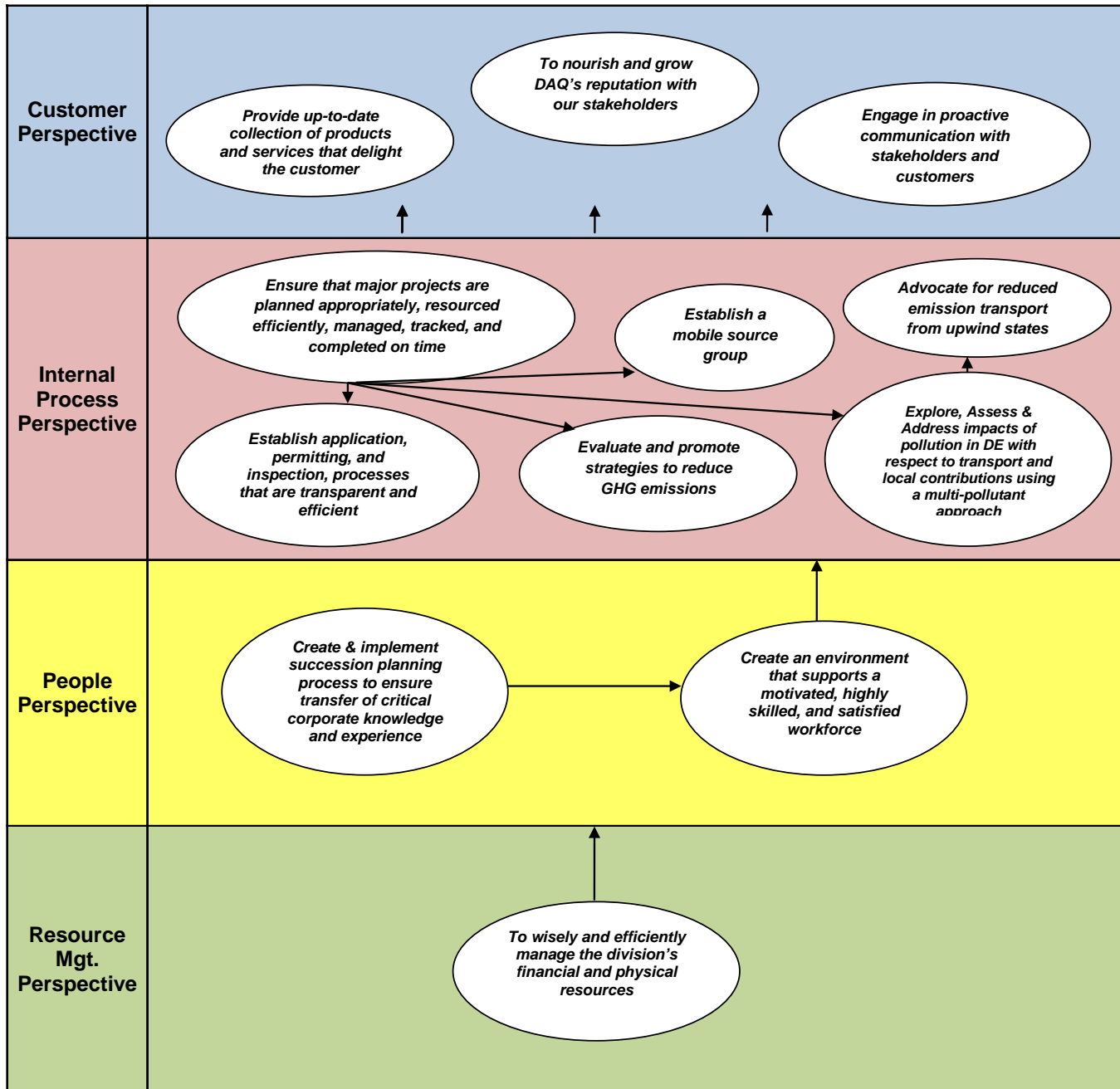
People

Resource Management

DAQ Strategic Approach

				RESOURCE MANAGEMENT								
				"As we pursue our vision/mission, to succeed financially, how should we perform?"								
CUSTOMER		Objectives	Measures	VALUES, VISION, MISSION, and STRATEGY				INTERNAL PROCESSES		Objectives	Measures	Initiatives
"To achieve our vision/mission, how should we respond to our customers?"								"To satisfy our customers, what business processes must we excel at?"				
				People								
				"To achieve our vision/mission, how do we change and improve?"								

DAQ Strategy Map



DAQ Strategy: Our Schedule

OCTOBER 2012:

1. Complete DAQ Strategy
2. Town-Hall Meetings with DAQ Staff
3. Open Comment Period
4. Finalize DAQ Strategy

NOVEMBER 2012:

1. All Branches and Groups developed Air Action Plans in support of DAQ Strategy

DECEMBER 2012:

1. Integrate all Air Action Plans into one comprehensive plan.

JANUARY 2013:

1. strategy Execution

Path Forward

- Current Fee Schedule Ends in December 2014
- We Must Have 2015 through 2017 Fee Schedule Set in Spring 2014
- Begin Meetings in Fall 2013
- Base Negotiations On Projected Costs
 - Don't Have Staff to Conduct Full Workload Analysis
 - Job Requirements Have Not Changed Significantly Since Last Analysis
 - Previous Workload Analyses Were Not Used to Set Previous Fee Revenues

Follow-Up Items