OFFICE OF ENVIRONMENTAL ASSISTANCE AND PROTECTION

> MINOR BARNETTE DIRECTOR



ENVIRONMENTAL ASSISTANCE AND PROTECTION ADVISORY BOARD

> PETER H. DeVRIES CHAIRMAN TOMMY THOMPSON VICE CHAIRMAN

NATHAN ATKINSON JARRETTE DINEEN RICHARD L. SIEG MARY BETH WILLIAMS CHARLES E. WILSON

FORSYTH COUNTY ENVIRONMENTAL ASSISTANCE and PROTECTION ADVISORY BOARD MEETING

The Forsyth County Environmental Assistance and Protection Advisory Board met on July 21, 2015 at 10:00 a.m. in the Board of Equalization and Review Room, Forsyth County Government Center, 201 North Chestnut Street, Winston-Salem, North Carolina.

Peter DeVries, Chairman		
Richard Sieg	Beth Williams	
Charles Wilson	Jarrette Dineen	
Tommy Thompson, Vice Chairman Nathan Atkinson		
Minor Barnette Peter Lloyd	Jason Bodenhamer Bob Ragland	Michael Settle Valerie Shores
	Richard Sieg Charles Wilson Tommy Thomps Nathan Atkinson Minor Barnette	Richard Sieg Beth Williams Charles Wilson Jarrette Dineen Tommy Thompson, Vice Chairman Nathan Atkinson Minor Barnette Jason Bodenhamer

I. Call to Order:

Mr. DeVries called the meeting to order.

II. Approval of the April 21, 2015 Advisory Board Meeting Minutes:

Mr. DeVries opened the discussion to approve the April 21, 2015 meeting minutes. Mr. Wilson made a motion to accept. Ms. Williams seconded the motion, all members of the Advisory Board in attendance approved.

Forsyth County Government Center, 201 North Chestnut Street, Winston-Salem, NC 27101-4120 Phone 336-703-2440 Fax 336-727-2777

III. Introduction of New Advisory Board Member:

Mr. DeVries introduced new Advisory Board Member, Mr. Dineen. Mr. Barnette extended a cordial welcome to Mr. Dineen.

IV. Air Quality Awards:

Mr. DeVries explained the Air Quality Awards process.

The Environmental Assistance and Protection Advisory Board members review the compliance histories of the permitted sources, determine which sources have met their responsibilities in controlling air emissions and determine the air quality recipients.

Dr. Lloyd gave a list of enforcement actions that were processed last year to the Advisory Board. He explained the source names, operating statuses, codes, acronyms and descriptions. Mr. DeVries explained that all permitted sources are eligible for a certificate if they have had no enforcements. Dr. Lloyd said typically the Advisory Board has awarded certificates to facilities which operate in the calendar year without receiving a notice of violation or a notice of deficiency. He said at the last meeting, the Advisory Board asked that we move forward with these awards.

Mr. DeVries said it is requested that the Environmental Assistance and Protection Advisory Board make the final determination on which sources will receive the Calendar Year 2014 Air Quality Awards.

Mr. Sieg made a motion to give certificates to facilities that have not had a NOD or NOV. Ms. Williams seconded the motion. The motion passed.

V. Special Air Quality Awards and Special Environmental Awards:

The Environmental Assistance and Protection Advisory Board may recognize companies and other organizations making exceptional efforts in reducing pollution. The Special Air Quality Award is presented to those companies/organizations that have reduced their air pollution beyond regulatory requirements and the Special Environmental Award reflects efforts made by companies/organizations to control pollution in any environmental media. Applications for the Special Environmental Awards have been received for *Winston-Salem/Forsyth County Schools – Jefferson Elementary School, Winston-Salem/Forsyth County Schools Maintenance Division,* and *R. J. Reynolds Tobacco Co.* No applications were received for the Special Air Quality Award.

Dr. Lloyd introduced 2 applicants for 3 Special Environmental Awards.

A representative of R.J. Reynolds Tobacco Company named Lindsey Aiello began the presentation. Ms. Aiello said recycling is at the forefront of their thinking in the facility. She discussed landfill waste reduction efforts. In 2014, R.J.R.T. diverted 6,500 tons of waste from the landfill. Reduction opportunities came in 3 different forms: reusing, recycling and composting.

They reused cardboard boxes, industrial totes and 25,000 pounds of pallets. Ms. Aiello said there a lot of raw materials that go into their manufacturing process. They recycled paper, 2400 tons of cardboard and 186 tons of various grades of plastics. They recycled universal waste materials such as light bulbs, electronics and batteries, as well as 75 gallons of food grade oil, glue, kitchen grease and tobacco scrap. In 2014, they tripled the previous total volume of recycled metal and wooden pallets. They have cafeterias on the premises at 3 of their main manufacturing facilities. She said because of their efforts in composting, they diverted 30 tons of food waste, which equated to 27 metric tons of carbon dioxide from the landfill.

Ms. Aiello said R.J.R.T. wanted to highlight their VUSE electronic cigarette product. They focused on how to make this product 100% recyclable. They initially chose a manufacturer who would take the VUSE product cases back, thus diverting 100 tons of VUSE cases from the landfill. The manufacturer recycled the cases by chipping them and making them into other products. The more difficult items to recycle were sent to a waste to energy facility to create steam to power turbines for electricity.

They defined job tasks in their manufacturing facility and looked at ways to lower the number of cut-resistant gloves which were previously readily accessible to machine operators. The gloves were challenging to recycle due to the cloth and plastic coatings used to make the gloves anti-slip. They monitored and noted a significant reduction of gloves that were being thrown away from 2-3 pair per week to 2-3 pair per month.

R.J.R.T. will continue to recycle components of the VUSE product in 2015. Ms. Aiello said they had a 45% recycling rate increase as opposed to the previous average years, which were in the 30% range. They are still indentifying more opportunities for tobacco scrap. She said tobacco scrap is composed of filter tow, scraps of cigarette, paper components, sugars, flours and plant fibers. Ms. Aiello said R.J.R.T. was paying to have their food grade oil recycled. Mr. Barnette said that he could provide them with the name of a local company that might come to the facility and collect the palm oil.

Mr. Dineen asked about neutrality or costs of recycling for manufacturing facilities and if they are receiving revenue for recycling. Ms. Aielo said their company received profit for some items but often it costs them financially to recycle. Their company's perspective on sustainability and the environment helps them to choose to divert items to the landfill. Ms. Williams asked if there was another method to recycle tobacco besides composting. Ms. Abourizk-Kleinfelder of R.J.R.T. said tobacco dust was being used as a solidification agent.

Mr. Barnette advised the Advisory Board that they previously gave an environmental award to the R.J.R. facility for that environmentally friendly process.

Mr. DeVries commented about the company's recycling efforts. He said the totes used in the manufacturing facility are very expensive and R.J.R.T. has always recycled them.

Mr. DeVries asked if there was motion from the Board regarding this award. Mr. Sieg made a motion to give R.J.R.T. the Special Environmental Award. Mr. Dineen seconded the motion.

Mr. Wilson abstained from voting. The motion passed.

Dr. Lloyd introduced Mr. Howard Moore, Energy Manager for the Forsyth County School System. He represented the Winston-Salem and Forsyth County Schools, Jefferson Elementary School and the Winston-Salem/Forsyth County School's Maintenance Division. Mr. Moore began by discussing the success of their energy efficiency efforts at Jefferson Elementary School. They earned a 2014 Energy Star rating from the Environmental Protection Agency. He explained the Energy Star Energy information rating requirements and the comparison of the elementary school site compared to buildings across the nation. He showed a copy of the certificate. The school earned a rating of 91 out of a 100 point scale Energy Star rating.

Mr. Moore discussed Forsyth County School's Maintenance Department. He highlighted projects, renovations and additions to the Downtown School's light fixtures, Annex building, Cook Elementary School gym, the Walkertown gym, the transportation bus garage and LED signs at Reynolds High School.

The Piedmont Environmental Alliance made presentations to East Forsyth Middle School to help 7th grade students understand energy usage at home and in schools. Duke Energy Smart Saver Program helped pay the schools to update old equipment. The county received \$53,000 back from this program. He explained the Energy Star ratings and he said buildings that earn the EPA's Energy Star use 35 percent less energy and generate 35 percent fewer greenhouse gas emissions than similar buildings across the nation. He discussed reduction in usage and environmental impacts. Mr. Moore said they had 531 pounds of CO2 reduction, the equivalent to taking 50 cars off of the roads. He discussed energy conservation and its impact on the environment. He thanked the Advisory Board, Forsyth County Commissioners, Duke Energy, the Environmental Assistance and Protection Office and the Piedmont Environmental Alliance.

Mr. Wilson asked Mr. Moore if they were using their achievements as a teaching tool and if they were publicizing this in the media. Mr. Moore said The Piedmont Environmental Alliance is developing a corporate curriculum to help 3rd graders. He said they are working on publicizing their achievements through the recognition of awards and televised Board meetings but it is still difficult to gain publicity.

Mr. Dineen said that his question directly related to improvements and upgrades. He asked if they were simply upgrading aging equipment for the vitality of new equipment. And, he asked if the cost reduction was seen immediately. Mr. Dineen also asked if this was a deliberate focus on efficiency.

Mr. Moore answered that their efforts were a combination of both. They have a 5 to 10 year plan and they are focusing on updating older buildings and equipment, while allocating funding accordingly. They are using the newest technology they could afford and they are replacing the oldest equipment.

Mr. Dineen asked in relation to Jefferson Elementary School as an Energy Star recipient, if they are deliberately targeting specific schools for cost efficiency or the cost to retrofit for an

Energy Star rating. He also asked if they are they focused on specific schools for public relations measures or are they focusing their efforts on schools that have been out of commission for decades.

Mr. Moore said they looked at the worst performing locations during all days, weekends and hours, etc. to get their data. He tracked who was doing the best job, which locations had the worst offenders and who had the highest cost for energy usage and waste. He focused on educating the staff as well as updating buildings and equipment.

Ms. Williams asked how many of the schools have the Energy Star rating. Mr. Moore said there are 7 schools and more would qualify but due to manpower and time for identification processes, they are limited. He said they have high standards and have set their goals at 90 or above but many of the schools already score at 75 or more.

Mr. DeVries asked if there was a motion to move with the environmental award. Mr. Sieg made a motion that the Board move to award the Special Environmental Award to the Winston-Salem and Forsyth Schools for outstanding efforts and success in energy efficiency at Jefferson Middle school.

Mr. Wilson seconded the motion. The motion passed.

Mr. DeVries asked if there was a motion for the Forsyth Maintenance Division. Ms. Williams moved to give the Forsyth Maintenance Division the Special Environmental Award.

Mr. Sieg seconded the motion. The motion passed.

VI. Revisions to the Forsyth County Code and Air Quality Technical Code:

Revisions to the Forsyth County Code and Air Quality Technical Code have been proposed to incorporate changes adopted by the Environmental Management Commission. The proposed changes are the removal of the requirements for complex source permitting and clarification that PSD and Title V permitting programs do not apply solely on the basis of greenhouse gas emissions. Additional administrative corrections and clarification are also proposed.

Public Hearing:

Mr. DeVries opened the public hearing for the proposed revisions to chapter 3 of Forsyth County Code and Air Quality Control Technical Code:

Mr. DeVries said the Advisory Board is requested to consider comments presented at the public hearing and make recommendations to the Director on the adoption of proposed rule changes.

Dr. Lloyd gave the Advisory Board copies of proposed revisions. He said the revisions are an adoption of changes made to the state code, these changes will be adopted. Dr. Lloyd said regarding the changes listed, there were 2 primary effects.

The first change is repealing and reviewing the requirements for complex source permitting.

He said previously large parking lots and large parking decks required construction permits to evaluate the effects of carbon monoxide and particulate matter. Dispersion modeling was used to determine if any mitigation was required.

Dr. Lloyd said it is his understanding that with regard to the status of carbon monoxide Forsyth County has been a maintenance area for about 15 years. The maintenance area requirements are about to expire and given the improvements to vehicles, CO is no longer a problem. DENR has made demonstration showing that is no longer required. Similarly with particulate matter, we don't appear to have a problem.

The second purpose of these rule changes is to amend the requirements for greenhouse gas permitting. Last June the Supreme Court made a ruling that the EPA not require title V permitting just on the basis of greenhouse gas emissions. However the court did hold if a source was required to obtain a title V permit based on a criteria pollutant, then greenhouse gas emissions could be addressed in the title V permit.

In addition, there were also administrative corrections and amendments including updates.

Mr. DeVries and Mr. Sieg mentioned a change in the name of the forestry service to N.C. Forest Service.

Mr. DeVries said the smoke management plan moved in number sequence.

Mr. Sieg found a punctuation error on page 33 listed in 0502C.

Mr. DeVries said he reviewed the state permit fees as the Forsyth County permit fees will be updated.

Mr. Wilson commented about the N.C. Legislature and the environment. He said we are all familiar with the risk of climate change, sea level changes and the pentagon recognizes security risks associated with it. Any contribution we could make would be important. He referenced section 3J0500 with regard to the prevention of significant deterioration of air quality by greenhouse gases. He said this seems inconsistent. He asked if this was related to NC Legislation.

Mr. Barnette said that as Dr. Lloyd referenced previously, this is a result of a U.S. Supreme Court ruling at the national level. They specifically said the greenhouse gas emissions by themselves cannot be the trigger for these permit requirements. But, if the source exceeds the threshold for a criteria pollutant or a hazardous air pollutant or other criteria for requiring these, then the greenhouse gas emissions would be included with other pollutants in the PSD or NSR review at that time.

Mr. DeVries said if you have serious greenhouse gas emissions, then you probably have serious criteria pollutants anyway. Offenders would have to have PSD permits. Dr. Lloyd said that utilities are the largest producers of greenhouse gases.

Ms. Williams asked if a PSD permit is just for a new building or a new construction. Dr. Lloyd said it is a preconstruction program for either large new facilities or major modifications to existing large facilities.

Ms. Williams asked if previously, prior to construction of a parking lot if someone would have to apply for a permit.

Dr. Lloyd agreed and said this applies to complex sources. New Source Review applies to large stationary sources such as factories and new utilities. Large parking lots are complex sources.

Mr. Barnette said that if there were a sufficiently large number of parking spaces when this complex source provision was in effect that triggered the complex source permit requirement. The most recent PSD permit was for RJR. This resulted from them purchasing the Lorillard brands. They needed to construct a new processing line at their existing manufacturing facility in Tobaccoville. The new line impacted their regulated emissions. In May, Dr. Lloyd was able to have the PSD review completed so that RJR could begin construction.

Mr. Barnette congratulated Dr. Lloyd for his reorganization of staff and prioritization of duties to get this PSD permit completed in 7 months. As a result, RJR wrote a letter to the Board of Commissioners and the Chamber of Commerce commending us for a high level of customer service. They also acknowledged the financial benefit to their company. Dr. Lloyd acknowledged and congratulated Rob Russ.

Mr. Sieg advised to send accolades from the Advisory Board to Rob Russ.

Mr. DeVries asked if there were any questions or comments.

Gayle Tuch, attorney and environmental advocate, responded. Ms. Tuch said there is more news everyday about scientific data and evidence about greenhouse gases, global warming and climate change. An Associate Press article about this referenced that this is the hottest year on record since 2010. She talked about greenhouse gases. She said in regard to any laws that are revised, we as citizens have an obligation to make sure that greenhouse gases are important. Nothing is energy efficient enough. We are at 400 ppb CO2 and we are not addressing methane or hydrofluorocarbons, which are more potent. She discussed climate change, permitting sources and sea levels. She said we need to do more for future generations.

Mr. DeVries asked what she wanted of the Advisory Board.

Ms. Tuch said she was planning to go through the proposed revisions and give comments. She would like to have a little more time in the future.

Mr. DeVries said we are given these proposed changes and we, as a Board are asked to render an opinion if they should be adopted. We are changing our rules to be consistent with the state. He asked if she was asking the Board not to approve these changes.

Ms. Tuch advised she is concerned about this issue and wanted to ask the Advisory Board to wait and give more time to render a decision.

Mr. Sieg said he started at DENR as a former regulator and he went to Vermont Law School, so he is very sympathetic to this topic. But, he is also sympathetic to administrative law procedures. The Clean Air Act is a prescriptive statute compared to others. EPA has been given tools to manage the issue. The Supreme Court has said, for now, this tool is not one the EPA can use. EPA has to find other tools to regulate this. This is an administrative law type issue.

Mr. DeVries explained the issue. He said that these rules and this agency operate under the auspice of the state. The EPA delegated the authority to the state. Whatever the state and EPA and the Supreme Court dictates is what happens. If this Board says no, then the commissioners are probably not going to follow the recommendation of adoption if we said not to adopt.

Mr. Wilson said we have an obligation since there is a public hearing to give our opinions on this matter. It seems there are at least 4 options. He said the PSD greenhouse gases paragraph can be revised. We can table, reject or pass this issue. He said he is inclined to adopt one of those options.

Ms. Williams asked if the commissioners have an opportunity for the public to speak at their meeting.

Mr. Barnette said yes. Any changes to the code will require two votes by the Forsyth County Commissioners during 2 regularly scheduled business meetings which occur on Monday nights. It will be briefed once on a Thursday at 2pm and then the following Thursday, if they have any questions to follow up preceding the votes at the business meeting.

Mr. Barnette said he would like to mention something for Ms. Tuch's benefit. He said our authority to enforce these rules is delegated to us by the Environmental Management Commission. If we refuse to adopt a change like this, it could potentially result in them revoking our authority to exist. The agency could be shut down and all of the valuable programs in this community would go away. He would have to consider the greater good this agency is able to provide for the benefits of the citizens and businesses in the community. Sometimes in the context of this situation, we have to look at the greater good. A compromise of some of our values is sometimes necessary in order for us to be able to continue. The EMC does hold the authority to determine whether we function in Forsyth County.

Ms. Tuch said she appreciated what we do and that we are able to see a bigger picture. She said the DAQ doesn't have enough staff. They are not as concerned about this county and about the greenhouse gas emissions as we are. She said she is overly concerned about the issues.

Mr. DeVries said that we appreciate her comments.

Mr. Sieg said the EPA needs to find other tools to regulate this problem. He moved to vote for the changes.

Mr. Wilson said he had considerable concerns about these issues and suggested that paragraph 3D 0500 be deleted. He recommended the motion for these rule changes be adopted with that friendly change.

Mr. DeVries said the motion will remain as it exists. He said they have asked Mr. Barnette to let the Commissioners know there was public comment about these issues and one Advisory Board member is strongly opposed to this paragraph.Mr. DeVries said they are not asking for this paragraph to be removed.He asked if everyone was in understanding of the motion.Mr. Wilson made a motion. Ms. Williams seconded. All were in favor.

Mr. DeVries closed the public hearing.

VII. Item Q&A on the office of Environmental Assistance and Protection's "5 Year Network Assessment" submitted by the EPA by July 2015. Mr. Barnette asked if the Advisory Board had any questions. There were no questions for Jason Bodenhamer.

VIII. Director's Update:

Mr. Barnette advised the Advisory Board that they were securing positions in the Compliance Assistance and Permitting Division. He said he is looking forward to the department being fully staffed and fully trained.

Mr. Barnette discussed Senate Bill 513. He said it includes a provision for an agriculture exemption to allow farmers to burn plastic. He submitted formal written comments expressing his concerns about the impacts of that provision.

Mr. DeVries asked Mr. Barnette about farmers who are burning plastic. Mr. DeVries commented that there will be no requirement beforehand that the farmers aren't going to exceed any air quality standards. No one will be taking air samples on site.

Mr. Barnette said farmers will be allowed to burn polyethylene plastic that is used for crop row covers and greenhouses. They are currently required to transport it to the landfill or a waste to energy facility. Mr. Barnette said the burning of plastic is permissible if it didn't violate any ambient air quality standards. We are worried about toxic air pollutants that can be dangerous at lower concentrations especially during temperature inversions. Air pollution is trapped near the surface where we breathe and it doesn't disperse vertically into the atmosphere. They could be exposing citizens to significant levels of toxic air pollution downwind from the farms. It is hard to recycle that plastic because of the soil, plant debris or

pesticide residue it may contain.

Mr. Wilson said that Mr. Barnette interpreted correctly and the Board is in full support of what he is doing on these very important issues.

Mr. Barnette said that he submitted written comments and concerns regarding the impacts of burning plastics. Those issues went through our legislative liaison to our delegation in Raleigh. They were invited to discuss it with us and have a more detailed discussion.

Mr. Barnette said House Bill 765 was approved by the House in April and it was amended and approved by Senate. The House will probably reject the Senate's revisions and a committee will most likely be formed and comprised of both houses for negotiation. He said this could have an indirect impact on this department if it is adopted. It would require the State Division of Air Quality to shut down every air pollution monitor that is not specifically required by federal rule.

The state may reduce the staffing of their laboratory that we use to process our particulate matter filters from our federal reference method monitors and if we lose access to the state lab, we don't know if we can afford to pay a private lab. So it may indirectly require us to make some changes in the future.

Mr. Barnette said the other provision also includes a repeal of the law that requires manufacturers of electronics to pay an annual fee that creates revenue to support electronics recycling. Electronics are banned from landfills in North Carolina. That will not change. If the revenue is no longer supporting our recycling program, we may see televisions at dump sites. Being business friendly could be at the cost of our environment. He said \$27,000 in state revenue paid for a 1/3 of our program. The utilities staff is negotiating with 3RC. It is likely smaller counties will have to implement a new set or restructuring of user fees for people trying to recycle electronics or they may have to shut down their programs. Dell currently pays \$14,000 in annual fees to support electronics recycling.

Mr. Barnette concluded the Director's update.

IX. Next Tentative Quarterly Meeting:

Date: Next Tentative Meeting is October 20, 2015 **Location:** 201 North Chestnut St. Winston-Salem, NC

X. Peter DeVries adjourned the meeting.

Dated: 10/20/15 wm Barretto 10/24/15

Minor Barnette, Director

Approved: Juty Halling Peter H. DeVries, Chairman