

MINUTES

FULL BOARD MEETING
COUNCIL OF GOVERNMENTS CONFERENCE ROOM
APRIL 23, 2010

MEMBERS PRESENT: Ed Elliott, Renee Cariveau, Ernest Riley, Eddie Moore, Rick Laughridge, Ted Mattison, Bob Waldrep, Carthel Crout, Rufus Foster, Grady Butler, Judy Gilstrap, Joe Dill, Butch Kirven, Don Godbey, Bill Wylie, Bennie Cunningham, Reg Dexter, Connie Bowers, Randy Crenshaw, James Jackson, Mike Forrester, O'Neal Mintz, Jane Hall, Loretta Smith, and Chet Morris.

GUESTS PRESENT: Myra Reece, Bureau Chief, Renee Sheely, Assistant Bureau Chief, and Susan Turner, Regional Director, Greenville Office, DHEC Bureau of Air Quality; and Sarah Knuckles, Department of Transportation Committee.

STAFF PRESENT: Steve Pelissier, Joe Newton, Becky Hall, Beverly Allen, Dirk Reis, Chip Bentley, Aliza Tourkow, and Debbie Courson.

The meeting was called to order by Chairman Elliott. The invocation was offered by Mr. Foster. On motion by Mayor Godbey, seconded by Mr. Cunningham, the minutes of the March 26, 2010, meeting were unanimously approved.

Report on Appalachian Development Corporation Activities

Mr. Mueller stated that the ADC is an economic development corporation founded by the members of the Appalachian Council of Governments. The Corporation is organized for

the purpose of furthering economic development and social welfare in the counties of Anderson, Cherokee, Greenville, Oconee, Pickens, and Spartanburg; promoting and assisting with growth and development of business concerns, particularly small concerns; and to benefit the area as measured by increased employment and payroll, business volume, increased tax base and similar factors. To achieve these goals, the Corporation provides a variety of services that include: the ACOG Appalachian Regional Commission Revolving Loan Fund-provides loans to qualified small businesses up to \$200,000,- or 40 percent of the project, provided there is adequate job creation or retention; the Appalachian Development Corporation State Revolving Loan Fund-provides loans to qualified small businesses up to \$200,000, or 40 percent of the project, provided there is adequate job creation or retention; and the Small Business Administration 504 Loan Program-provides loans to qualified businesses for fixed assets up to \$1,300,000, or 40 percent of the project, provided there is adequate job creation or retention.

Impacts of Pending Changes to Federal Clean Air Act Regulations

Myra Reece, Air Quality Bureau Chief with SCDHEC, presented an overview of challenges the region will face from pending changes in National Ambient Air Quality Standards (NAAQS), Greenhouse Gas Emissions Standards, and the process of meeting new federal requirements at the state level. The main emphasis of her presentation was that new standards would be impacting South Carolina significantly in the near future. She also said that since the State had not been through this before, they would be seeking all the help and partners they can find as they go through the process and invited everyone to contact them if they have questions or wanted to be more involved.

Ms. Reece then discussed the first challenge facing the State and region, which is the accelerated schedule for implementation of the new Ozone standard that will be announced in July. She said that the fast tracking of implementation of the new standard would likely impact the majority of the state and that there will be a lot of uncertainty, added regulation, and added cost to development and road construction projects. In addition to the new Ozone standard, Ms. Reece said that standards for other key pollutants are also under review currently and could add to the challenges if they are changed to a level that cannot be met by areas in the state.

Ms. Reece then followed that with a discussion about the need for a better approach from EPA to address air quality concerns. She explained that the Clean Air Act was written over 20 years ago to address some very specific air pollution issues in very specific areas of the country. In the estimation of DHEC, this model is no longer effective as it is applied to other areas of the country that have different situations than those originally considered. She said the prescriptive measures set out today increase government size,

increase taxes, and hinder growth and development without effectively addressing air quality concerns in many regions.

Ms. Reece proposed that a better approach to these issues would be to revise the Clean Air Act to take into account the changing nature of air pollution issues. She suggested a multi-pollutant approach that allows more flexibility in reform measures so that each region could find a more effective solution while avoiding some of the negative impacts on growth. She asked that everyone get involved with DHEC and their legislative delegation on this issue. The first step in DHEC's process will be to work on a plan to deal with the ramifications of any non-attainment designations that might be established by 2011. At the same time DHEC will begin an effort to lobby the state's Congressional Delegation to revise the Clean Air Act. She said they would emphasize the need for a more holistic approach to improving air quality and a less prescriptive approach to regulations aimed at achieving air quality standards nationwide. Ms. Reece stated they would be seeking support from all stakeholders in this effort and asked that everyone in attendance consider contacting their Congressman or senator's office to discuss the issue.

The stay of the new Ozone standard provides our region a short reprieve from non-attainment designation but does not remove the threat of it. During this stay, DHEC will continue to work with with EPA, the COG's, and local governments to implement the best course of actions to bring cleaner air sooner to South Carolina, while minimizing the regulatory and economic impacts.

Legislative Update

Mr. Newton provided an update of legislation being considered by the General Assembly during its 2010 term. Emphasis was given to issues of importance to local governments, which included: 2011 budget, local government fund, cigarette tax, and tax reform – Act 388.

Report from the Personnel Committee

Mr. Pelissier stated that the Personnel Committee met to develop a set of personnel-related recommendations that are submitted to the Budget Committee and then to the Board for final approval. Due to time constraints, this agenda item will be presented at the May 28th Board meeting.

Minutes
Page Four

Committee Assignments

Chairman Elliott announced committee assignments for the upcoming year. Please see attached.

There being no further business, the meeting adjourned at 12:00 noon.

Chairman

THE SOUTH CAROLINA APPALACHIAN COUNCIL OF GOVERNMENTS HAS
COMPLIED WITH THE FREEDOM OF INFORMATION ACT IN SCHEDULING
AND CONDUCTING THIS MEETING.