

OHIO AIR QUALITY DEVELOPMENT AUTHORITY

Mike DeWine
Governor

Members

James S. Simon
Chairman

Michael H. Keenan
Vice-Chairman

Ted Celeste
Michael F. Curtin

Ex Officio
Lance D. Himes, Interim Director
Ohio Department of Health

Laurie Stevenson
Ohio Environmental Protection Agency

Executive Director
Christina O'Keefe

Secretary-Treasurer
Christina O'Keefe

Legal Counsel
Stephen J. Smith, Esq.

Programs
Project Development and Financing
Clean Air Resource Center

The regular meeting of the *OHIO AIR QUALITY DEVELOPMENT AUTHORITY* will be held on Tuesday, July 14, 2020 at 10:00 am via video conference.

The meeting will be conducted in accordance with open meeting laws within the State of Ohio. During the current state of emergency and to protect employees, partners and the public, the Authority is offering video conference access and a call line as an option to attend the meeting remotely. To help ensure capacity on this conference line, please RSVP to info@aqda.state.oh.us with your interest to participate.

To access the meeting by video, choose this link: [Join Microsoft Teams Meeting](#)

To access the meeting by telephone, dial: 614.721.2972,,401168933#

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OHIO AIR QUALITY DEVELOPMENT AUTHORITY



TUESDAY, JULY 14, 2020

TENTATIVE AGENDA

The meeting will be conducted in accordance with open meeting laws within the State of Ohio. During the current pandemic and to protect employees, partners and the public, the Authority is offering video conference access and a call line as an option to attend the meeting remotely. To help ensure capacity on this conference line, please RSVP to info@aqda.state.oh.us with your interest to participate.

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To access the meeting by telephone, dial: 1 614-721-2972 Conference ID: 401 168 933#

1. [Welcome and Introduction of Guests](#) [Chairman](#)
2. [Minutes June 9, 2020](#)
3. [Resolution 20-25 \(Administrative\)](#) [Next Level Technologies](#)

A resolution ratifying the agreement with Next Level Technologies to provide information technology services for OAQDA.
4. [Resolution 20A07 \(Administrative\)](#) [Administrative & Personnel Policies](#)

A resolution to approve new and revised policies related to the administration of OAQDA.
5. [Resolution 20-26 \(Administrative\)](#) [Communication Messaging](#)

A resolution to approve communications and messaging for use by OAQDA, including a revised mission statement.
6. [Discussion on Program Guidelines](#) [Executive Director & PFM](#)
7. [Executive Director's Report](#) [Christina O'Keeffe](#)
8. [Adjournment](#)

OHIO AIR QUALITY DEVELOPMENT AUTHORITY

The regular meeting of the Ohio Air Quality Development Authority (“Authority”) was held remotely, on Tuesday, July 14, 2020 at 10:00 am.

As authorized through House Bill 197 as passed by the General Assembly and signed into law by Governor DeWine, the Authority conducted this meeting using online videoconferencing technology via Microsoft Teams in order to protect the public during the declaration of an emergency related to COVID-19 pandemic. A telephone number and videoconference link to the meeting was published on the Ohio Air Quality Development Authority website and distributed to persons of interest prior to the meeting and in compliance with Open Meeting Laws.

These are the minutes of the meeting.

The following members were present:

Jim Simon, Chairman
Michael Curtin
Ted Celeste

Ex-Officio members present:

Laura Factor, Ohio Environmental Protection Agency

The following members were absent:

Michael Keenan

Ex-officio members absent:

Gene Phillips, Ohio Department of Health

Staff present:

Christina O’Keeffe, Executive Director
Sandra Langston, Administrative Manager
Dawn Pertner, Fiscal Officer
Brooke Grant, Manager of Planning & Projects
Gabe Lorenz, Customer Service Coordinator

General Counsel:

Jesse Shamp, Frost Brown Todd

Guests present:

Matt Schnackenberg, PFM
Blake Beachler, Calfee
Susana Solentino, Donovan Energy
Laura Franke, Laura Franke LLC
Marisa Long, Inspire PR Group
Jess Ensley, Inspire PR Group

Rob McCarthy, Bricker & Eckler
Chrissy Fielding
Andy Holzhauser, Donovan Energy
John Kirschner, GB Solutions
Madeline Fleischer, Dickinson Wright
Katie Lundy, Inspire PR

This meeting of the Authority has been duly posted and given to all news media, organizations and other persons who requested such information in accordance and in full compliance with Chapter 3706-1 of the Ohio Administrative Code.

The Chairman called the meeting to order at 10:00 a.m.

1. The Chairman welcomed everyone.

The Chairman noted the meeting was being conducted through Microsoft Teams videoconferencing, in compliance with the Open Meetings Act and the administrative rules of the Authority.

General Counsel confirmed compliance with the Open Meetings Act, that a quorum was present, and that it remained an open, public meeting. General Counsel confirmed that the meeting was fully in compliance with state law.

Ms. Langston called the Roll:

Mr. Simon – Yea
Mr. Keenan - Absent
Mr. Celeste - Yea
Mr. Curtin - Yea
Ms. Factor – Yea
Mr. Phillips - Absent

Chairman Simon stated that the Authority would be explicit on which item was on the table for discussion or vote, and that he would recognize members and guests by name and title during discussions or ask them to introduce themselves. Additionally, he stated that roll call votes would be taken for each vote, and that if any member left the meeting it would be noted in the minutes. As part of the orientation to the meeting, the Chairman asked Sandra Langston to provide information about the Teams software and the ground rules for the meeting.

Ms. Langston announced all known guests and staff who were present on the meeting, and asked those not readily identifiable to introduce themselves.

2. Minutes – Regular business meeting June 9, 2020.

Mr. Celeste moved for approval of the minutes. Ms. Factor seconded.

Roll call vote:

Mr. Simon - Yes
Mr. Celeste – Yes
Mr. Curtin - Yes
Ms. Factor - Yes

Motion passed. Minutes adopted.

3. Resolution 20-25 (Administrative)

Next Level Technologies

A resolution ratifying the agreement with Next Level Technologies to provide information technology services for OAQDA.

Director O’Keeffe introduced this Resolution, which will ratify an agreement made with Next Level Technologies for IT services. She stated that the Authority saw a need to move forward with a new IT service provider due to issues that had been identified with existing provider as well as increased technology support necessary during the pandemic. She noted that the agreement was made under authority granted to her within the agency’s pandemic plan, which is in effect during the state of emergency. She said Dawn Pertner identified the new provider from a list of competitive bids, and they came in as the best and lowest cost bid, resulting in a significant savings to the agency as compared to the previous provider. Discussion surrounded compliance with obligations as a state agency for competitive bid-seeking.

Mr. Curtin moved to approve Resolution 20-25. Mr. Celeste seconded.

Roll call vote:

Mr. Simon - Yes
Ms. Factor - Yes
Mr. Celeste – Yes
Mr. Curtin - Yes

Motion passed. Resolution adopted.

4. Resolution 20A07 (Administrative)

Administrative & Personnel Policies

A resolution to approve new and revised policies related to the administration of OAQDA.

Director O’Keeffe introduced this Resolution and noted the Authority may need to review and adopt certain administrative and personnel policies from time to time. The Authority received new policies in recent months from the Department of Administrative Services which are incorporated in the handbook as presented for consideration by the board. Existing policies were also reviewed and have recommended revisions. In an effort for ease of understanding, distribution and evaluation, she mentioned all the agency’s policies are compiled into one cohesive document. She thanked Sandra Langston for her work on this effort. In the future the handbook will be reviewed on a regular basis, preferably annually, to ensure compliance with federal and state regulations, and any recommended updates will be presented to the board for approval. She stated that General Counsel was also involved in the process and reviewed the policies.

The Chairman asked to identify the policies that were new and revised, which includes:

- Anti-Discrimination and Anti-Harassment (revised)
- Barbara Warner Workplace Domestic Violence (new)
- Charitable and Fundraising Activities (revised)
- Distracted Driving (new)
- Dress Code (revised)
- Drug and Alcohol/Drug Free Workplace (new)
- Ethics (revised)
- Equal Employment Opportunity (new)
- Nursing Mothers (new)

- Office Security (revised)
- Tobacco Free Workplace (new)
- Media (revised)
- Social Media (revised)
- Conditions of Employment (revised)
- Employee Benefits (revised)
- Nepotism (revised)
- Performance Review (revised)
- Asset (new)
- Procurement and Contracts (new)
- Public Records Request (revised)
- Computer Software Licensing (revised)
- Use of Internet, Email and Other IT Resources (revised)

Mr. Celeste moved to approve Resolution 20A07. Mr. Curtin seconded.

Roll call vote:

Mr. Simon - Yes
 Mr. Celeste – Yes
 Ms. Factor - Yes
 Mr. Curtin - Yes

Motion passed. Resolution adopted.

5. Resolution 20-26 (Administrative)

Communications Messaging

A resolution to approve communications and messaging for use by OAQDA, including a revised mission statement.

Director O’Keeffe introduced this Resolution, which considers communications messaging proposed in coordination with Inspire PR’s recommendations on new messaging framework for external communications and a revised mission statement. She noted that Inspire PR presented on this framework in the May meeting for review and discussion by the board. She thanked Chairman Simon and Member Curtin for their work in developing the revised mission statement. She described the proposed mission statement:

The Ohio Air Quality Development Authority (OAQDA) improves air quality by supporting businesses, creating jobs and improving communities while enhancing the health and safety of all Ohioans.

She stated that, if approved, the Authority would work to incorporate the framework’s guidelines into new materials, the website, social media, and other external communications. Discussion surrounded the mission statement. Chairman Simon thanked those who contributed to the development of the new framework.

Mr. Celeste moved to approve Resolution 20-26. Mr. Curtin seconded.

Roll call vote:

Mr. Simon - Yes
Mr. Curtin - Yes
Mr. Celeste - Yes
Ms. Factor - Yes

Motion passed. Resolution adopted.

6. Discussion on Program Guidelines

Executive Director & PFM

Director O’Keeffe introduced this discussion, which was intended to both update members on the status of the program guidelines and facilitate discussion regarding the accountability provision of the guidelines. She noted that over the course of May and June, stakeholder feedback has been helpful to shape the guidelines. She additionally thanked Members Curtin and Factor for participating in an educational session in June, which helped the development of the guidelines along with identifying the points for the discussion of this item.

Director O’Keeffe pointed members to the accountability provision of the guidelines and stated that Members Curtin and Factor highlighted this item as one that should be discussed with the board as a whole. Director O’Keeffe additionally asked General Counsel to engage with bond and issuer’s counsels regarding this provision, which helped identified the options for consideration of the accountability based on the legal authority. She highlighted the possible options for accountability that were discussed during the educational session. Item A, removal or reduction of the tax exemption, which was identified as not being a legal option for the Authority based on Chapter 3706. As long as OAQDA bonds are outstanding, the tax exemptions remain in place.

Items B through D are legal options, but each presents specific challenges in their implementation which may outweigh their benefits. Item E, a recurring administrative fee that could be increased or decreased based on performance, is the item that the working team felt rose to the top of the list for consideration.

There was some discussion on item D, OAQDA filing claim for breach of contract, as well as whether it had been used in past instances by OAQDA.

Director O’Keeffe continued discussion of item E, and asked Matt Schnackenberg of PFM to walk members through the research and analysis PFM completed on this item. Mr Schnackenberg discussed the proposed fee and stated that they looked at several options. He said that they analyzed the fee on the outstanding par amount, projected energy savings, or projected tax savings. They identified reasonable percentages on outstanding bonds and applied the fee for each of these options. He stated that they found that the projected energy and tax savings were inconsistent, and that the project type contributed to the significant variance. They dismissed the idea of basing it on the energy savings, as well as dismissing the idea of basing it on tax savings due to inconsistency in the many taxing jurisdictions across Ohio.

Mr. Schnackenberg discussed sample fees based on each variant considered, and noted that the fee would go down as the outstanding par amount went down. He further noticed that the fee was mostly front-loaded as a result. Discussion surrounded what the fee would be to over the course of the loan,

based on the numbers used in the example. Mr. Schnackenberg suggested the best option would be to have an ongoing administrative fee, which would be increased in instances of non-performance.

Discussion surrounded the value of the fee and how it would be implemented, along with comparisons of the proposed fee to other conduit issuers. Laura Franke mentioned other possible items that could be implemented along with the fee, including scaling the fee based on severity of non-performance. Director O’Keeffe noted that the intent was to be a partner with these projects so there is success and in cases when performance is not meeting intended goals, then to work with the borrower on understanding any extenuating circumstances might exist over time that can be documented before imposing or waiving the non-performance fee. She further noted that there was a ten percent tolerance threshold already built into the draft guidelines to account for a variance in performance from the intended goal.

Detailed discussion continued as to how this fee would be inserted into bond documents. Director O’Keeffe stated that the Authority is working with technical engineers to identify costs around ongoing verification and the most reasonable approach for monitoring, benchmarked against industry standards. She stated that this would result in an ongoing fee, and that the Authority is looking into reviewing the fee schedule, as well as proposing the appropriate level of fees to cover costs and help projects be successful over time. She also noted the analysis will aim to ensure the project will retain a net benefit to the borrower in their use of OAQDA financing.

At the conclusion of the discussion, Director O’Keeffe stated this feedback and direction by the board is very helpful. She will work with PFM to work through the details, including an appropriate scale for fees based on level of non-performance, and then be integrated into the final program guidelines. Chairman Simon asked that another Member educational session be held before the finalization of the guidelines.

7. Executive Director’s Report

Director O’Keeffe communicated that staff continues to telework and meetings will continue to be held remotely due to the COVID 19 situation. Furthermore, the Governor’s Office would be distributing masks for OAQDA staff and board members through the Department of Administrative Services.

She noted that the Petmin project timeline may have been affected by the pandemic, but OAQDA is continuing to work with them as a partner. She also reported that there were significant inquiries from potential projects, including at least two applications intended for the August meeting with additional three to four potentially in the near future. She stated that this time has allowed staff to work on certain special projects, including the Administrative & Personnel Policies handbook, the use of electronic board software for materials in future meetings, and reviewing the fee schedule.

Director O’Keeffe acknowledged Marisa Long and Katie Lundy of Inspire PR for their work in developing the messaging framework, which will be used in marketing and communications materials and outreach. She noted that Gabe Lorenz is working with Inspire to undertake a website audit in the interest of making it more user-friendly and simplify some of the technical language. Director O’Keeffe pointed out the new Clean Air Resource Center brochure, reflecting the new administrative rules effective July 1, and noted that Inspire created a marketing and communications plan, which is being implemented by Brooke Grant and Gabe Lorenz. Inspire is also developing a marketing and communications plan for the new program guidelines.

The Senate passed legislation, in the form of House Bill 264, which includes an amendment allowing OAQDA to recover administrative costs related to implementation of the Nuclear and Renewable Energy Generation Fund programs. This amendment allows for an amount not to exceed \$300,000 per state fiscal year, and OAQDA would have to go to Controlling Board to access the funds. She noted that the bill needs to be reviewed by the House for concurrence when they return to session in September. She called the members attention to the financial reports that they received via email on July 13, 2020. She further noted that the agency is experiencing a slight reduction in revenue as compared to same time in 2019. She stated that the Authority is continuing to monitor the fiscal situation, and Dawn Pertner would present a fiscal update in August.

Director O’Keeffe reminded members of the Ethics Commission deadline for submitting financial disclosures, which is July 15, 2020.

Discussion surrounded the potential implementation of the cost recovery provision of House Bill 264 and how it would affect cash flow. Director O’Keeffe noted that there had been approximately \$225,000 in expenses incurred over the past fiscal year related to implementation of the nuclear and renewable energy generation programs. Chairman Simon thanked Ms. Pertner for the quality of her financial reports.

8. Adjournment

The Chairman adjourned the meeting at 10:48 a.m.

The regular meeting of the *OHIO AIR QUALITY*

***DEVELOPMENT AUTHORITY* will be held remotely on**

Tuesday, August 11, 2020 via video conferencing through

Microsoft Teams.