

**MINUTES**

**NACAA  
BOARD OF DIRECTORS AND COMMITTEE CHAIRS'  
2019 WINTER MEETING**

**January 29-30, 2019**

**The Hall of States  
Washington, DC**

**Tuesday, January 29, 2019**

Welcome and Review of Agenda

The NACAA Board of Directors and Committee Chairs convened their meeting at 8:30 a.m. NACAA Co-Presidents Ali Mirzakhaili (OR) and Richard Stedman (Monterey, CA) welcomed everyone. Other NACAA Board Members present included Charlene Albee (Reno, NV), Cecily Beall (DC), Mark Buford (Mount Vernon, WA), Jayme Graham (Pittsburgh, PA), Garry Kaufman (CO), Christine Kirby (MA), Michelle Walker Owenby (TN), Sam Rubens (Akron, OH), Frank Steitz (NJ), Eddie Terrill (OK) and Erik White (Auburn, CA). Committee Co-Chairs present, who are not also Board Members, included Alberto Ayala (Sacramento, CA), Tad Aburn (MD), Stu Clark (WA), Mike Dowd (VA), Steve Flint (NY), Gail Good (WI), Heidi Hales (VT), Merlyn Hough (Springfield, OR), Michelle King (Louisville, KY), Lynne Liddington (Knoxville, TN), Wayne Nastro (Los Angeles, CA), Ursula Nelson (Tucson, AZ) and Jaclyn Palermo (OR). NACAA staff present included Miles Keogh, Nancy Kruger, Mary Sullivan Douglas, Karen Mongoven, Phil Assmus, Stephanie Steigman and Monique Faye. The meeting agenda is attached.

Executive Director's Report

NACAA Executive Director Miles Keogh provided a report summarizing the association's recent and ongoing activities. He discussed the changing political landscape following the fall 2018 elections and potential strategies for effecting policy change. Miles also reviewed possibilities for expanding the association's membership. Finally, he discussed funding and membership cohesion, observing that funding is probably the largest challenge that the association is currently facing (a topic that will be examined in more detail later in the meeting). Looking ahead, Miles suggested that next year's focus should be on taking action to achieve the association's strategic goals.

Critical Issues

*Mobile Sources and Fuels*

Erik White (Auburn, CA), Co-Chair of the NACAA Mobile Sources and Fuels Committee, briefed the group on EPA Administrator Andrew Wheeler's November 13, 2018 launch of the Cleaner Trucks Initiative (CTI) to further reduce nitrogen oxide (NO<sub>x</sub>) emissions from onroad heavy-duty (HD) trucks and engines. Erik reminded the members that in June 2018 NACAA sent a letter to then-Administrator Scott Pruitt urging him to take "prompt action" to tighten federal HD NO<sub>x</sub> standards and, also, that in June 2016, a group of state and local air agencies, led by South Coast Air Quality Management District, had petitioned EPA to adopt more stringent federal HD NO<sub>x</sub> standards. EPA will be working toward proposal of a federal rulemaking in 2020. Erik also highlighted the fact that California is already at work to develop HD NO<sub>x</sub> standards. Erik indicated this will remain a high-priority issue for NACAA and that the association will participate in EPA's CTI to the fullest extent possible.

Erik then reminded the members that in October 2018 NACAA submitted comments to EPA and NHTSA opposing the agencies' joint SAFE Vehicles Rule proposal to roll back the federal light-duty vehicle greenhouse gas (GHG) and fuel economy standards set in 2012 and withdraw California's statutory authority to set GHG and zero-emission vehicle standards. He noted that NACAA will remain engaged in this regulatory effort as well.

Steve Flint (NY), Co-Chair of the Mobile Sources and Fuels Committee, recapped for the members NACAA's response to EPA's invitation in November 2018 to provide comments on a three-page "preview" of a draft EPA Tampering Policy to update the agency's enforcement policy concerning vehicle and engine tampering and aftermarket defeat devices and supersede and replace several EPA enforcement policies. The preview did not address core issues of concern to NACAA related to the sale and use of aftermarket catalytic converters for the light-duty fleet, for which NACAA seeks an updated federal policy on aftermarket catalyst replacements. The association explained this to EPA in the November comments.

Finally, Steve noted that NACAA continues to enjoy its long-standing, collaborative working relationship with EPA's Office of Transportation and Air Quality (OTAQ). In the past, a small group of NACAA members met with OTAQ staff each year in Ann Arbor to dive into the technical details of current and emerging mobile source and fuels issues. NACAA and OTAQ have agreed to revive these meetings and will work together to plan one for this year and invite a small group of NACAA members to attend.

#### *VW Settlement*

Steve Flint (NY) provided an update on the National Association of State Energy Officials (NASEO)-NACAA Volkswagen (VW) Working Group and Clearinghouse and described how it has been beneficial to the participants. He noted that NACAA and NASEO have approached Wilmington Trust to request funding to continue the Working Group and Clearinghouse activities.

#### *Air Toxics*

Mary Sullivan Douglas (NACAA) introduced the new Air Toxics Committee Co-Chair, Frank Steitz (NJ), who replaced Bill O'Sullivan (NJ). Mary provided a status report on EPA's development of 33 Risk and Technology Review standards. She then gave an overview of EPA's proposed supplemental cost finding for the Mercury and Air Toxics Standards (MATS), noting that NACAA must determine how to comment on the proposal. One major issue is the role of co-benefits in calculating the costs and benefits of the rule. She reported that NACAA would schedule a membership call to discuss the association's comments and urged those interested to participate.

There was a discussion during which several members stated that they seek co-benefits when developing strategies and that any economic analyses should consider co-benefits. It was noted that an August 2018 NACAA comment letter supported the consideration of co-benefits in cost-benefit analyses.

#### *Permitting and New Source Review*

Ursula Nelson (Tucson, AZ), Co-Chair of the NACAA Permitting and New Source Review (NSR) Committee, noted that the meeting participants had been provided with a copy of a chart that the Committee maintains on an ongoing basis showing the various NSR and other permitting reforms that EPA has undertaken or has planned for the near future. She observed that many of the individual items, viewed in isolation, can appear to be relatively small changes, but taken as a whole, the long list of reforms will have a significant, cumulative effect on the NSR program. Ursula also reported that the Committee recently took the lead in the developing the NSR section of NACAA's comments on EPA's proposed Affordable Clean Energy (ACE) rule, its potential replacement for the Obama Administration's Clean Power Plan to reduce greenhouse gas emissions from existing fossil fuel-fired power plants. Committee Co-Chair Ali Mirzakhali (OR) observed that EPA's efforts to reform the NSR program are occurring primarily on the applicability side (i.e., creating ways for sources to avoid NSR permitting). He recommended that NACAA continue to emphasize the need for EPA to better-engage with NACAA when

developing these policies, rather than waiting to report to the Committee after draft guidance has already been issued.

### *Global Warming*

Stu Clark (WA), Co-Chair of the NACAA Global Warming Committee, described the status of NACAA's efforts to develop comments on EPA's proposed changes to the New Source Performance Standards for power plant greenhouse gas emissions. He explained how the government shutdown had delayed EPA's rulemaking schedule and anticipated that the agency would soon announce a comment deadline extension. Stu noted that an updated NACAA comment timeline would be distributed shortly after EPA's announcement. In the meantime, he pointed out that NACAA staff had developed and posted on the association's website a collection of resources to help air agencies comment on the proposal.

Alberto Ayala (Sacramento, CA), Co-Chair of the NACAA Global Warming Committee, provided additional updates on recent and likely congressional action in the U.S. House of Representatives related to climate change.

### *Criteria Pollutants*

Nancy Kruger (NACAA) updated the Board and Committee Co-Chairs on EPA's reconsideration of the 2015 New Source Performance Standards for residential wood heating (RWH) devices, reminding the group that the agency, on November 30, 2018, had published two actions: 1) a Notice of Proposed Rulemaking to provide a two-year "sell-through" for Step 1 hydronic heaters and forced air furnaces to allow the continued sale, until May 2022, of such devices manufactured before the May 2020 Step 2 compliance date and 2) an Advance of Proposed Rulemaking to take comment on a number of issues related to the 2015 NSPS to inform a future rulemaking. NACAA commented on both of these actions and, most notably, opposed the proposed (or any) sell-through and urged EPA to take no action to change the 2015 NSPS at this time and, instead, to focus on developing new test methods between now and 2023 so that the stage will be set for the review of the 2015 NSPS, which is required every eight years.

Next, Tad Aburn (MD), Co-Chair of the Criteria Pollutants Committee, provided an update on recent EPA actions and state litigation related to transport.

### Preparation for Meeting with EPA

NACAA Executive Director Miles Keogh led a discussion to prepare for the Board and Committee Co-Chairs meeting with EPA Assistant Administrator Bill Wehrum. The group discussed a number of potential issues to raise with the Assistant Administrator, including impacts of the government shutdown, the Mercury and Air Toxics Standards, EPA's practices regarding the length of public comment periods and the availability of public hearings, wildfire smoke management, the rulemaking for NO<sub>x</sub> emissions from heavy-duty diesel vehicles, the National Air Toxics Assessment and EPA's prioritization of training, particularly as related to succession planning.

### Meeting with EPA – Pending and Strategic Initiatives

Bill Wehrum, Assistant Administrator of EPA's Office of Air and Radiation (OAR), provided an update on OAR's policy priorities and responded to questions from the Board of Directors and Committee Chairs. He reported on the state of OAR following the just-ended partial government shutdown that effectively halted OAR activities for a month. Of the many questions raised by members, the topic that engendered the most discussion was concerns with the short public comment periods that have accompanied many of EPA's proposed rules. Wehrum stated that the agency does not intend to short-shrift public engagement, but it is working to move rulemaking along at a brisk pace, and it will deny requests for extensions of public comment periods absent a compelling reason. At every step of the rulemaking process, OAR intends to move as expeditiously as possible, he stated.

## Critical Issues, continued

### *Public Outreach*

Christine Kirby (MA), Co-Chair of the NACAA Public Outreach Committee, reported that the Committee had adopted a new strategy that would allow more opportunities for topical discussions while still retaining the important information-sharing capabilities of the Committee. She noted that the Committee would be developing procedures for vetting and distributing key messages to members and other interested parties. Some of the upcoming issues for discussion include outreach related to wildfires and how agencies are using social media to get their messages out.

Wayne Nastri (Los Angeles, CA), Co-Chair of the NACAA Public Outreach Committee, added that the Committee would also be discussing the challenges associated with private sensor networks and how to leverage state and local resources to ensure that users avail themselves of all the data necessary to make informed decisions.

The discussion then turned to communications opportunities and challenges experienced by those present.

### *Enforcement*

Mike Dowd (VA), Co-Chair of the NACAA Enforcement Committee, reported that EPA is soliciting comments on the selection of National Compliance Initiatives for FY 2020-2023. He noted that one of the initiatives that EPA has recommended be removed from the initiatives list is “Reducing Air Pollution from the Largest Sources.” The members briefly discussed several specific enforcement concerns in their areas, as well as mobile source enforcement issues.

### *Program Funding*

Eddie Terrill (OK), Co-Chair of the NACAA Program Funding Committee, provided an update on appropriations for FY 2019, which Congress was still considering. He reminded Board Members that they had approved an approach at the summer meeting that included calling for an increase of \$82 million above the FY 2019 amount (\$228 million), for a total of \$310 million, flexibility for state and local agencies to target grants for the highest-priority activities in their areas and retention of funding for PM<sub>2.5</sub> monitors under Section 103 authority.

The members discussed gathering additional information about funding needs and increasing the amount NACAA is recommending. Several noted the importance of clearly describing to the members the information that would be needed. However, the Board did not change the approach to be followed for FY 2020.

### *Monitoring*

Sam Rubens (Akron, OH), Co-Chair of the NACAA Monitoring Committee, reported that EPA is working on a proposed rule to extend the start date for states to implement the revised monitoring network requirements for the Photochemical Assessment Monitoring Stations (PAMS). The new PAMS design will require PAMS measurements to be taken at all NCore stations in CBSAs with a population of 1 million or more, and they require substantial equipment investments. EPA was slow in securing national contracts for this equipment, and as a result, many states are unprepared to proceed with the current June 2019 start date – hence the need for an extension. EPA’s plan is to extend the start date by two full years, to 2021. Sam also noted that EPA’s Ambient Air Monitoring Group is currently dealing with a wave of retirements and staff turnover, including its air toxics monitoring lead and QA lead. Finally, Sam reported that he and Committee Co-Chair Heidi Hales (VT) are working with Karen Mongoven (NACAA) and EPA staff to schedule the next Monitoring Steering Committee meeting with EPA, probably in April or May.

### *Emissions and Modeling*

NACAA Emissions and Modeling Committee Co-Chairs Charlene Albee (Reno, NV) and Gail Good (WI) reported that EPA recently released for informal public comment a draft guidance document, "Revised Policy on Exclusions from Ambient Air." The guidance delineates the areas in which Prevention of Significant Deterioration (PSD) permit applicants must place modeling receptors to show that a proposed source or modification will not cause or contribute to a violation of the National Ambient Air Quality Standards or a PSD increment. The revised policy would change the existing requirement that public access to land owned by a source must be precluded by a "fence or other physical barrier" in order to be excluded from "ambient air," and allow instead for "measures, which may include physical barriers" that effectively preclude or deter public access. NACAA sought input from members on whether the association should comment on the draft guidance, and due to mixed and relatively low feedback, elected not to comment. Charlene and Gail also relayed information from EPA on planned release dates for upcoming guidance documents and revisions to the AP-42 emissions factors for organic liquid storage tanks. They also provided an update on the efforts of the National Inventory Collaborative to develop a multi-purpose emissions modeling platform using the 2016 base year. Finally, they reviewed the dates of key upcoming events: the 2019 Regional, State, and Local Modelers Workshop (week of May 6 in Seattle, WA), the 2019 International Emissions Inventory Conference (July 29-August 2 in Dallas, TX) and the 12th Conference on Air Quality Models (October 1-2 in Research Triangle Park, NC).

### *Agriculture*

Merlyn Hough (Springfield, OR), Co-Chair of the NACAA Agriculture Committee, provided updates on three issues. He described recent efforts by EPA to continue to develop an emissions accounting framework for animal feeding operations; explained recently issued exemptions for farm emissions reporting requirements under CERCLA and EPCRA; and summarized recent Committee activities that focused on the emissions impacts of wildfires.

### *Resilience and Sustainability*

Michelle King (Louisville, KY), Co-Chair of the NACAA Resilience and Sustainability Committee, updated the group on the committee's recent activities. She described some of the topics addressed on recent Committee calls and noted efforts to collect and post resilience plans and other related resources on the NACAA website. Jacklyn Palermo (OR), Co-Chair of the NACAA Resilience and Sustainability Committee, encouraged Board Members and other committee Co-Chairs to review the website and suggest additional resources to post.

### *Training*

NACAA Training Committee Co-Chair Cecily Beall (DC) addressed the Board and Committee Co-Chairs with two training-related updates. First, she reported on the Committee's recent work to develop training content for NACAA members, highlighting a successful webinar series on connections between air quality and the power sector. Based on the strong response from the membership, Cecily noted that NACAA would likely pursue additional topics in the future. Next, she summarized and provided an update on a project being undertaken by NACAA to identify and recruit staff at air agencies who would like to help update EPA's training courses; Phil Assmus (NACAA) is working on this project.

### NACAA Dues and Finances – FY 2019 and FY 2020

Miles Keogh (NACAA) shared with the group some potential strategies for augmenting NACAA's revenue stream, noting that a small subset of the Board and Chairs had participated in a call prior in the month to brainstorm ideas. The group then discussed these and other possible strategies.

## **Wednesday, January 30, 2019**

### **Board Discussion**

#### *NACAA Leadership Roles and Responsibilities*

Ali Mirzakhaili (OR), NACAA Co-President, opened a discussion about expectations, roles and responsibilities for Board Members, including how to address the association's financial issues and expanding membership. One suggestion was for Board Members to reach out to air directors in their regions and to serve as ambassadors for NACAA with others. The members discussed how to continue engaging agencies as long-standing members retire. They also discussed the important role of the committees and how NACAA can be a stronger voice on key issues.

#### *Conflicts of Interest Policy*

Miles Keogh (NACAA) introduced a new conflict of interest policy to be signed by the Board Members. He noted that it is required by the Internal Revenue Service. NACAA's policy had been revised twice in the past and the new version is based on what other similar organizations use. The members briefly discussed some examples of what a conflict of interest would be. Miles asked the members to review the policy and provide comments. If there are no suggested changes within 30 days, the Board Members will be asked to sign the policy.

#### *Membership*

Miles Keogh (NACAA) announced that the Board will discuss at its next meeting an approach to expand NACAA membership. NACAA Co-President Richard Stedman (Monterey, CA), encouraged members who may have ideas for expanding membership to let them know.

The Board agreed to defer discussion of funding models and methods and generating revenue from other sources until the Spring Board of Directors and Committee Chairs' Meeting in Kansas City.

### **Development of Agenda for NACAA's 2019 Spring Membership Meeting**

Nancy Kruger (NACAA) led a discussion of potential session topics for the upcoming NACAA Spring Membership Meeting. The Board and Committee Co-Chairs reviewed a list of suggestions drafted by the NACAA staff and expressed interest in exploring the following options: onroad heavy-duty engine NO<sub>x</sub> standards, the use of social media by air agencies, innovative state and local initiatives, the public health impacts of climate change, wildfires, NAAQS implementation, the health impacts of ultrafines, a discussion with EPA Assistant Administrator Bill Wehrum and a breakout session for local agencies,

### **NACAA Finances and Business**

#### *NACAA Financial Reports and Annual Audit*

Miles Keogh (NACAA) explained the association's financial reports and provided details about the current finances. The reports included information about the NACAA treasury account (i.e., non-grant funds) as well as NACAA's grant from EPA. Miles reported that the current spending rate is consistent with where it should be. In addition, he reported that NACAA had undergone its annual financial audit in December and had received the best results possible, which is that there had been no material findings.

Next, the Board discussed the proposed FY 2020 and 2021 NACAA operating budgets. Miles noted that the recommendation for the first year represented a 0.5% increase over the current budget and for the second year a 2.8% increase over the proposed first year budget. The State Agency Members of the NACAA Board and the Local Agency Members of the NACAA Board, in separate votes, unanimously approved the proposed FY 2020 and 2021 operating budgets. Miles noted that in the next four to six weeks the Board would need to discuss and approve FY 2020 dues levels (the approved dues levels would then be transmitted to EPA).

### *NACAA Investments*

Miles provided information about the NACAA treasury funds that had been invested several years ago. He reported that the investments were down based on current market conditions but that no changes needed to be made at this time.

### *Approval of Minutes – Fall 2018 Board-Committee Chairs' Meeting*

The State Agency Members and the Local Agency Members of the NACAA Board, in separate votes, unanimously approved the minutes of the 2018 Fall Board of Directors and Committee Chairs' Meeting.

### *Future Meeting Dates and Locations*

Miles apprised the group that the 2019 Spring Membership Meeting would take place April 29-30, 2019, in Kansas City, MO (Westin Kansas City Crown Center). In addition, Miles noted that the 2019 Summer Board of Directors and Committee Chairs' Meeting was likely to be held August 3-5, 2019, in Portland OR and that Albuquerque, NM was under consideration as the location of the 2019 Fall Membership Meeting.

### New Business

There was no new business.

### Adjourn

The meeting was adjourned at 12:00 p.m.

**AGENDA**  
**NACAA**  
**BOARD OF DIRECTORS AND COMMITTEE CHAIRS'**  
**WINTER MEETING**  
**January 29-30, 2019**  
**The Hall of States**  
**Washington, DC**

**Tuesday, January 29, 2019**

- 7:30 a.m. – 8:30 a.m. Continental Breakfast
- 8:30 a.m. – 8:45 a.m. Welcome and Review of Agenda
- 8:45 a.m. – 9:15 a.m. Executive Director's Report
- Member Relations
  - NACAA Funding
  - NACAA Operations
  - Federal and Other Activities
- 9:15 a.m. – 10:15 a.m. Critical Issues
- Mobile Sources
  - VW Settlement
  - Air Toxics
- 10:15 a.m. – 10:30 a.m. Break
- 10:30 a.m. – 11:30 a.m. Critical Issues, continued
- Permitting and New Source Review
  - Global Warming
  - Criteria Pollutants
- 11:30 a.m. – 12:15 p.m. Preparation for Meeting with EPA
- 12:15 p.m. – 1:00 p.m. Working Lunch (provided)
- 1:00 p.m. – 2:00 p.m. Meeting with EPA – Pending & Strategic Initiatives
- Bill Wehrum, Assistant Administrator, EPA OAR
- 2:00 p.m. – 2:45 p.m. Critical Issues, continued
- Public Outreach
  - Enforcement
  - Program Funding



**Tuesday, January 29, 2019, continued**

- 2:45: p.m. - 3:00 p.m. Break
- 3:00 p.m. – 4:00 p.m. Critical Issues, continued
- Monitoring
  - Emissions and Modeling
  - Agriculture
  - Resilience and Sustainability
  - Training
- 4:00 p.m. – 5:00 p.m. NACAA Dues & Finances – FY 2019 and FY 2020

**Wednesday, January 30, 2019**

- 7:30 a.m. – 8:30 a.m. Continental Breakfast
- 8:30 a.m. – 10:00 a.m. Board Discussion:
1. NACAA Leadership Roles and Responsibilities
  2. Conflict of Interest Policy
  3. Membership
  4. Funding Models and Methods
  5. Generating Revenue from Meetings, Trainings, etc.
- 10:00 a.m. – 10:15 a.m. Break
- 10:15 a.m. – 10:45 a.m. Development of Agenda for NACAA’s 2019 Spring Meeting
- 10:45 a.m. – 11:45 a.m. NACAA Finances and Business
1. NACAA Financial Reports and Annual Audit
  2. NACAA Investments
  3. Approval of Minutes of Fall 2018 Board-Committee Chairs’ Meeting
  4. Future Meeting Dates and Locations
- 11:45 a.m. – 12:00 p.m. New Business
- 12:00 p.m. Adjourn

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- 1:00 p.m. – 2:00 p.m. NACAA NEW LEADER ONBOARDING**  
(For new Board Members / Committee Chairs)  
NACAA Offices, Hall of the States, Room 307
1. Welcome
  2. NACAA History/Background and Governance
  3. NACAA Committees