

MINUTES

**NATIONAL ASSOCIATION OF CLEAN AIR AGENCIES
BOARD OF DIRECTORS AND COMMITTEE CHAIRS' FALL MEETING**

Sunday, September 24, 2017

**Hilton Seattle
Seattle, WA**

NACAA Co-Presidents Craig Kenworthy (Seattle, WA) and David Klemp (Montana) called to order the NACAA Board of Directors and Committee Chairs' Fall Meeting at 8:30 a.m. In addition to Craig and Dave, NACAA Board members present included Charlene Albee (Reno, NV), Stu Clark (Washington), Bob Colby (Chattanooga, TN), Steve Flint (New York), Anne Gobin (Connecticut), Ali Mirzakhilili (Delaware), Ursula Nelson (Tucson, AZ), Sam Rubens (Akron, OH), Chris Schroeder (Lincoln, NE), Bart Sponseller (Wisconsin), Richard Stedman (Monterey, CA) and Eddie Terrill (Oklahoma). Committee Co-Chairs, who are not also Board members, in attendance included Bruce Andersen (Kansas City, KS), Mark Buford (Mount Vernon, WA), Lynn Fiedler (Michigan), Merlyn Hough (Springfield, OR) and Erik White (Auburn, CA). In addition, Michelle Walker Owenby (Tennessee) was in attendance. NACAA staff present included Phil Assmus, Monique Faye, Miles Keogh, Nancy Kruger, Karen Mongoven and Stephanie Steigman. The meeting agenda is attached.

Executive Director's Report

Miles Keogh (NACAA) provided the Executive Director's report. He elaborated on early progress toward the goals he has set, namely, driving more value to members; shifting NACAA toward a "push orientation" whereby air agencies do not have to seek out the resources developed by the association; preserving and strengthening relationships with members; and expanding NACAA's work without straying from the association's core mission. Miles also noted a recent "4yi" resource developed by NACAA to address air quality issues related to hurricanes. Numerous members noted that the document had been well received at their agencies. Miles indicated that additional "4yi" documents on timely topics would follow on a periodic basis.

Critical Issues

Status of the National Air Quality Conferences

Stephanie Steigman (NACAA) reported that the 2017 National Air Quality Conferences, originally scheduled for September 11-13, 2017, had been postponed due to Hurricane Harvey. EPA has been working to reschedule the conference at the same facility in Austin, Texas. It is likely the conference will be held January 24-26, 2018.

Launch of NASEO-NACAA VW Settlement Clearinghouse

Eddie Terrill (Oklahoma), Co-Chair of the NACAA Enforcement Committee, briefed the group on the September 11, 2017 launch of the NASEO-NACAA Volkswagen Clearinghouse – a collaboration between NACAA and the National Association of State Energy Officials. The Clearinghouse is an online resource for use by state and local governments as they develop plans and implement projects under the Volkswagen (VW) settlement’s \$2.9 billion Environmental Mitigation Trust. Eddie encouraged members to view and use the clearinghouse. Also related to the VW settlement, Eddie noted that on September 19, 2017, the court approved the trust agreement for the VW Environmental Mitigation Trust and sent it back to the parties for signature. Once signed, it will be filed in the court, thereby establishing the Trust Effective Date (TED). Deadlines under the trust are triggered by the TED including the deadline for states to apply for beneficiary status under the trust, which is 60-days from the TED.

NACAA Activities Related to EPA Midterm Evaluation Reconsideration and CARB Locomotive Petition

Erik White (Auburn., CA) and Steve Flint (New York), Co-Chairs of the NACAA Mobile Sources and Fuels Committee, discussed two draft letters that had been distributed the week before for membership review and comment.

The first draft letter was in support of a petition submitted by the California Air Resources Board to EPA requesting that EPA exercise its authority to adopt more stringent federal standards for new and remanufactured locomotives. Erik explained that no state has the authority to regulate locomotives so all states rely on EPA to set meaningful federal standards. He noted also that the draft letter is consistent with NACAA’s February 17, 2017 recommendations to President Trump’s Administration and that the federal standards requested would benefit every area of the country, particularly those in or nearing nonattainment for ozone or PM and those with concerns over diesel particulate matter.

The group then discussed the locomotive letter and the process in general for developing NACAA letters and comments. Bart Sponseller (Wisconsin), Co-Vice President of NACAA, volunteered himself and Sam Rubens (Akron, OH), Co-Vice President of NACAA, to draft a process for developing NACAA letters and comment to stipulate how the association chooses what to comment on; if commenting, to require that the goals for the letter or comments be identified; to determine whether there are “trigger” words to be avoided; and to establish how to get “thumbs up” or “thumbs down.” Several members noted that NACAA already has a process based on a resolution adopted by the Board of Directors in 2012. They advised that Bart and Sam start with the existing process and not from scratch.

Next, Steve Flint discussed the second draft letter that had been provided to members the week before for review and comment, this one on EPA’s reconsideration of the final determination in the Midterm Evaluation (MTE) of the Model Year (MY) 2022 to 2025 light-duty vehicle GHG emission standards adopted in 2012. Steve reminded the group of the background on this issue, including details on the 2012 rulemaking and NACAA’s support for that rule; the MTE (required by the 2012 rule) conducted by EPA, with California and NHTSA; NACAA’s involvement in that process and the association’s support for the January 2017 final determination on the MTE by then-Administrator Gina McCarthy; and the current Administration’s decision to reconsider the final determination as well as an additional MY of standards – for 2021 – also adopted in 2012. Steve explained that the draft letter before the membership articulates NACAA’s support for the final determination on the MTE and the

MY 2021 standard and noted that this not only an environmental and public health protection issue but also a states' rights issue.

The group then discussed the need for the letter with members noting that it is important for NACAA to make its voice heard on this issue; suggesting that NACAA perhaps be proactive and meet with automakers to share the association's concerns; discussing when and why NACAA's voice matters; and highlighting that without the reductions from the standards now being reconsidered many downwind states will need to find other sources for reductions, likely including upwind power plants.

Development of NACAA Principles for EPA Permit Streamlining Initiatives

NACAA Permitting and New Source Review Committee Co-Chair Ali Mirzakhilili (Delaware) provided an update on the Committee's effort to develop a set of NACAA principles and recommendations to EPA on future "permit streamlining" initiatives, a topic that is anticipated to be a top priority for the agency in the coming months. The document will set out principles against which the Committee can judge EPA proposals. Seven Committee members have formed a subcommittee to help flesh out what will be included in the document. Ali recounted some of the ideas the Committee intends to incorporate into the draft letter.

Dave Klemp (Montana) suggested that NACAA should encourage EPA to increase its support for state streamlining efforts. Bart Sponseller (Wisconsin) agreed, and suggested that EPA might create a comprehensive "clearinghouse" to provide information on state streamlining efforts already underway. Mark Buford (Mt. Vernon, WA) recommended that NACAA stress that permitting delays are often the result of funding shortfalls; this is not a time to cut states' resources. Ali agreed these were all good points that the Committee could incorporate into the letter. Miles Keogh (NACAA) noted that he is stressing to potential funders the idea that additional training resources will improve the efficiency of state permitting processes.

Appropriations

Bruce Andersen (Kansas City, KS), Co-Chair of the NACAA Program Funding Committee, reported that the U.S. House of Representatives adopted an FY 2018 omnibus appropriations bill on September 14, 2017, while the Senate will not vote on an appropriations bill before the end of the fiscal year (FY). Therefore, on September 8, 2017, Congress adopted a Continuing Resolution to provide continued funding at FY 2017 levels for the federal government until December 8, 2017, in order to avoid a government shutdown. The Program Funding Committee is pleased that the House bill calls for level funding for state and local air grants (\$228.2 million) and retains fine particulate monitoring grants under Section 103 authority, both of which are provisions NACAA asked for in testimony and letters to Congress. Bruce summarized other Clean Air Act-related items of note in the House bill, then explained that the bill is assumed to be "dead on arrival" in the Senate due to various provisions the Senate does not like. It remains to be seen, said Bruce, what compromises Congress will arrive at. NACAA plans to send a letter to the Senate urging it to ensure that, at the very least, funding for state and local grants does not decrease past this year's level. Bruce encouraged those present to weigh in with their Senate and House delegations if they are able to do so.

Joint Training Committee Meeting

Phil Assmus (NACAA) announced that Mark Buford (Mount Vernon, WA) had been appointed as the local Co-Chair of the NACAA Training Committee. Phil then provided an update from the Committee. He recapped a Joint Training Committee (JTC) meeting hosted by EPA in Research

Triangle Park, North Carolina earlier in the month that both he and state Training Committee Co-Chair Mike Dowd (Virginia) attended. The other meeting attendees included representatives of EPA, the regional MJOs, individual state and local air agencies and AAPCA. The meeting agenda was structured around four workgroups to 1) identify course gaps; 2) update and develop course content; 3) hire and review instructors; and 4) ensure access to course materials. As a follow-up to the issues discussed during the meeting, NACAA agreed to participate in a joint effort with the state of Texas and AAPCA to identify and recruit new course instructors. The discussion that followed affirmed the critical need to update course materials and rethink how the training program is administered.

NACAA Finances and Other Business

Financial Reports

Miles Keogh (NACAA) explained NACAA's financial reports and provided details about the association's 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 NACAA's finances are in good order.

Update on NACAA Investments

Miles Keogh provided information about the NACAA treasury funds that were invested several years ago. He reported that the investments are in good order.

Approval of Board-Committee Chairs' 2017 Summer Meeting Minutes

The State Agency Members and the Local Agency Members of the NACAA Board, in separate votes, unanimously approved the minutes of the 2017 Summer Board of Directors and Committee Chairs' Meeting.

Future Meeting Dates and Locations

Miles Keogh reviewed the schedule for upcoming NACAA meetings:

- NACAA 2018 Winter Board of Directors and Committee Chairs' Meeting: January 31-February 1, 2018, in Washington, DC;
- NACAA 2018 Spring Membership Meeting: May 7-9, 2018 or May 21-23, 2018, in Chattanooga, TN;
- NACAA 2018 Summer Board of Directors and Committee Chairs' Meeting: July 27-30, 2018, in Madison or Milwaukee, WI; and
- NACAA 2018 Fall Membership Meeting: October 1-3, 2018 or October 15-17, 2018, in Ann Arbor, MI or other location, TBD.

New Business

There was no new business.

Adjourn

The NACAA Board of Directors and Committee Chairs' Meeting was adjourned.

**NATIONAL ASSOCIATION OF CLEAN AIR AGENCIES
BOARD OF DIRECTORS AND COMMITTEE CHAIRS' MEETING**

Sunday, September 24, 2017

**Leeward Room
Hilton Seattle
1301 6th Avenue
Seattle, WA 98101**

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| 7:00 a.m. – 8:30 a.m. | Buffet Breakfast |
| 8:30 a.m. – 8:45 a.m. | Introductions |
| 8:45 a.m. – 9:15 a.m. | Executive Director' Report <ul style="list-style-type: none">• Member Relations• Driving Better Value with Our Services• New Work and Diversification• Funding |
| 9:15 a.m. – 10:00 a.m. | Critical Issues <ul style="list-style-type: none">• Development of NACAA Principles for EPA Permit Streamlining Initiatives (10 minutes)• Status of National Air Quality Conferences (10 minutes)• Launch of NASEO-NACAA VW Settlement Clearinghouse (10 minutes)• NACAA Activities Related to EPA Midterm Evaluation Reconsideration and CARB Locomotive Petition (10 minutes) |
| 10:00 a.m. – 10:30 a.m. | Break |
| 10:30 a.m. – 11:00 a.m. | Critical Issues <ul style="list-style-type: none">• Appropriations (15 minutes)• Joint Training Committee Meeting (15 minutes) |
| 11:00 a.m. – 11:15 a.m. | NACAA Finances and Other Business <ul style="list-style-type: none">• Financial Reports• Update on NACAA Investments• Approval of Board-Committee Chairs' 2017 Summer Meeting Minutes |
| 11:15 a.m. – 11:30 a.m. | Future Meeting Dates and Locations |
| 11:30 a.m. – 12:00 p.m. | New Business |
| 12:00 p.m. | Board of Directors and Committee Chairs' Meeting Adjourns |