



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

January 24-27, 2014

**Scottsdale Conference Center
7700 East McCormick Parkway
Scottsdale, Arizona**

I. Introductions and Review of Agenda – Saturday, January 25, 2014

NACAA Co-President Merlyn Hough (Springfield, OR) called to order the 2014 Winter Meeting of the NACAA Board of Directors and Committee Chairs at 8:30 AM. Merlyn welcomed everyone and attendees made self-introductions. Board Members in attendance included Tad Auburn (Maryland), Mark Asmundson (Mount Vernon, WA), Rick Brunetti (Kansas), Stu Clark (Washington), Richard Corey (California), Sandra Ely (New Mexico), Anne Gobin (Connecticut), Merlyn Hough (Springfield, OR), Thomas Huynh (Philadelphia, PA), Dave Klemp (Montana), Ursula Kramer (Tucson, AZ), Dave Shaw (New York), Bart Sponseller (Wisconsin), Richard Stedman (Monterey, CA), Barry Stephens (Tennessee) and Barry Wallerstein (Los Angeles, CA). Committee Chairs who are not also Board Members in attendance included Bruce Andersen (Kansas City, KS), Arturo Blanco (Houston, TX), Mike Dowd (Virginia), Larry Greene (Sacramento, CA), Craig Kenworthy (Seattle, WA), Barbara Lee (Healdsburg, CA), Lynne Liddington (Knoxville, TN), Ali Mirzakhaili (Delaware), John Paul (Dayton, OH), Shelley Schneider (Nebraska), Nancy Seidman (Massachusetts), Eddie Terrill (Oklahoma) and Dick Valentinetti (Vermont). NACAA staff in attendance included Phil Assmus, Bill Becker, Mary Sullivan Douglas, Nancy Kruger and Karen Mongoven. After reviewing the agenda (see attached), Merlyn asked if there was any new business to add and there was none.

II. Discussion on Section 111(b) – GHG Standards for New Power Plants – Saturday, January 25, 2014

Stu Clark (Washington), Co-Chair of the NACAA Global Warming Committee, reported that NACAA had a productive call with the membership on December 12, 2013, to discuss the positions NACAA should take in its comments on EPA's proposed New Source Performance Standards for greenhouse gas (GHG) emissions from new electric generating units under section 111(b) of the Clean Air Act. The proposed rule was published in the *Federal Register* on January 8, 2014.

Stu noted that NACAA drafted comments on EPA's first proposal to regulate GHG emissions from new power plants under section 111(b) (later withdrawn), but, ultimately, did not finalize and submit them. However, in the December 12 discussion on EPA's revised proposal, the members were able to reach general agreement on a number of issues. NACAA will prepare draft comments on these areas of general consensus. NACAA will not comment on the proposed standards for coal-fired plants, which are based on the deployment of partial carbon capture and sequestration technology.

Phil Assmus and Karen Mongoven of NACAA will prepare the draft comments and circulate them for review by the membership. The air directors will be included in all correspondence related to the

development of NACAA's comments. Absent an extension by EPA, the comment deadline is March 14, 2014.

III. Discussion on Section 111(d) – GHG Standards for Existing Power Plants – Saturday, January 25, 2014

Larry Greene (Sacramento, CA), Co-Chair of the NACAA Global Warming Committee, summarized NACAA's engagement in EPA's 111(d) rulemaking process, noting the August 2013 NACAA 111(d) principles. EPA has said it will issue a proposed 111(d) rule in June 2014. NACAA is preparing for the rule by developing a model 111(d) plan as well as menu of options to help implement the 111(d) requirements.

Bill Becker (NACAA) provided additional information on the model plan and menu, noting both ideas had been discussed at prior NACAA meetings. The menu will identify and summarize significant regulatory or policy options to reduce GHGs emissions. The final work product will be similar to NO_x, VOC, mercury, and NSR resources NACAA has developed in the past. The model plan will be a tool to guide state development of 111(d) plans. NACAA hopes to release a first version of the model plan shortly after the menu. NACAA will begin its work on both the model plan and menu by assembling a committee of members and hiring a contractor to do the drafting. NACAA has approached RAP to work on the menu but is still finalizing a contractor to work on the model.

The members held a discussion about the menu and model plan projects. Members were very supportive of both projects.

Board Members also raised issues related to energy efficiency and the 111(d) rule and discussed implementation and crediting issues related to accounting for the emissions benefits of increased energy efficiency.

IV. Update on SIP Reform – Saturday, January 25, 2014

Tad Aburn (Maryland), Co-Chair of the NACAA Criteria Pollutants Committee, updated the group on the NACAA-ECOS-EPA SIP Reform Workgroup's (SRWG) latest initiative. Over the past year, the SRWG – which was established nearly four years ago – has focused on how to resolve the SIP backlog and keep it from recurring. In fall 2013, the Workgroup decided to seek closure on this issue by appointing a smaller group of "negotiators" from the states and from EPA to work together to reach consensus on a path forward. The state members of the SRWG – DE, MD, NY and NACAA headquarters on behalf of NACAA and NV, OH, SC, TX, WI and ECOS headquarters on behalf of ECOS – chose as their representatives Bill Becker (on behalf of NACAA) and Bob Hodanbosi (Ohio, on behalf of ECOS). EPA selected as its representatives Anna Wood (OAQPS) and Becky Weber (Region 7).

Next, Bill Becker reported to the group on the outcome of the negotiations. Bill explained that he and Bob entered the negotiations with a proposal from the state members of the SRWG that EPA commit to ameliorating the backlog by 2017 and to addressing all other SIPs, current and future, based on the Clean Air Act deadlines for action. EPA's response was that there also needed to be commitments by the states. After a number of weeks of intensive discussion a tentative agreement was reached – the *NACAA-ECOS-EPA SIP Reform Workgroup Commitments and Best Practices for Addressing the SIP Backlog*. Although the negotiators had agreed to not share hard copies yet, Bill was able to share orally the components of agreement, including six commitments and seven best practices. The first commitment was "EPA will clear the existing SIP backlog (as of October 1, 2013) by no later than the end of 2017, and manage the review of all other SIPs consistent with Clean Air Act deadlines." Bill explained that EPA was concerned that the agency may not be able to clear 100 percent of the

backlogged SIPs and that the negotiators had agreed that if the agency worked in good faith, adhering to the other commitments and principles, and came close to the target the states would be satisfied. The agreement also included a commitment that the NACAA-ECOS-EPA SIP Reform Workgroup will reconvene annually to review progress in clearing the SIP backlog.

Bill reported that the state members of the SRWG were in unanimous support of the tentative agreement and were very enthusiastic about it. He then asked for feedback from the Board Members and Committee Chairs, who agreed that there would be cases where EPA and the state would not push a SIP forward. The group expressed support for the tentative agreement presented and agreed Bill should report to Acting EPA Assistant Administrator Janet McCabe that the NACAA Board of Directors and Committee Chairs like the agreement, believe that while it is not perfect it is balanced and that where there is agreement between a state or local agency and EPA, it is acceptable to not reduce the backlog to zero. However, where there is not agreement, the SIP must not languish and action must be taken to resolve the problem.

V. Results of Outreach to Local Agency Members of NACAA – Saturday, January 25, 2014

Merlyn Hough (Springfield, OR), NACAA Co-President for local agencies, advised the group that at the 2013 Fall Membership Meeting, many of the local NACAA Board Members and Committee Chairs met to talk about the level of local participation in NACAA and the development of new local NACAA leaders. The outcome of that discussion was an agreement that each local agency Board Member and Committee Chair would reach out to an assigned set of local air directors to learn about his or her agency's thoughts about, and involvement and interest in, NACAA and the association's services.

Questions posed sought to ascertain which of NACAA's services and resources the air director and his or her staff take advantage of – like the *Washington Update*, Air Web, committees, and so on; which they find most valuable; why they might not be availing themselves of NACAA services and resources; if they come to the membership meetings, whether they find them of value; if they don't come, why not; whether they might be interested in becoming involved in association leadership, including serving on the Board at some point in the future; and what their overall impression of NACAA is. Merlyn summarized the findings, based upon what the Board Members and Committee Chairs reported back from their contact with about 35 other local agency directors.

Of the services and resources NACAA offers, other than meetings, the *Washington Update* is the most universally used and valued by those who responded, followed by NACAA's informational emails and the committee calls. Respondents were more split in terms of using Air Web, reaching out to NACAA staff for information and reviewing draft comment letters. Of those who responded that they did not use some or many of NACAA's services (most used at least something), the lack of time was, by far, most often cited as the reason why.

Lack of time and money were also the top reasons cited for not attending membership meetings. (For small California local agencies the inability to travel out of state was also a significant factor.) Also with respect to the meetings, with just a couple of exceptions, those who responded to a question about the value of NACAA meetings or who raised the issue in some way said they find the meetings to be valuable or very valuable.

On the issue of serving on the NACAA Board, only a few of those who responded expressed interest in a Board position at this time

Finally, about two-thirds of the 35 respondents were directly asked what their impressions of NACAA are based on what they know about the association. All but two said their impressions are good or very good.

Merlyn also noted that while the Board Members and Committee Chairs did manage to reach a fairly good sample, numbers-wise, in many regions, contact was fairly low in a couple of the regions with the most local agencies.

Merlyn summed up by saying we did not uncover anything shocking or even troubling in terms of what NACAA provides its members but we did find quite a number of small agencies with more work than they can handle.

The group then discussed the results and shared additional thoughts and information about issues facing local air agencies.

VI. Committee Reports – Saturday, January 25, 2014

Enforcement

Eddie Terrill (Oklahoma), Co-Chair of the NACAA Enforcement Committee, provided a short update on matters before the Enforcement Committee. He noted that EPA's High Priority Violation and Federally Reportable Violation (FRV) policy revisions have yet to be finalized, but that the revised FRV policy is expected to be available soon. He also noted that NACAA is considering holding a joint Permitting and Enforcement Workshop similar to workshops NACAA has held in the past.

Public Outreach

Craig Kenworthy (Seattle, WA) and Anne Gobin (Connecticut), Co-Chairs of the NACAA Public Education and Communications Committee, provided an update on new and ongoing committee activities. They noted that in late 2013, the committee conducted a survey to determine the most critical near- and long-term public education challenges and what air quality issues the committee should focus on in the near future. Forty-nine people responded to the survey; the committee is compiling the results for further discussion.

Craig and Anne also noted that the 2014 National Air Quality Conference, which includes the "Communicating Air Quality" track, will be held February 10-12, 2014, in Raleigh, North Carolina. Anne will participate as Co-Chair of the committee.

Emissions and Modeling

Karen Mongoven (NACAA) provided an update on current issues of interest to the Emissions and Modeling Committee. EPA has released its 2011 and 2018 emissions modeling platforms, including the 2011 National Emissions Inventory, for public comment. These platforms are used in the development of rules related to interstate transport of pollutants and the National Ambient Air Quality Standards (NAAQS), among other things. EPA also recently issued revised drafts of its Technical Assistant Documents (TADs) for source-oriented sulfur dioxide (SO₂) modeling and monitoring for the purpose of making area designations for the 1-hr SO₂ NAAQS. NACAA provided comments on the first draft TADs in June 2013; EPA is not taking comments on the revised TADs. EPA says it has addressed many issues identified in comments, but will defer others to a forthcoming "data requirements rule." Nancy Kruger (NACAA) noted that EPA recently said the data requirements rule is expected to be released sometime this spring.

In November 2013, EPA briefed NACAA's Emissions and Modeling and New Source Review Committees on a "matrix" that it has developed, setting forth its plans for publishing future guidance documents and rulemakings to address air quality analysis issues. One rulemaking on the matrix was a December 2013 "good cause final rule" removing the PM_{2.5} Significant Impact Levels and Significant Monitoring Concentrations in accordance with a decision by the U.S. Court of Appeals for the D.C. Circuit. Other items on the matrix are driven by modeling challenges associated with the 1-hour SO₂ and NO₂ NAAQS, as well as by issues associated with the PM_{2.5} NAAQS, now that the PM₁₀ surrogacy policy has ended.

Karen also reported that EPA released an updated version of AERMOD in December 2013 and recently held a webinar for state and local agencies to illustrate the changes that have been made.

VII. Critical Issues – Sunday, January 26, 2014

Program Funding

Bruce Andersen (Kansas City, KS), Co-Chair of the NACAA Program Funding Committee, provided status reports on FY 2014 and FY 2015 appropriations. He reported that Congress adopted an appropriations bill for FY 2014, which included an increase of \$4.8 million for state and local air grants over the FY 2013 level after the sequestration cuts took effect. He also described some of the provisions in the bill.

With respect to FY 2015, Bruce reported that the President's budget for the next fiscal year is expected to be announced on March 4, 2014, which is a month later than usual. However, the amount the Administration will request is rumored to be \$223 million, which is equal to the amount provided in FY 2013 after the sequestration cuts were applied and approximately \$5 million less than the FY 2014 appropriation.

Bruce suggested that the members discuss what NACAA's strategy will be related to FY 2015. Usually, after the budget is announced, NACAA provides testimony to the Congressional committees; supplies the members of NACAA with model language so they can send in their own letters to their Congressional delegations; meets with the House and Senate subcommittee staff; and does whatever else is necessary to articulate the association's position. Following a discussion, the members agreed that NACAA should request an increase of \$25 million to \$50 million above the President's request for section 103 and 105 grants for core program activities, assuming the request is equal to the FY 2013 amount, as expected. The members also agreed the staff should work with NACAA leadership on the development of draft testimony and letters. The members discussed some possible activities that could be identified as those in need of additional funding.

The members briefly discussed the need to find greater efficiencies so that available funds can be spent more wisely. It was suggested that this issue be taken up with EPA during a possible NACAA/EPA retreat with EPA upper-level management.

New Source Review/Permitting

John Paul (Dayton, Ohio), Co-Chair of NACAA's New Source Review Committee, provided a combined update on the activities of the New Source Review and Permitting Committees. The committees are pleased to welcome Ali Mirzakhilili (Delaware) as new Co-Chair of the Permitting Committee. On recent committee calls, members have been discussing EPA's proposal to regulate

GHG emissions from new power plants under Clean Air Act section 111(b). The committee co-chairs are encouraging committee members to share their technical comments on the proposal.

EPA provides monthly updates to the committees on its permitting-related activities. The committees regularly remind EPA of the recommendations made by the Clean Air Act Advisory Committee (CAAAC) many years ago for streamlining the Title V program, and a follow-up agreement with NACAA to focus on certain priority issues. None of these measures has been implemented yet, apparently due to resource constraints. Karen Mongoven (NACAA) will circulate the CAAAC recommendations and NACAA priorities to the Board Members and Committee Chairs for review.

The committees track new permits and follow court cases of interest, including the U.S. Supreme Court's consideration of whether EPA's issuance of emission standards for light-duty vehicles triggered GHG permitting requirements for stationary sources under the Clean Air Act's PSD and Title V programs (*Utility Air Regulatory Group v. EPA*, et al.). The outcome of this case will not affect EPA's forthcoming regulation of power plants under section 111 of the Clean Air Act.

The New Source Review, Permitting and Enforcement Committees are considering holding a Permitting and Enforcement Workshop within the coming year. NACAA last hosted such a workshop in June 2011. It was well-attended and very successful. Board Members and Committee Chairs were supportive of the idea and agreed that the workshop should be held in a central location such as Chicago. Strong participation by EPA will be critical to the success of the workshop, so the committees are working with the agency to determine whether enough EPA staff would be able to attend this year.

Training

Mike Dowd (Virginia), Co-Chair of the NACAA Training Committee, provided a brief update on Training Committee business, noting that work to update the National Training Strategy is ongoing. In addition, the Learning Management System continues to be implemented with good results.

Arturo Blanco (Houston, TX), Co-Chair of the Training Committee, announced that he was stepping down as Committee Co-Chair but would assist over the next few months with the transition in of a new Co-Chair. The members thanked Arturo for his many years of service.

Criteria Pollutants

Lynne Liddington (Knoxville, TN), Co-Chair of the NACAA Criteria Pollutants Committee, provided a brief overview of EPA's recently proposed New Source Performance Standards for residential wood heaters noting that a 90-day comment period will begin once the proposal is published in the *Federal Register* and that EPA will hold a public hearing in Boston on February 26, 2014 and a webinar on the proposal on February 18, 2014.

Nancy Kruger (NACAA) identified some of the issues on which EPA is seeking comment, including a proposed two-phased emission standard with phase I taking effect within 60 days of publication of a final rule and phase II taking effect five years later; this is EPA's preferred approach. She also noted that the final phase of standards under this proposed approach represents best-demonstrated technology and is already being met by top industry performers with existing technology. EPA also included in the proposal an alternative, three-phased approach with an interim compliance standard taking effect three years after promulgation and the final emission standards (at the same level as under EPA's proposed approach) taking effect eight years after promulgation. Nancy indicated that NACAA will testify at EPA's public hearing and would hold a special conference call on Wednesday, January 29, 2014 to review the proposal and outline the points to be included in the testimony.

The group then engaged in a robust discussion of the proposal generally agreeing that the timing of EPA's compliance schedule appears to be too slow and the standards too lenient.

Next, Tad Aburn, Co-Chair of the NACAA Criteria Pollutants Committee, provided a short update on transport noting that this is a very dynamic issue and there is a lot going on. Tad highlighted especially that the Supreme Court is still deliberating over EPA's petition for review of the CSAPR decision; that EPA's proposal of a replacement rule is due this summer; that the agency is trying hard to work with the states; and that there is a lot of modeling work currently going on.

Tad also reported on the efforts of nine states to petition EPA under section 176(a) to add nine additional states to the Ozone Transport Region. In addition, he indicated that a group of 25 to 35 states is collaborating to analyze technical transport issues in the East.

Monitoring

Barbara Lee (Healdsburg, California), Co-Chair of NACAA's Monitoring Committee, reported that Phase I of the near-road NO₂ monitoring program is up and running. The NO₂ data collected to date indicate that nothing problematic or unexpected is happening with near-road NO_x emissions. EPA has recently received approval to finish Phase II of the program, with funding from community-scale monitoring grants. If there continue to be no notable results, there may be reason to cancel Phase III. There is an overall effort at EPA to reengineer and downsize monitoring programs in order to cut costs. EPA is conducting reassessments of the Chemical Speciation Network and the Photochemical Assessment Monitoring Stations.

EPA set up the near-road monitors with the idea that they would be multi-pollutant sites. Barbara noted that, although the network is not finding noteworthy NO_x results, this might not be the case with other pollutants, particularly PM. A recent letter from the Sierra Club to Colorado illustrates the importance that environmental groups ascribe to PM_{2.5} monitoring along roadways.

EPA is preparing revisions to the monitoring regulations at 40 C.F.R. Part 58 and Appendix A. The revisions are intended to be non-controversial; EPA briefed the NACAA Monitoring Steering Committee (MSC) on its plans at the December 2013 MSC meeting. EPA is also preparing a guidance document for developers of air sensor technologies. MSC reaction to the current draft was mixed. EPA Region 2 is at the forefront of community monitoring and sensor issues and recently launched a revamped "citizen science" website. In addition, the California Air Resources Board is planning a series of workshops on sensor issues. Meanwhile, EPA is reportedly looking to expand its Village Green community monitoring program, which reflects that these programs are a priority of the Administrator.

Monitoring Committee Co-Chair Dick Valentinetti (Vermont) reported that the monitoring community is at a standstill in preparing for implementation of the 2010 1-hour SO₂ standard, because EPA has not yet decided the emissions threshold that will underlie source-specific monitoring requirements. This will be part of EPA's forthcoming "data requirements rule."

Bill Becker noted that this is Dick's last NACAA meeting before he retires. Bill and the members acknowledged the many years of valuable service that Dick has provided to the organization.

Air Toxics

Mary Sullivan Douglas (NACAA) provided a brief update of issues the Air Toxic Committee has been following recently. With respect to Risk and Technology Review (RTR) standards, Mary reported that EPA had obtained extensions to the deadlines by which the standards must be completed. After a period with little activity, EPA has once again begun to issue proposed and final standards and the committee will review and possibly comment on upcoming proposals. In the near term, EPA is expected to issue seven more proposals and nine final rules in 2014, while approximately two dozen more are due between now and the middle of 2015. The Portland Cement final rule is due by 2018, at which point the development of RTR standards should be complete.

Mary reported that NACAA has surveyed its members several times to ask how many facilities have requested compliance extensions for the Mercury and Air Toxics Standards (MATS). MATS has a compliance deadline of April 16, 2015, but provides for an extra year for sources that need additional time. According to the latest update of the survey results, 53 agencies responded, 92 facilities have requested extensions, 80 have been granted, nine are under consideration, one was returned to the facility for more information and two have been denied. According to EPA, there are 460 plants affected by the MATS rule.

Mobile Sources and Fuels

Barry Wallerstein (Los Angeles, CA) and Nancy Seidman (Massachusetts), Co-Chairs of the NACAA Mobile Sources and Fuels Committee, raised three issues with the group.

First, Barry updated members on an issue discussed at prior meetings – an attempt within the International Maritime Organization (IMO) to delay implementation of the Tier III NO_x standards of Category 3 oceangoing vessels in Emission Control Areas (ECA) worldwide including the North American ECA. The Tier III standard is scheduled for implementation in 2016 but the Russian delegation to the IMO requested last spring that it be delayed by five years, until 2021. Although the U.S. and various other countries opposed this delay there was enough momentum for the proposal to pass a committee vote. The IMO will consider final action on a Tier III delay at its March 2014 meeting. After reviewing the critical air quality benefits of and need for on-time implementation of the Tier III NO_x standard Barry directed the group to a draft letter – urging the Administration to continue its steadfast support for on-time implementation of the Tier III standard – to be circulated shortly for members' review and comment. Barry reminded the group that it had endorsed NACAA sending such a letter at a previous meeting.

Second, Nancy reviewed the status of EPA's Tier 3 vehicle emission and fuels standards and announced that the final rule package had gone to the Office of Management and Budget (OMB) for review two days earlier (on Friday, January 24, 2014). Nancy reminded the group of NACAA's very active role in advocating for a strong Tier 3 rule over the last nearly four years, as well as of the tremendous emissions benefits, and directed members' attention to a draft letter reiterating NACAA's strong support for promulgation of the final Tier 3 rule – including the 10-ppm average annual sulfur cap beginning January 1, 2017 – by the end of February 2014 so that it can be implemented on schedule, beginning with the 2017 model year. Nancy noted that this letter, which articulates the same message NACAA has consistently communicated for several years, would be sent to EPA and OMB shortly.

Finally, Nancy reported on NACAA's efforts to prepare comments on EPA's proposed standards for the 2014 Renewable Fuel Standards (RFS) program, indicating that the association held a conference call on the proposal earlier in the month and drafted comments based on the discussions on that call. The draft letter has been reviewed by the membership and is ready to be transmitted to EPA by the Tuesday, January 28, 2014 comment deadline. In the comments, NACAA expresses concern over the impacts of the RFS on air pollution levels and, especially, that commitments to increase the use

of renewable fuels for purposes of energy security and greenhouse gas emission reductions were made without adequate study of the potential adverse air quality and public health effects.

VIII. Development of Agenda for 2014 NACAA Spring Membership Meeting – Monday, January 27, 2014

Bill Becker presented a staff-developed draft agenda for the 2014 NACAA Spring Membership Meeting to facilitate the group's discussion and decisions regarding the agenda. After discussion, the Board Members and Committee Chairs decided on the following sessions for the meeting: Face the Air Directors with Acting Assistant Administrator Janet McCabe; regulating carbon emissions from existing power plants under Clean Air Act section 111(d); a presentation from the Centers for Disease Control and Prevention on air quality and public health; communicating air quality using values-based communications; NAAQS and implementation-related issues; federal enforcement initiatives; federal mobile sources and fuels initiatives; implementation of the short-term SO₂ NAAQS; and permitting success stories.

IX. Approval of Minutes of Board of Directors and Committee Chairs 2013 Fall Meeting – Monday, January 27, 2014

The Board of Directors approved the minutes of the Board of Directors and Committee Chairs 2013 Fall Meeting in Baltimore, Maryland – the Local Agency Group by unanimous vote and the State Agency Group by unanimous vote.

X. NACAA Finances – Monday, January 27, 2014

NACAA Audit

Bill Becker provided a summary of the results of NACAA's latest annual audit, which had been distributed in advance of the meeting. He announced that the association had excellent results and there were no material problems, weaknesses or deficiencies noted by the auditors.

NACAA Financial Reports

Bill Becker provided a status report on NACAA's current finances, both with respect to the grant accounts and the non-federal funds. He provided a brief overview of NACAA's financial accounts for the new members. Bill reported that NACAA had obtained a no-cost extension from EPA so that remaining grant funds could be used after the end of the association's fiscal year (September 30, 2013) and those funds are being expended.

NACAA Investments

Bill Becker reminded the members that the Board had authorized the investment of a portion of NACAA's non-grant funds at a previous meeting. He reported that NACAA has begun to invest the funds a portion at a time, to be completed over a number of months. The funds selected are generally 75 percent conservative and 25 percent equity.

NACAA Dues

Bruce Andersen provided background information on NACAA's dues and referred to a table provided to the attendees that detailed the dues agencies are expected to pay for NACAA's next fiscal year (beginning October 1, 2014). Bruce reminded the group that last May the Board of Directors

approved NACAA's two-year grant, beginning October 1, 2013. At the time, NACAA had calculated the dues for the first year of the two-year grant period. Now, NACAA has been able to calculate the dues for the second year, which were included in the table. The dues reflect the change in the formula for determining dues that the NACAA membership had adopted in June 2012. (In June 2012, the NACAA membership voted to institute a new formula for calculating association dues. While the old formula was based on population, the new formula will be aligned with the distribution of section 105 grants [i.e., if an agency receives x percent of the total section 105 pot, then it would pay x percent of the NACAA dues]. NACAA voted to phase in the new formula over a five-year period, starting October 1, 2013, which was the beginning of NACAA's FY 2014 budget.)

Mary Sullivan Douglas provided additional detail about the dues table contained in the meeting materials and the specific information it contained about each of the fiscal years in NACAA's two-year grant.

Bruce noted that the data is informational and that a vote is not necessary unless a change is needed, since the Board had approved the grant in May 2013.

The members had a lengthy discussion, including about how local agencies pay dues. Bill Becker explained that NACAA provides the state-by-state dues numbers to the EPA regional offices and the association does not know how each state addresses the dues from local agencies. It is left up to the state and local agencies in the state to decide. In some states, the local agencies pay dues and in others the state agency pays for the local agencies. In cases in which the state is not a member, the local agencies that receive section 105 funds directly from EPA pay dues on their own.

Bruce stated that NACAA would send the dues table and an explanatory email to the members of NACAA and ask them to contact their Board Members if they have questions. If needed, NACAA could schedule a membership-wide conference call to provide additional explanation.

XI. Update on Future Meeting Dates and Locations – Monday, January 27, 2014

Bill Becker reported that the 2014 NACAA Spring Membership Meeting will take place May 5-7 in Atlanta, with the Board meeting on Sunday, May 4. The 2014 NACAA Summer Board and Committee Chairs Meeting will take place July 26-28 in Rohnert Park, California. The group then discussed potential locations for the 2014 Fall Membership Meeting and 2015 Winter Board and Committee Chairs Meeting and decided the 2014 Fall Membership Meeting should take place in Denver and the 2015 Board/Chairs Meeting should take place in Orlando.

XII. New Business – Monday, January 27, 2014

No new business was introduced.

XIII. Adjournment – Monday, January 27, 2014

The Board of Directors and Committee Chairs 2014 Winter Meeting was adjourned.

FINAL AGENDA

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

January 24-27, 2014

**Scottsdale Conference Center
7700 East McCormick Parkway
Scottsdale, Arizona**

Friday, January 24, 2014

5:00 p.m. – 11:00 p.m. NACAA Hospitality Suite

Saturday, January 25, 2014

7:30 a.m. – 8:30 a.m. Breakfast

8:30 a.m. – 8:45 a.m. Introductions and Review of Agenda

8:45 a.m. – 9:15 a.m. Discussion on Section 111(b) – GHG Standards for New Power Plants

9:15 a.m. – 10:00 a.m. Discussion on Section 111(d) – GHG Standards for Existing Power Plants

10:00 a.m. – 10:15 a.m. Break

10:15 a.m. – 10:45 a.m. Update on SIP Reform

10:45 a.m. – 11:00 a.m. Results of Outreach to Local Agency Members
of NACAA

11:00 a.m. – Noon Committee Reports
1. Enforcement
2. Public Outreach
3. Emissions and Modeling

Noon Lunch

Sunday, January 26, 2014

7:30 a.m. – 8:30 a.m. Breakfast

8:30 a.m. – 10:00 a.m. Committee Reports
4. Program Funding
5. New Source Review/Permitting
6. Training
7. Criteria Pollutants

10:00 a.m. – 10:15 a.m. Break

10:15 a.m. – 11:30 a.m. Committee Reports
7. Monitoring
8. Air Toxics
9. Mobile Sources and Fuels

11:30 a.m. – 12:15 p.m. Development of Agenda for 2014 NACAA
Spring Membership Meeting

12:15 p.m. Lunch

Monday, January 27, 2014

7:30 a.m. – 8:30 a.m. Breakfast

8:30 a.m. – 8:35 a.m. Approval of Minutes of 2013 Board of Directors
and Committee Chairs Fall Meeting

8:35 a.m. – 9:45 a.m. NACAA Finances
1. NACAA Audit
2. NACAA Financial Reports
3. NACAA Dues
4. NACAA Investments

9:45 a.m. – 10:00 a.m. Update on Future Meeting Dates and Locations

10:00 a.m. – 10:30 a.m. New Business

10:30 a.m. Adjourn