



**Control of Emissions from Motor Vehicles**

Held on October 18th, 2016 at 1:30 pm

**by** Videoconference **from the** Nevada Division of Environmental Protection

4th Floor Great Basin Conference Room

901 South Stewart Street

Caron City, NV 89701

**to the** Nevada Division of Environmental Protection

Red Rock Room

2030 East Flamingo Road

Las Vegas, NV 89119

*These minutes are prepared in compliance with NRS 247.035. Text is in summarized rather than verbatim format. For complete contents, please refer to meeting tapes on file at the Nevada Department of Motor Vehicles.*

**THIS MEETING WAS PROPERLY NOTICED AND POSTED IN THE FOLLOWING LOCATIONS ON  
October 13th, 2016**

Department of Motor  
Vehicles  
555 Wright Way  
Carson City, NV. 89711

Nevada State Library  
100 N. Stewart St.  
Carson City, NV. 89701

Department of Motor  
Vehicles  
305 Galletti Way  
Reno, NV. 89512

Clark County Department  
of Air Quality  
Management  
500 Grand Central Pkwy  
Las Vegas, NV. 89106

Washoe County District  
Health Department  
1001 E. 9<sup>th</sup> St.  
Reno, NV. 89512

Department of Motor  
Vehicles Website  
[www.dmvnev.gov](http://www.dmvnev.gov)

**1. Call to Order by the Chairman**

Chairman Sig Jaunarajs called the meeting of the Advisory Committee on Control of Emissions from Motor Vehicles to order at 1:30 pm.

**2. Roll Call**

<b>MEMBERS:</b>	<b>Representing</b>	<b>Present</b>	<b>Primary</b>	<b>Alternate</b>	<b>Voting</b>
Al Leskys	CC/DAQEM	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Rodney Langston	CC/DAQEM	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mike Sword	CC/DAQEM	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Robert Tekniepe	CC/DAQEM	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Shannon Rudolph	NDOA	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

William Striejewski	NDOA	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Danilo Dragoni	NDEP	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Joseph Perreira	NDEP	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sig Jaunaraajs - Chairman	NDEP	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Glenn Smith	DMV/CED	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Steve Mayfield	DMV/CED	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Robin Roques	DMV/CED	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mark Costa	NDOT	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sondra Rosenberg	NDOT	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Morgan Friend	DMV/CED	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jeffrey Buss	U.S. EPA: Region 9	<input type="checkbox"/>		Ex Officio	
Julie Hunter	WC-AQMD	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Daniel Inouye	WC -AQMD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Charlene Albee	WC-AQMD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yann Ling Barnes	WC-AQMD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

**3. Public Introductions**

**INTERESTED PARTIES:**

***Representing:***

Jessica Hernandez	DMV/CED
Rachel Phillips	DMV/CED
Faun Parks	DMV/CED
Kristin Hunicke	OPUS Inspection
David Emme	NDEP
Steve Yarborough	USA Fleet Solutions
Rafael Arroyo	Smog Plus
Quinn Winter	Terrible Herbst

**4. Public Comments**

A. No public comments.

**5. Approval of Agenda Order**

A. The Agenda was approved by the committee in the order it was prepared.

**6. Approval of May 2016 Meeting Minutes and July 2016 Meeting Minutes**

A. The May 2016 meeting minutes were approved by the Committee as submitted.

B. The July 2016 meeting minutes were approved by the Committee as submitted.

## 7. Introduction of New Committee Members

Both Mark Costa with NDOT and Sondra Rosenberg with NDOT were introduced. Welcome to the team!

## 8. Volkswagen Environmental Mitigation Trust Agreement *“informational only”*

A. Sig Jaunarajs (NDEP), introduced David Emme (NDEP) to discuss the Volkswagen diesel emission scandal and how the Mitigation Trust Agreement will effect Nevada. A roll is being discussed for the I/M Committee. The settlement was a \$15 billion settlement that EPA and California entered into VW over the issue with the defeat devices that were installed in the diesel vehicles that VW sold between 2009 and 2015. The settlement has three components:

- Consumer side of it, which includes the buyback provision
- Setting money aside for zero emission vehicle infrastructure
- Mitigation Trust, valued at \$2.7 billion

The mitigation trust is something that will fund projects to mitigate the effects of these vehicles being on the road and the excessive NOX emissions polluted by these vehicles. There is an allocation of the \$2.7 billion that’s included in the consent decree. It allocates that money amongst states for tribes as well. The allocation for Nevada is a little over \$22 million dollars to reduce emissions from diesel vehicles. It establishes a list of eligible activities that can be funded under this program. It is similar to what we have been administering through the state to the Diesel Emission Reduction Act (DERA) program, but there are some differences between the two.

Regarding the timeline and the status of the consent decree, the consent decree has been reached among the parties, but it hasn’t been approved by the court yet. The EPA has filed a motion to enter the consent decree recently, but the judge hasn’t taken action on the motion yet. Once that happens, there will be a process for appointing a National Trustee to administer the mitigation trust. EPA expects that to take anywhere from 60 – 90 days after the consent decree has been filed. After a trustee is appointed, a trust agreement must be executed by the trustee and filed with the court which would probably be around mid- 2017. Once the trust agreement is established, then that sets a deadline for beneficiaries, including states to file a certification form to be designated as a beneficiary of the trust. The trustee then needs to certify the list of beneficiaries nationally. NDEP is looking at about a year from now before there is money available to the state.

Potentially, the I/M Committee is being considered as an advisory committee to help develop the required mitigation plan to be submitted to the trustee after being designated a beneficiary and to review and provide recommendations on projects. There are some legal decisions between NDEP and DMV that will need to be made. One of the things that needs to be done is with the certification form that we need to file to be a designated beneficiary. The Governor has determined NDEP will be the leading agency, but we also need to certify that the DMV will not refuse registration of vehicles that either have these defect devices installed or have been modified under the buyback and consumer portion of the settlement.

Legal councils for each agency may need to look over these changes before we move forward with filing the certification form. NDEP has talked it over with their attorney and they don't feel there is an issue there; however both agencies need to be on the same page.

- Possible roles for the I/M Committee are to serve as an advisory role and help NDEP come up with a mitigation plan. For the mitigation plan, the consent decree outlines four elements. It's not intended to identify specific projects. It's not necessarily binding, but it should give the beneficiaries goals and vision for making use of the funds.
  - The Committee will need to identify an overall goal use of the funds.
  - Identify the categories of eligible mitigation actions that is intended to be funded.
  - A preliminary assessment of the percentage of how the funds would be allocated among categories of actions.
  - Identify the potential beneficial impact of the mitigation actions on air quality in Clark and Washoe Counties and how we would be proposing to fund projects.
  - Identify the emissions benefits from the proposed plan.
  - Come up with a generalized summary of how we would plan to use the funds.
  - Develop a process for soliciting project proposals and reviewing them with the committee.
- **Q: Al Leskys (CC-DAQEM)**, Do we know on what basis the mitigation amount was disbursed among states? If we are going to try and determine the resulting emissions benefits, we will need to determine what the impact of the excess VW emissions were. Was that part of the calculation in determining how the money was dispersed?
- **A: Joe Perreira (NDEP)**, They set a minimum initial allocation, so the minimum any state or tribal territory was going to get out of a trust, if they choose to be a part of it, is \$7.5 million, the rest of the funds were split among the states where the vehicles were sold at the time of the allocation, not to the states where the vehicles were registered at the time of the allocation. California was excluded. Nevada is getting .82% of the initial allocation. I think we had 0.7% of all VW vehicles that were sold in Nevada as part of the action.
- **Q: Al Leskys (CC-DAQEM)**, Did they base the monetary sum of the mitigation based on the amount per ton of NOX?
- **A: Joe Perreira (NDEP)**, No Idea. It's a settlement.
- **Q: Robert Tekniepe (CC-DAQEM)**, Do you know anything about that *zero emission infrastructure*? Do we know the amount of funds that will be flowing into Nevada?
- **A: David Emme (NDEP)**, We know the total amount, but it falls on Volkswagen to come up with a national plan, there is not an allocation formula like there is for the mitigation trust.
- A: Joe Perreira (NDEP)**, The zero emission vehicle plan is \$2 billion. California is getting

\$800 million because of their part in the investigation, which leaves the rest of the country \$1.2 billion. It's my understanding it will be competitive grant program, so they will be seeking projects to invest that \$1.2 billion. There is no amount allotted to states.

- B. David Emme (NDEP), In regards to the zero emission vehicle infrastructure, the mitigation trust allows possibly up to 15% of funds to be used for zero emission infrastructure. The electric highway is sort of an initiative for the Governor and we thought we may set aside up to 15% and then wait and see how the second component plays out and what effect, if any it has on Nevada before we spend that money.
- **Q: Glenn Smith (DMV/CED)**, This money, is it mainly to be spent on diesel emissions specifically?
  - **A: David Emme (NDEP)**, I don't have the categories, but it is similar to what we have been funding with the DERA program. For example, we replaced school buses and street sweepers with newer, cleaner vehicles. It's geared towards replacing or modifying diesel vehicles with cleaner technology. It's not limited to just that.
  - **Q: Glenn Smith (DMV/CED)**, Would upgrading the diesel testing equipment be included?
  - **A: David Emme (NDEP)**, There are categories of eligible activities that are written down that we have to abide by and you would have to be able to demonstrate a NOX reduction.
  - **Q: Glenn Smith (DMV/CED)**, What about diesel testing equipment that would be used for enforcement purposes? Roadside testing equipment specifically used for diesels.
  - **A: David Emme (NDEP)**, I don't think that is an eligible activity.
- C. Glenn Smith (DMV/CED), The heavy, over the road trucks may have the same type of devices as the VW diesels, but our testing equipment isn't capable of detecting the programming. With upgraded, over the road testing equipment we would be able to catch them. Sig Jaunarajs (NDEP), sounds like something to investigate.
- D. David Emme (NDEP), the next steps for the committee would consist of deciding how to take on this task. Either appoint a sub-committee, or take it on as a committee? Working through the elements of what is supposed to be in the mitigation plan would be a good place to start.
- E. Sig Jaunarajs (NDEP), I think the committee could take this on, but I suggest everyone take this back to their management and discuss it so they know what it entails and then we can have further discussions down the road.

- More information can be accessed by Googling: EPA / VWSETTLEMENT.

## **9. Recommendation of New Chairman (Washoe County) to the Deputy Director of the Department of Motor Vehicles.**

- A. Sig Jaunarajs (NDEP), called for nominations: Daniel Inouye was nominated. No other nominations were presented. Motion was made to recommend Mr. Inouye as Chairman of the I/M Committee. Recommendation was seconded. Motion was carried.

**10. Recommendation of New Vice Chairman (Clark County) to the Deputy Director of the Department of Motor Vehicles.**

- A. Sig Jaunarajs (NDEP), called for nominations: Mike Sword was nominated. No other nominations were presented. Motion was made to recommend Mr. Sword as Vice Chairman of the I/M Committee. Recommendation was seconded. Motion was carried.

**11. Informational Item(s)**

- A. Sig Jaunarajs (NDEP), The AB146 report is now available on the Legislative Council Bureau Website.
- B. DMV BDR 43-223 Administration of laws relating to Motor Vehicles. Is this Relevant?
- C. Robert Tekniepe (CC-DAQEM), this next Legislative session Al Leskys will be Legislative Liaison for Clark County Air Quality. Direct any discussions regarding any Bills that may come up to him. There are speculations that Bill AB146 and the two Report committees are interested in drafting language to address the classic vehicle issues based on some of the recommendations from the AB146 report.

**12. Public Comments – Limited to 5 minutes per person**

- A. No Public Comments

**13. Next Meeting and Adjournment**

- A. The next I/M Advisory Committee meeting is set for Thursday, January 19, 2017 at 1:30 pm.
- B. The meeting adjourned at 2:13 pm.