



ILLINOIS



**SMALL BUSINESS
ENVIRONMENTAL
ASSISTANCE
PROGRAM**

Serving Small Businesses and the Environment

**Illinois Compliance Advisory Panel (CAP)
Meeting Minutes**

June 18, 2019 1:00 P.M.- 2:30 P.M.

Illinois Department of Commerce & Economic Opportunity
100 West Randolph, 3rd Floor
Director's Conference Room
Chicago, IL

1. Welcome & Introduction

In attendance:

CAP Members: Mark Grant, Alec Davis, Bharat Mathur,

Via Phone: Julie Armitage & Karen May

DCEO: Kristi Dula, Annette Fulgenzi, Rick Fiddymont, Michelle Haberstroh

Illinois EPA: Director John Kim *Via Phone:* Laura Roche

Public: Josh Quinn

2. Approval of the April Meeting Minutes

Alec Davis moved to approve the minutes.

Bharat Mathur seconded the minutes.

Minutes approved unanimously.

3. Director John Kim: Illinois EPA Vision & Initiatives

Director Kim provided a broad sense of where IEPA is and where he would like to take the Agency in the near term

The Director has had conversations with Governor Pritzker who wants to ensure the agency is fair to both the regulated community and to the public.

Further outreach efforts will be necessary to connect with the regulated community and environmental advocacy side.

He would like to work with the regulated community to identify problems and to help find solutions, be more proactive rather than reactive.

The Agency has only about half of the staff resources today that it had 20 years ago and they continue to identify ways to do more with less and the agency staff are doing a good job with the resources they have available.

He stated that much better results can be achieved when there is open dialogue between interested parties and that Illinois EPA wants open communication and to work with people from outside the Agency in order to understand all perspectives and concerns.

The Illinois EPA does not receive any general revenue funding and is in a position where they need to look for new revenue to ensure the agency has adequate staff and resources to support their mission.

Director Kim thanked the CAP and the SBEAP staff for all of their work and wants to help ensure this program is a good resource for small businesses.

In response to Director Kim, DCEO Deputy Director of Entrepreneurship, Innovation and Technology, Kristi Dula, expressed her appreciation for his participation in the meeting and that his words today were what small businesses need to hear. She looks forward to continued partnership with the agency to provide assistance to Illinois small businesses.

Mark Grant added that the CAP focuses on what the program needs to help small businesses comply with environmental regulations, that small businesses want to comply but often don't know how to do so, and that they need help from the Illinois EPA and from the SBEAP and cooperation between the Illinois EPA and SBEAP is very important.

Bharat Mathur agreed with Director Kim that the Illinois EPA has had a culture of working with industry --- at least large industries --- for a very long time. However, he is concerned by how much the Illinois EPA's staff has shrunk over the last 20 years and believes it unlikely that the Agency will ever attain such staffing levels again. He said that compliance and enforcement are properly Illinois EPA's mission and that they should remain so but that the Agency lacks the resources and the culture to provide compliance assistance to small businesses. Further, the data shows that, while emissions of air pollutants from major sources have been reduced significantly in the last 20-30 years, reductions from area sources (small businesses) and mobile sources have slowed or even stalled. Further, more attention needs to be directed at air toxics and at pollution prevention. Consequently, he believes that the Illinois SBEAP needs to remain housed within the state's commerce department. It is better placed there to assist with achieving emissions reductions from area sources via compliance assistance and pollution prevention than it would be housed within the regulatory agency. He believes that small businesses too are more comfortable with this arrangement. He added that the notion that small businesses do not deserve as much attention as large businesses where environmental regulation is concerned is incorrect. Emissions reductions from small businesses, because there are so many of them, can play an important role in improving the health of the entire community and in utilizing resources more efficiently. He recognizes that the Illinois EPA faces major challenges but that the Agency needs to find ways to provide needed technical support to the SBEAP and that more cooperation is needed between the IEPA and the SBEAP staffs. He reiterated his belief, raised at previous CAP meetings, that, given the shortage of resources, some way should be found to utilize retired engineers and technical staff to assist Illinois EPA with its mission and to assist the SBEAP with advising small businesses. Further, he wondered whether some way might not be found to get large businesses, i.e., major sources, to advise small businesses, i.e., area sources, on how

compliance with environmental regulations could best be achieved. He believes air permit fees should be increased and that these fees should've been tied to a consumer price index (CPI) years ago as he believes the Clean Air Act requires. He also supports the extension of the SBEAP's operational scope to all media, including water and land, and recommended that the SBEAP be funded out of water and land permit fees and not just from funds collected for air permits.

Kristi Dula stated that although she and Director Kim have had some discussions regarding the future of the program, no decision has yet been made regarding the future location of the program.

Alec Davis added that he supports and would be interested in having the SBEAP services expanded to provide compliance assistance to small businesses across all media, not just air regulations.

Annette Fulgenzi explained that the SBEAP is established and funded to provide assistance with air regulations and is not proactive in providing compliance assistance for water and land/waste regulations. The program tries to provide limited assistance to clients who contact them with questions regarding water and waste and at the very least gets them to the appropriate regulatory program at Illinois EPA.

Bharat Mathur added that the SBEAP program needs to be staffed appropriately. He also expressed interest in developing a way for retired environmental professionals to offer assistance to the program and its clients. Bharat Mathur also complimented the agency on the success of the ROSS program and inquired as to the status of the filling of the Small Business Ombudsman (SBO) position that has remained vacant for several years.

Director Kim stated that the position has not been filled but that he agrees that it needs to be and he would see what can be done to expedite the position. He added that the Illinois EPA needs to find more ways to reach out to the regulated community to increase voluntary compliance with environmental regulations, particularly from smaller sources and from those with fewer resources to devote towards compliance. He cited the Bureau of Water's outreach efforts to increase the compliance of regulated small municipalities (Ex.; publicly owned treatment works) with water regulations.

Annette Fulgenzi commented that the SBEAP looks forward to working with Director Kim to achieve his goals and that the efforts of the Illinois EPA and the SBEAP complement each other well. Any jointly prepared guidance documents not only provide the regulated community with valuable compliance tools but also the agency an internal tool as well.

4. IEPA-Bureau of Air Updates

Major Population Area Follow-up

At the previous CAP meeting, there was a discussion regarding Major Population Areas (MPA's) which were defined in 1993 in 35 IL Admin. Code Part 211.3610. That definition includes references to various local boundaries; county, municipal, township, etc. as well as the

language “plus a zone extending two miles beyond the boundaries of said municipalities.” Questions arose regarding sources that were not in a defined MPA at the time their permit was issued but that now find their facility is in an MPA because of the shifting of municipal boundaries caused by property annexations by municipalities. At the time, SBEAP staff told the members of the CAP that a determination by the Agency would be needed and that they would follow up with the Bureau of Air (BOA) to obtain answers. The questions posed to the BOA were as follows:

1. Do the MPA boundaries update as municipal boundaries update or do the boundaries remain what they were in 1993 when defined?
2. If the MPA boundaries do change over time, are currently permitted source’s pollution controls exemptions grandfathered in? Or, do they lose their exemption from adding pollution controls if the MPA boundaries have grown to encompass the source?

Julie Armitage updated the group regarding the questions raised. The MPA boundaries do update with municipal boundaries and there are some facilities in the state that were not in an MPA at the time their permit was issued but now are in an MPA. After review, it appears that there are five permitted facilities in this situation and the exemption from having pollution controls no longer applies. (Actually, there were six discovered, but one had already come in and had its permit revised.) These five need to secure revised permits. John Lee has been informed of their identities and an IEPA permit engineer has been assigned to work with these five to revise their permits. She added that, as municipal boundaries change, sources need to be aware of the consequences for their facilities, that there may be additional obligations that could fall on their facilities.

Bharat Mathur inquired about the status of the Chicago non-attainment area being bumped up by the USEPA from moderate to serious non-attainment. She explained that the USEPA has not yet done so but that the Agency is going to. She stated that the BOA will most likely look to mobile sources for ways to obtain additional emissions reductions. The reclassification to serious will drop major source thresholds and some sources may need to get a Title V permit or FESOP depending on their level of emissions.

Bharat Mathur asked Julie Armitage how Environmental Justice (EJ) areas and populations are included as part of BOA permit transactions. Julie Armitage discussed the IEPA’s Environmental Justice (EJ) program and process in general. She felt that IEPA has come a long way regarding EJ and that they are continuing to improve their EJ efforts.

Bharat Mathur also expressed an interest in the agency’s air toxics, particularly about risk assessments and the setting of standards.

5. DCEO SBEAP Program Reports & Updates

Annette Fulgenzi updated the CAP on the Small Business Environmental Assistance Program’s (SBEAP) recent activities.

Annette Fulgenzi reported that the IL SBEAP had just finished hosting the annual SBO/SBEAP National Training conference in Chicago. It was a great success and many attendees stated it

was one of the best trainings they had attended. She reported that Governor Pritzker had issued a proclamation recognizing the value of, and the continuing need for, the SBO/SBEAP programs and thanking them for all of their hard work. She added that the National Steering Committee of the Small Business Environmental Assistance Programs & Small Business Ombudsmen had recognized the Illinois Association of Aggregate Producers with the 2019 Business Assistance Providers Environmental Leadership Award for its leadership in the areas of improving environmental performance, pollution prevention, sustainability and mentoring.

Kristi Dula interjected to announce that Annette Fulgenzi had been honored with the Karen V. Brown Leadership Award at the National Training Conference. She said that everyone at the Department of Commerce & Economic Opportunity was extremely proud of Annette and all the work she has done and continues to do.

Mark Grant added that the CAP is also very proud of Annette's award and that it was much deserved.

Annette Fulgenzi recognized John Lee of the Illinois Grain and Feed Association for attending the entire SBEAP/SBO annual conference and participating on a trade association panel. She said that it was a great show of support to have a CAP member attend an entire National Training Conference.

Annette Fulgenzi reviewed SBEAP activities for January through April (the numbers for May were not yet final) by presenting a number of bar charts with accompanying tables categorizing SBEAP Helpline calls and responses. The program shared information collected from 23 responses to its client satisfaction survey. All reviews were positive. She thought it was interesting that most of the respondents ranked their environmental knowledge as intermediate to advanced and that the program clients range from small mom and pop auto body or dry cleaners to environmental consultants, and larger manufacturing operations with full time environmental staff.

Alec Davis and Annette Fulgenzi shared they had discussed the possibility of the Illinois State Chamber hosting a webinar about the SBEAP and resources to assist local chamber members as a way to reach out to local chambers of commerce. Many small businesses throughout the state do not have an organized trade group or are not members of an organized trade group to receive information but are members of their local chamber of commerce.

Kristi Dula added that she has been making an effort to raise awareness of the SBEAP and all of the programs in Entrepreneurship, Innovation and Technology at DCEO as she meets with groups across the state and would be happy to attend any events the CAP members are a part of as well.

Annette Fulgenzi also shared that she has been asked to present at the Illinois Professional Drycleaners and Launderers' Education Day in September.

Annette Fulgenzi discussed updates, additions and cosmetic changes recently made to the SBEAP website, as well as updates to the program's client satisfaction survey that were

requested by the CAP. In addition, links to information about the Compliance Advisory Panel and a “Give Us Your Feedback” tab been added to the main SBEAP webpage.

6. State Senate President John Cullerton CAP Appointee Vacancy

Mark Grant introduced Josh Quinn, an active member of the Illinois Association of Aggregate Producers’ Environmental and Sustainability committees to the group. Josh Quinn was recommended by the IAAP as a potential candidate to serve on the CAP. Josh Quinn told the CAP he is interested in the position and would accept it if offered by Senator Cullerton. Annette Fulgenzi stated that the Senator’s appointment had remained vacant for quite some time and she had contacted DCEO’s legislative liaison office about their reaching out to Senate President Cullerton’s office with a recommendation for Josh Quinn’s appointment. She expressed that it would be helpful for the business groups to reach out to Senator Cullerton’s office as well.

7. Revision of the Compliance Advisory Panel Operating Guidelines

Mark Grant announced that each member of the CAP was being furnished a hard copy of the CAP’s operating guidelines. He asked that each member read the Guidelines and recommend changes that they would like to see. He further asked that any recommended changes be submitted to the SBEAP staff within a month’s time.

Bharat Mathur suggested that perhaps two documents were needed; one that would outline the role of the CAP and a second that detail how the CAP will operate.

Mark Grant thought this a good idea but suggested that a single document with different sections might be preferable.

8. CAP Chairperson Nominations & Election

Mark Grant reviewed his long tenure as the chairman of the CAP. He said that it has been a pleasure to be the chairman and thanked everyone for the opportunity. However, though he wishes to remain on the CAP, he felt that it was time for new blood and fresh perspectives in the position and so he was stepping down. Therefore, he was opening the floor for nominations to the position.

Annette Fulgenzi, Kristi Dula and Alec Davis all expressed their appreciation for Mark Grant’s service to the CAP.

Mark Grant opened the floor to nominations.

Mark Grant nominated Bharat Mathur to be the new chairman of the CAP. He remarked that there was no one present he thought more experienced or knowledgeable and that the CAP and the SBEAP would both profit from his leadership.

Alec Davis seconded the nomination.

Bharat Mathur accepted the nomination.

Submitted to a vote, all present voted “Aye” and Bharat Mathur was elected the new chairman of the CAP.

Bharat Mathur thanked all present for this opportunity and invited Josh Quinn of the IAAP to attend future CAP meetings pending his nomination.

9. Old Business

Mark Grant reminded the CAP members of the importance of completing the Open Meetings Act certification. Two members are still outstanding in this regard and they need to complete their certifications as soon as possible.

10. New Business/Discussion Items

Bharat Mathur said that he had recently reached out to USEPA Region V in the hope of improving SBEAP interaction with them in the aftermath of their reorganization. He thought it might be desirable for some representative of Region V staff to attend the meetings of the CAP and suggested Mike Harris, the acting director of Region V's Enforcement and Compliance Assurance Division, as an initial invitee.

Annette Fulgenzi said that Andy Anderson, the regional small business liaison at USEPA Region V, has taken a job at USEPA headquarters in Washington D. C. and that he will be greatly missed.

Annette Fulgenzi remarked on Region V staff attending the National Training Conference including Cathy Stepp, the Regional Administrator, who spoke to the conference on the last day and Mike Harris, who expressed support for making compliance assistance a priority again.

11. Next Meeting Date: Tentatively for Thursday, September 19th, from 1:00 -2:30 pm

Mark Grant said that the next meeting would be in Springfield if the CAP continued with the practice of alternating meeting locations between Springfield and Chicago.

Annette Fulgenzi suggested moving the CAP's December meeting to a time during the annual SBEAP Region V meeting set for November 6th in Chicago.

Michelle Haberstroh suggested keeping the September CAP meeting date as scheduled but moving the December meeting date back to November in conjunction with the Region SBEAP annual meeting. The December CAP meeting would then become unnecessary.

It was agreed by the CAP to tentatively change the December meeting date to November 6th in Chicago and eliminate the December meeting.