

SOUTHWEST CLEAN AIR AGENCY

Board of Directors Meeting
April 7, 2016
3:00 PM
Southwest Clean Air Agency
11815 NE 99th St. Suite 1294
Vancouver, Washington

Optional Conference Call Number for Board of Directors 1-800-356-8278 Code: 576617

AGENDA

- I. Call to Order
SWCAA Chair Don Jensen
- II. Roll Call/Determination of Quorum
SWCAA Chair Don Jensen
- III. Board of Directors Minutes
Board of Directors Minutes - March Meeting
- IV. Changes to the Agenda
SWCAA Chair Don Jensen
- V. Consent Agenda
 - A. Approval of Vouchers
 - B. Financial Report
 - C. Monthly Activity Report
- VI. Info Items & Public Comment
None
- VII. Public Hearing
None
- VIII. Unfinished Business/New Business
 - A. **Decision on Cost of Living Wage Adjustments for Fiscal Year 2016/2017**

Issue - A decision on SWCAA's employee cost of living wage adjustments is one of the early budget decisions that must be made prior to submitting the proposed Fiscal Year 2016/2017 Budget for Board approval.

Summary - The proposed Fiscal Year 2016/2017 Budget will be presented to the Board of Directors for approval at the May Board meeting. The Consumer Price Index figure based on calendar year 2015 for the Portland/Vancouver area is 1.2%. This results in a total dollar amount increase of \$10,666 based on eligible salaries.

Other options include: (1) Approve a cost of living figure other than the Portland/Vancouver CPI; or (2) Decide to not provide a cost of living adjustment.

Recommendation - Approve a 1.2% cost of living wage adjustment for eligible employee wages effective July 1, 2016.

B. Review of Merit Pool for Fiscal Year 2016/2017

Issue - Whether to approve funding of merit salary increases for fiscal year 2016/2017.

Summary – In January the Board tentatively approved a 1.5% Merit Pool with the opportunity to adjust or reconsider the approval at this Board meeting. Merit Pool funds would be allocated based on annual performance evaluations and go into effect on July 1, 2016.

A 1.5% Merit Pool based on Fiscal Year 2016/2017 eligible salaries is equal to \$13,333. SWCAA has not utilized an automatic step pay increase system used by many government agencies since implementing the merit pool concept.

Other options include: (1) Approve a Merit Pool in an amount other than 1.5%; or (2) Decide to not approve a Merit Pool.

Recommendation – Approve a 1.5% merit pool for salary increases to be allocated to staff based on annual performance evaluations to become effective July 1, 2016.

C. Tentatively Set a Merit Pool for Fiscal Year 2017/2018

Issue - Whether to tentatively approve and announce funding of merit salary increases for fiscal year 2017/2018.

Summary – SWCAA’s longstanding practice has been to use a merit system for salary increases along with CPI adjustments instead of using a step system for raises. SWCAA’s policy is to announce the potential Merit Pool amount to staff in advance of the award.

If the Board of Directors approves a tentative merit increase pool of 1.5%, based on eligible employees it will cost approximately \$15,317. The final decision to distribute these funds will be made by the Board next spring when more information will be known about the 2017/2018 budget. The Board of Directors will be able to adjust this number when a decision will be made about any CPI salary adjustment.

Other options include: (1) Approve a tentative Merit Pool in an amount other than 1.5%; or (2) Decide to not approve a Merit Pool.

Recommendation – Tentatively approve a 1.5% merit pool for salary increases to be allocated to staff based on annual performance evaluations in 2017. The funds are to

be awarded at the end of next fiscal year (i.e., July 1, 2017) and this decision will be reviewed prior to adoption of the 2017/2018 budget.

D. Performance Evaluation for Executive Director

The Board may go into Executive Session for discussion related to the performance evaluation in accordance with RCW 42.30.10(1)(g). Any salary adjustment or other decision will be made during the open public meeting following the Executive Session.

IX. Control Officer Report

A. Portland Air Toxics Concerns (March 23, 2016)

There have been several new developments related to air toxics issues in Portland; 1) The Oregon legislature has granted the Oregon Department of Environmental Quality 2.5 million dollars to monitor air toxics and develop new toxics rules; 2) Multnomah, Washington, and Clackamas Counties are considering establishing a local air authority to serve the greater Portland area; 3) Uroboros Glass has signed an agreement with the Department of Environmental Quality that prohibits the use of cadmium, chromium and nickel to protect public health until pollution controls can be installed on the company's furnaces; 4) Soil testing for metals shows low risk of toxics. Oregon regulators have said air and soil samples continue to show low health risks for Portland residents. Arsenic around Uroboros Glass in some areas of North Portland showed levels several times higher than the state guideline. However, Oregon Health Authority has said people needn't be concerned. "When there's an exceedance of a screening level found, that does not automatically mean that there's a public health risk," David Farrer of OHA said. "But it does mean that we need to do additional analysis, and found that the risk was low." For further information:

<http://www.opb.org/news/series/portland-oregon-air-pollution-glass/>;

<http://topics.oregonlive.com/tag/cadmium%20pollution/>

B. EPA Ordered to Set RTR Standards for Two Source Categories (March 15, 2016) – A

federal court has ordered EPA to issue Risk and Technology Review (RTR) air toxics standards by October 1, 2017 for two source categories: (1) Chemical Recovery Combustion Sources at Kraft, Soda, Sulfite, and StandAlone Semicemical Pulp Mills and (2) Manufacturing of Nutritional Yeast (Sierra Club v. McCarthy, N.D. Calif., No. 15-cv-01165). The standards are intended to reflect the risk remaining after the implementation of the Maximum Achievable Control Technology (MACT) standards, as well as advancements in controls since the establishment of MACT. The Sierra Club and California Communities Against Toxics sued EPA in the U.S. District Court for the Northern District of California for failing to establish the RTR standards by the deadline, which is eight years after MACT has been set. For further information:

http://www.4cleanair.org/sites/default/files/Documents/RTR_Court_Ruling_3-1516.pdf

C. Investors Sue VW for \$3.6 Billion in German Court (March 15, 2016) - A German law firm representing 278 institutional investors from around the world filed a lawsuit against Volkswagen AG (VW) in Germany's Regional Court in Brunswick. The suit seeks 3.256 billion Euros (\$3.61 billion) from VW for breaches of its capital market duty between June 6, 2008 and September 18, 2015 with respect to the automaker's diesel vehicle emissions scandal. In a press release, a managing partner of the law firm representing the claimants said, "Due to

the fact that according to our information and experience Volkswagen AG persistently denies any settlement negotiations and also refuses to waive the statute of limitation defense until now, it was necessary to file this first multibillion Euro lawsuit. We are pleased that so many institutional entities from all over the world have mandated us to represent them in this lawsuit.” For further information: <http://tilp.de/press-release-first-german-multi-billion-lawsuit-filed-against-vw>

D. Environmental Groups Sue EPA Over Failure to Review Hazardous Air Pollutant Emission Standards for 13 Source Categories (February 24, 2016) – A coalition of environmental groups filed suit in the U.S. District Court over EPA’s failure to review the emissions standards for hazardous air pollutants and promulgate residual risk standards for 13 source categories within the eight-year timeframe required by Clean Air Act. The plaintiffs state that EPA has promulgated national emission standards for hazardous air pollutants for each of the 13 named source categories, but failed to conduct the requisite risk and technology review (RTR) process within eight years after promulgation, as required by the CAA. The source categories named in the complaint are 1) leather finishing operations, 2) wet-formed fiberglass mat production, 3) rubber tire manufacturing, 4) surface coating of large appliances, 5) friction materials manufacturing facilities, 6) surface coating of metal furniture, 7) surface coating of wood building products, 8) printing, coating and dyeing of fabrics and other textiles, 9) taconite iron ore processing, 10) miscellaneous coating manufacturing, 11) lime manufacturing plants, 12) iron and steel foundries and 13) plywood and composite wood products. “Breathing toxic air is a serious health problem in many communities across the country,” the plaintiffs assert, and “EPA has recognized that the hazardous air pollutants can cause serious acute and chronic human health effects.” They note that some of the emitted hazardous air pollutants are persistent or bioaccumulative and can pose a risk to human health when people are exposed through routes other than breathing, such as by playing in soil or eating fish or breastmilk. For further information: http://www.4cleanair.org/sites/default/files/Documents/Blue_Ridge_Envtl_Defense_League_v_McCarthy_DDC_Complaint_2-24-16.pdf

X. Board Policy Discussion Issues

As Necessary

XI. Issues for Upcoming Meetings

- A. Approval of Fiscal Year 2016/2017 Budget. (May 5, 2015)
- B. Public Hearing and Rule Adoption of SWCAA 400 Updates - (TBD)

XII. Adjournment

Notes:

- (1) Served by C-TRAN Routes: 7, 72 and 76.
- (2) Accommodation of the needs for disabled persons can be made upon request. For more information, please call (360) 574-3058 extension 110.