

Southwest Clean Air Agency

Board of Directors Minutes

April 7, 2016

The regular meeting of the Southwest Clean Air Agency Board of Directors was held in the Southwest Clean Air Agency office, Vancouver, Washington on April 7, 2016.

Those present were: Don Jensen, Chair, City of Longview
Bill Schulte, Vice Chair, Director, Lewis County
Bonnie Canaday, Director, City of Centralia
Ben Shumaker, Director, City of Stevenson
Bob Hamlin, Director, Skamania County
Alishia Topper, Director, City of Vancouver
Joe Gardner, Director, Cowlitz County
Ryan Smith, Director, City of Cathlamet
Blair Brady, Director, Wahkiakum County
Tom Mielke, Director, Clark County

Excused: Arny Davis, Member at Large

Also Present: Staff: Uri Papish, Executive Director
Paul Mairose, Chief Engineer
Traci Arnold, Office Administrator

Guests: None

Call to Order

Mr. Jensen called the meeting to order. A quorum was confirmed to exist.

Board of Directors Minutes

Mr. Jensen asked for consideration of the March 3, 2016 minutes. Mr. Hamlin moved and Mr. Shumaker seconded that the minutes for the March 3, 2016 Board meeting be approved. Motion passed.

Changes to Agenda

None.

Info Items & Public Comment

None.

Consent Agenda

Mr. Jensen asked for approval of the Consent Agenda including voucher numbers 331 through 371, 373, 374, 375, and 377, in the amount of \$16,546.15 which have been approved for payment by the Executive Director, voucher numbers 372 and 376 in the amount of \$8,247.20, February 2016 Salaries in the amount of \$84,203.99, and February 2016 Benefits in the amount of \$35,831.09, and the February 2016 Activity Report. Mr. Schulte moved and Ms. Topper seconded approval of the Consent Agenda. Motion passed.

Public Hearing

None.

Unfinished Business/New Business

Mr. Jensen opened discussion on the decision of cost of living wage adjustments for Fiscal Year 2016/2017 and recognized Mr. Papish. Mr. Papish explained 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. 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.

Mr. Schulte asked when the Portland/Vancouver area CPI was determined. Mr. Papish said it was taken from the US Department of Labor. Mr. Schulte said Lewis County was about 0.04%. Mr. Papish said there are different CPI's for different regions. Mr. Mielke said the CPI given to the federal employees this year was also 1.2%. Mr. Schulte said he had thought the CPI was statewide.

Mr. Smith asked if the minimum wage laws passing will impact any of the SWCAA employees. He asked if these laws might have other unintended consequences. Mr. Hamlin added that the minimum wage laws could also have an effect on future year CPI calculation. Mr. Papish responded there are no SWCAA employees receiving minimum wage, however the temporary staff SWCAA uses once in a while are closer to the minimum wage.

Mr. Jensen asked for a motion. Ms. Canady moved to approve a 1.2% cost of living wage adjustment for eligible employee wages effective July 1, 2016. Mr. Mielke seconded the motion. Mr. Schulte opposed the motion. Motion passed.

Mr. Jensen opened discussion on review of merit pool for Fiscal Year 2016/2017 and recognized Mr. Papish. Mr. Papish explained 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.

Mr. Brady asked if SWCAA's financial condition can support the merit pool. Mr. Papish said that is a difficult question to answer at this time because the budget is still under development the merit pool is one of the preliminary decisions for preparing the budget. If there are issues with the budget all categories including the salary adjustments can be relooked at before approving the budget. Mr. Schulte added that the merit pool is a place holder for the future budget being developed and the requested merit pool is only \$13,333. Mr. Brady responded as long as this increase does not have an effect on services or fees at this time he would not have an issue approving the merit pool.

Mr. Shumaker asked if SWCAA is using ranges for the pay scales and is anyone at the top of the range. Mr. Papish responded each position has a range and if someone was at the top of the range they would only receive the approved CPI. He said there are only two employees that are at or close to the top of the range.

Mr. Schulte commented that the merit pool is a great way to reward employees and encourages SWCAA to continue the practice.

Mr. Mielke said he is against employee bonuses. Mr. Schulte and Mr. Brady said the merit pool is not a bonus.

Mr. Jensen asked for a motion. Mr. Shumaker moved to 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. Mr. Smith seconded the motion. Motion passed unanimously.

Mr. Jensen opened discussion on whether to tentatively approve and announce funding of merit salary increases for fiscal year 2017/2018 and recognized Mr. Papish. Mr. Papish explained 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.

Mr. Mielke asked if the staff receives step increases. Mr. Papish said the staff does not receive step increase, only merit and CPI. Mr. Mielke said that is important to consider because county staff get pretty much automatic step increases each year and if you don't have it at SWCAA you need some type of compensation for consideration.

Mr. Jensen asked for a motion. Ms. Canaday made a motion to 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. Mr. Hamlin seconded the motion. Motion passed.

Executive Session

Mr. Jensen opened discussion on the performance evaluation of the Executive Director. Mr. Jensen asked for the Board to go into Executive Session for the purpose of performing the Executive Director's performance evaluation. He said the Executive Session will be utilized 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. He reiterated that no decision would be made during Executive Session. He requested Mr. Papish and the general public to leave during the executive session which he estimated would begin at 3:22 p.m. and last for approximately 15 minutes.

Mr. Jensen reconvened the executive session at 3:38 p.m. and opened the discussion for Board member comments.

Mr. Schulte moved, and Mr. Hamlin seconded approval of the exceptional performance evaluation rating of the Executive Director and therefore approved a 1.2% CPI and 1.5% merit salary increase for the Executive Director to be effective on July 1, 2016. Motion passed unanimously.

Mr. Papish expressed his appreciation to the Board of Directors.

Control Officer Report

Mr. Papish offered to answer any questions in the Control Officer Report.

Portland Air Toxics Concerns (March 23, 2016) - There have been several new developments related to air toxics issues in Portland; 1) The Oregon legislatures 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://www.opb.org/news/series/portland-oregon-air-pollution-glass/)
<http://topics.oregonlive.com/tag/cadmium%20pollution/>

Mr. Papish said the Oregon Governor Kate Brown made an announcement today that she is merging part of DEQ with the Health Department to focus on air toxics. Governor Brown has pledged 2.5 million to this which makes it unlikely that a separate air agency will be formed.

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 Semichemical 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

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>

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

Board Policy Discussion Issues

None.

Issues for Next Meeting

- A. Public Hearing.
 - 1. Hearing for SWCAA 400 Updates (TBD).
- B. New Business/Unfinished Business.
 - 1. Approval of Fiscal Year 2016/2017 Budget. (May 5, 2015)
- C. Board Policy Discussion Issues.
 - 1. As Necessary.
- D. Meeting Date and Location.
 - 1. May 5, 2016 at 3:00 p.m. Southwest Clean Air Agency, 11815 NE 99th Street, Vancouver, Washington.

The next Board of Directors meeting will be held on May 5, 2016 at 3:00 p.m., Southwest Clean Air Agency, Vancouver, Washington.

Board Meeting Attendance:

JURISDICTION	J 2016	F 2016	M 2016	A 2016	M 2015	J 2015	J 2015	A 2015	S 2015	O 2015	N 2015	D 2015
Clark County	+	0	0	+	0	+	C	+	+	+	+	C
Cowlitz County	+	+	+	+	+	+	C	+	+	+	0	C
Lewis County	+	+	+	+	+	+	C	+	+	+	+	C
Skamania County	+	+	+	+	+	0	C	0	+	+	+	C
Wahkiakum County	0	+	+	+	+	+	C	+	+	+	+	C
Cathlamet	0	+	+	+	+	+	C	+	+	0	0	C
Centralia	+	+	+	+	+	+	C	+	+	+	+	C
Longview	+	+	0	+	0	+	C	+	+	+	0	C
Stevenson	+	+	+	+	+	+	C	A	+	+	+	C
Vancouver	+	+	+	+	+	+	C	+	+	0	+	C
Member-At-Large	+	+	+	0	+	+	C	+	+	0	+	C

+ = regular member present; 0 = unrepresented; A = alternate present; C = cancelled meeting

Mr. Jensen adjourned the meeting without objection at 3:46 p.m.



 Chair



 Executive Director