

SOUTHWEST CLEAN AIR AGENCY

Board of Directors Meeting
April 5, 2018 at 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 2018/2019

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 2018/2019 Budget for Board approval.

Summary - The Proposed Fiscal Year 2018/2019 Budget will be presented to the Board of Directors for approval at the May Board meeting. SWCAA does not utilize an automatic step pay increase system as is used by many government agencies. Instead salaries are increased annually through a living wage adjustment and merit pool adjustment for eligible staff.

SWCAA's Board has typically approved a living wage adjustment equal the Consumer Price Index (CPI) for the Portland/Vancouver region. This figure for calendar year 2016 is 4.2%. The Western Region CPI (which represents inflation in 13 western states) for this same time period is 3.1%. Depending on which factor is applied the cost of living adjustment for SWCAA staff would result in a total increased amount based on eligible salaries of \$43,588 or \$32,172 respectively.

Options include: (1) Approve a cost of living figure based on the Portland/Vancouver CPI; (2) Approve a cost of living figure based on the Western Region CPI; (3) Approve a cost of living figure other than the Portland/Vancouver or Western Region CPI; or (4) Decide to not provide a cost of living adjustment.

Recommendation - Approve a 3.1% cost of living wage adjustment based on the 2016 Western Region CPI for eligible employee wages effective July 1, 2018.

B. Review of Merit Pool for Fiscal Year 2018/2019

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

Summary – In May of 2017 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, 2018.

A 1.5% Merit Pool based on Fiscal Year 2017/2018 eligible salaries is equal to \$10,791. As mentioned above, SWCAA has not utilized an automatic step pay increase system used by many government agencies since implementing a merit pool.

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

Recommendation – Approve a 1.5% merit pool for salary increases to be allocated to eligible staff based on annual performance evaluations to become effective July 1, 2018.

C. Tentatively Set a Merit Pool for Fiscal Year 2019/2020

Issue - Whether to tentatively approve and announce funding of merit salary increases for fiscal year 2019/2020.

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 \$12,795. The final decision to distribute these funds will be made by the Board next spring when more information will be known about the 2019/2020 budget.

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 2019. The funds are to be awarded at the end of next fiscal year (i.e., July 1, 2019) and this decision will be reviewed prior to adoption of the 2019/2020 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. EPA Publishes Final Rule Establishing Area Classification Thresholds and Attainment Dates for 2015 Ozone NAAQS (March 9, 2018) – EPA published in the Federal Register its final rule establishing, for the 2015 ozone National Ambient Air Quality Standards (NAAQS), air quality thresholds and attainment dates for each of the five Clean Air Act nonattainment area classifications. Based on the same “percent-above-the-standard” methodology used to set thresholds for the 1997 and 2008 ozone NAAQS, and the same “maximum-attainment-date” approach, EPA is promulgating the nonattainment classification thresholds and attainment dates for the 2015 ozone NAAQS. The final rule takes effect on May 8, 2018. EPA has indicated that it plans to issue final designations under the 2015 ozone NAAQS by April 30, 2018 (although the agency has said it needs additional time to make final decisions regarding the San Antonio region). For further information: <https://www.gpo.gov/fdsys/pkg/FR2018-03-09/pdf/2018-04810.pdf>

B. Two Former EPA Administrators Urge Administrator Pruitt to Withdraw Proposal to Repeal Glider Requirements (March 9, 2018) – Former EPA Administrators Carol Browner, who served under President Bill Clinton, and Christine Todd Whitman, who served under President George W. Bush, sent a letter to Administrator Scott Pruitt urging him to withdraw EPA’s November 16, 2017 proposed rule to rescind emission standards for glider trucks. Highlighting EPA’s statement in its recent strategic plan emphasizing the importance of the agency using “the best science and research to address current and future environmental hazards,” Browner and Whitman wrote, “We are deeply troubled that the Agency’s steadfast commitment to public health and environmental protection based on the best available science is being undermined – putting at risk air and water quality and endangering children and families. For further information: http://4cleanair.org/sites/default/files/Documents/GlidersLetter_from_Browner_%20Whitman-030918.pdf .

C. OMB Identifies Significant Benefits of Air Rules in Cost-Benefit Report to Congress

(February 23, 2018) – The Office of Management and Budget (OMB) released its annual report on the costs and benefits of federal regulations entitled, 2017 Draft Report to Congress on the Benefits and Costs of Federal Regulations and Agency Compliance with the Unfunded Mandates Reform Act. In the report to Congress, which is required annually pursuant to the Regulatory Right-to-Know Act, OMB provides information about the costs and benefits of rules during the previous year and the past 10 years. According to the OMB, “Across the Federal government, the rules with the highest estimated benefits as well as the highest estimated costs come from the Environmental Protection Agency and in particular its Office of Air and Radiation.” OMB estimates in the report that the cost of EPA regulations from the Office of Air and Radiation in FY 2016 was \$50.4 billion to \$60.3 billion and the benefits totaled \$182 billion to \$684.1 billion. OMB noted that of EPA’s 26 air quality rules from FY 2006 to 2016, the highest benefits were from the Clean Air Fine Particle Implementation Rule (2007) and the National Emission Standards for Hazardous Air Pollutants from Coal- and Oil-Fired Electric Utility Steam Generating Units (MATS) (2011). OMB stated, “Importantly, the large estimated benefits of EPA rules issued pursuant to the CAA are mostly attributable to the reduction in public exposure to fine particulate matter (referred to in many contexts as PM2.5).” For further information:

https://www.whitehouse.gov/wpcontent/uploads/2017/12/draft_2017_cost_benefit_report.pdf

D. EPA Rescinds Air Toxics Once-In-Always-In Policy (January 25, 2018)

– EPA rescinded a policy, known as “Once-In-Always-In” (OIAI), that has been in effect since 1995. In essence, the OIAI policy provided that once a source of hazardous air pollutants is considered a major source under Section 112 of the Clean Air Act, then it remains major even if its emissions drop below major-source levels. The intent of the policy, described in an EPA memorandum of May 16, 1995, is to prevent backsliding. In this week’s new guidance, which supersedes the 1995 document, EPA states, “sources of hazardous air pollutants previously classified as ‘major sources’ may be reclassified as ‘area’ sources at any time, provided the facility limits its potential to emit below major source thresholds.” According to EPA, the new policy is based on a “plain language” interpretation of the definitions of “major” and “area” source. EPA indicates in the memorandum that it anticipates publishing a notice in the Federal Register soon to take comment on adding regulatory text to reflect the agency’s decision. For further information: <https://www.epa.gov/stationary-sources-air-pollution/reclassification-major-sources-area-sources-under-section-112-clean>

X. Board Policy Discussion Issues

As Necessary

XI. Issues for Upcoming Meetings

A. Agency Budget - May

B. Asbestos Rule Public Hearing - May

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.*