

Southwest Clean Air Agency

Board of Directors Minutes

April 5, 2018

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 5, 2018.

Those present were: Alicia Topper, Vice-Chair, City of Vancouver  
Ben Shumaker, Director, City of Stevenson  
Bobby Jackson, Director, Lewis County  
Dennis Webber, Director, Cowlitz County  
Ryan Smith, Director, Town of Cathlamet  
Army Davis, Member at Large  
Dr. Alan Melnick, Director, Clark County  
Dan Cothren, Director, Wahkiakum County

Excused: Don Jensen, Chair, City of Longview  
Lee Coumbs, Director, City of Centralia  
Bob Hamlin, Director, Skamania County

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

Guests: Rachel O'Malley, WA Department of Ecology

Call to Order

Ms. Topper called the meeting to order. A quorum was confirmed to exist.

Board of Directors Minutes

Ms. Topper asked for consideration of the March 1, 2018 minutes. Mr. Jackson moved and Mr. Smith seconded that the minutes for the March 1, 2018 Board meeting be approved. Motion passed.

Consent Agenda

Ms. Topper asked for approval of the Consent Agenda including voucher numbers 730 through 769, 771 through 776, 778 and 779 in the amount of \$8,981.76 which have been approved for payment by the Executive Director and voucher numbers 770, 777 and 780 in the amount of \$13,585.91, February 2018 Salaries in the amount of \$95,543.78, February 2018 Benefits in the amount of \$41,539.66, the February 2018 Financial Statement, and the February 2018 Activity

Report. Mr. Smith moved and Mr. Davis seconded approval of the Consent Agenda. Motion passed.

### Changes to Agenda

None.

### Info Items & Public Comment

None.

### Unfinished Business/New Business

Ms. Topper opened discussion on the decision of a cost of living wage adjustment for Fiscal Year 2018/2019 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 2018/2019 Budget for Board approval. 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 2017 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. Other 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.

Mr. Smith asked why the lower CPI 3.1% was recommended if the 4.2% CPI is an accurate representation of the area. Mr. Papish said it was a difficult decision which is why both CPI's are presented to the board.

Mr. Jackson asked when the last time staff received raises. Mr. Papish responded that staff received an increase last year on July 1, 2017. There have been years in the past during the 2008 recession where no CPI was approved. Mr. Jackson said last year SWCAA passed significant fee increases onto the counties to make up for a shortfall, and if there was a CPI given last year, it's too soon to be discussing another salary increase. The budget needs to be shored up. Mr. Papish said SWCAA did some forecasting which included a CPI for salaries and with the CPI proposed the actuals will come within a few thousand dollars. Benefit costs were lower than expected with no increases and a small reduction for part of the insurance. Mr. Jackson restated that SWCAA asked for a fee increase due to federal

funding cuts and passed those increases onto the cities and counties. He is unsure giving raises is the fiscally responsible thing to do especially since SWCAA staff received a raise last year. Mr. Papish responded that proposed federal funding cuts have been delayed again. Mr. Jackson said the fee increase are still in place to the counties and cities. Mr. Papish responded the fee increases are in part to keep pace with inflationary costs to all agency expenses. Mr. Jackson stated it was presented as a federal funding cut, not because of inflation. Mr. Papish responded that federal cuts were a piece of it, but not the only driver and he did a full presentation on it to Board that Mr. Jackson was not present for. Mr. Jackson agreed he may not have been at the presentation and said even if it is related to inflationary costs, it is not fiscally responsible to give raises to staff when costs have been increased to the cities and counties.

Mr. Smith asked how much additional revenue the agency has realized since the fee increase went into effect. Mr. Papish said he didn't have the exact figures but reminded the board it had been a decade since SWCAA last increased fees and the agency was lagging behind.

Mr. Shumaker asked for clarification from Mr. Jackson on the separation of the CPI and the merit pool. He understands the CPI is a way to keep wages even with the inflation so the dollar continues to hold the same value, where the merit pool is a raise. Mr. Jackson said the wages need to remain the same. Mr. Davis said the CPI is for wages to keep pace with inflation.

Dr. Melnick asked if SWCCA salaries are comparable to market salaries for similar positions. Mr. Papish said the agency has not done a salary survey, but if he had to guess the agency is probably on the lower end as far as wages are concerned. Dr. Melnick asked if the agency has experienced difficulty recruiting employees. Mr. Papish said the Operations Manager position took several months to fill.

Mr. Weber said in Cowlitz County the CPI's are negotiated. There are a lot of limits on how the county can raise fund and the county must negotiate salaries. He said Cowlitz provided a 2% CPI and he will be unable to support anything higher. Mr. Papish responded that many negotiated and/or union contract include step increases which SWCAA does not use. The merit pool is only 1.5% distributed among 11 eligible employees for the upcoming year and that needs to be considered.

Mr. Smith said it is important to retain qualified staff. It far exceeds the CPI to recruit and train new employees. He is concerned that staff might feel burned and start looking for greener pastures. Mr. Jackson said while he didn't disagree, this is something Lewis County deals with every day.

Ms. Topper said within Clark County and Vancouver there have been significant cost of living increases due to the housing market in Portland. There is significant pressure on all agencies to respond to this within this area and other regions. She also said the market for qualified staff is really small for both government and private positions. Ms. Topper expressed concern with not providing some increase to staff.

Mr. Cothren said Wahkiakum County just finished negotiations with their employees as well. He said he agrees with Mr. Jackson, if the staff received increases last year, there is no way he can support another increase this year.

Mr. Smith again expressed concern about employee retention.

Mr. Shumaker suggested the next time SWCAA presents on CPI to have prepared a comparison for the counties and cities it represents. He said Stevenson may have received 3.7% the last time CPI was approved. He is concerned the staff may feel undervalued. Mr. Jackson said it's not an issue of value, it's an issue of economics and it is unrealistic to expect a raise every year.

Mr. Muller asked what SWCAA staff received last year. Mr. Papish responded staff received a 2.1% CPI and 1.5% merit last year.

Mr. Jackson asked if the decision can be delayed. Mr. Papish said this decision impacts the budget which must be approved no later than the June 2018 meeting. There is also a need for time to finish preparing the budget, so delay on this decision could impact timely budget approval.

Ms. Topper asked for a motion. Mr. Smith moved to approve a 4.2% cost of living wage adjustment based on the 2017 Western Region CPI for eligible employee wages effective July 1, 2018. Mr. Shumaker seconded the motion. Mr. Davis, Mr. Jackson, Dr. Melnick, Mr. Webber, Mr. Shumaker, and Mr. Cothren voted against the motion. Mr. Smith voted for the motion. Motion failed.

Ms. Topper asked for a motion. Mr. Smith moved to approve a 3.1% cost of living wage adjustment based on the 2017 Western Region CPI for eligible employee wages effective July 1, 2018. Mr. Shumaker seconded the motion. Mr. Davis, Mr. Jackson, Mr. Weber and Mr. Cothren voted against the motion. Mr. Smith, Dr. Melnick, Mr. Shumaker and Ms. Topper voted for the motion. Motion failed.

Ms. Topper asked for a motion. Mr. Weber moved to approve a 2.0% cost of living wage adjustment for eligible employee wages effective July 1, 2018. Mr. Smith seconded the motion. Mr. Davis and Mr. Jackson voted against the motion. Mr. Smith, Dr. Melnick, Mr. Weber, Mr. Shumaker and Mr. Cothren voted for the motion. Motion passed.

Ms. Topper opened discussion on review of merit pool for Fiscal Year 2018/2019 and recognized Mr. Papish. Mr. Papish explained 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.

Mr. Smith asked if there has been any variation on the percentage of merit pool funds. Mr. Papish responded it's been 1.5% for the past few years, but there were several years where it was 1.0%.

Mr. Weber asked if all eligible employees get 1.5%. Mr. Papish responded this pool of money is based on performance evaluation scores, so some employees will receive a higher percentage of the funds than others. Mr. Weber asked how many staff are eligible or not. Mr. Papish said there are two employees at the top of their range and one additional new employee that is not eligible, leaving the merit pool to be divided among 11 employees. Mr. Weber asked if low performing employees are placed on improvement plans. Mr. Papish said yes, that is what would happen if there is a performance issue.

Mr. Shumaker asked if the entire pool will be distributed. Mr. Papish said there is discretion allowed to distribute a lower amount, but no more than what the board approves can be distributed to staff. Mr. Muller clarified an employee could receive more than 1.5% for excellent performance. Mr. Papish said that could happen depending on the performance rating. Some staff get a higher percent, some get a lower percent.

Mr. Weber said merit-based pay is unusual in government. Mr. Smith said he hopes it encourages staff to be innovative. Mr. Weber said the amount seems really small and is curious if it's really an incentive.

Ms. Topper asked for a motion. Mr. Weber moved to 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. Mr. Smith seconded the motion. Mr. Jackson voted against the motion. Mr. Davis abstained. Motion passed.

Ms. Topper opened discussion on whether to tentatively approve and announce funding of merit salary increases for fiscal year 2019/2020 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 \$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.

Mr. Weber asked what makes an excellent employee. Mr. Papish said the performance evaluations are very detailed depending on the tasks assigned. The tasks are also assigned weight depending on the skill required. Mr. Weber expressed the importance of customer service in government and encouraged Mr. Papish to consider this when evaluating staff. He also mentioned he has heard nothing negative about SWCAA.

Ms. Topper asked for a motion. Mr. Smith 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 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. Mr. Shumaker seconded the motion. Mr. Jackson and Mr. Davis abstained from the motion. Motion passed.

### Executive Session

Ms. Topper opened discussion on the performance evaluation of the Executive Director. She said the board received the evaluation forms with instructions to send the results to Mr. Jensen as Chair of the Board. However, since Mr. Jensen was unable to make the meeting Mr. Topper is asking for a motion to postpone the Executive Director's performance evaluation.

Mr. Davis made a motion to postpone the Executive Director's performance evaluation until the May 3, 2018 Board of Director's meeting. Mr. Smith seconded the motion. Motion passed.

### Public Hearing

None.

### Control Officer Report

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

**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>

**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](http://4cleanair.org/sites/default/files/Documents/GlidersLetter%20from%20Browner%20Whitman-030918.pdf) .

### **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](https://www.whitehouse.gov/wpcontent/uploads/2017/12/draft_2017_cost_benefit_report.pdf)

**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>

Mr. Weber questioned if there would be value in having SWCAA conduct a salary survey before approaching the board next year regarding CPI or merit. Mr. Smith expressed concern on the cost of contracting this survey. Ms. Topper asked how difficult it would be for SWCAA to conduct an internal survey of similar agencies and or do this in-house. Mr. Papish said the

agency has limited resources to conduct a salary survey but indicated the agency could work on something in house. Mr. Davis asked Mr. Papish to research the costs of contracting a salary survey with an outside agency. Mr. Shumaker suggested the City of Washington Cities as a resource. Mr. Shumaker also suggested a range be set for the Executive Director so the Board has some framework when awarding any pay increases to that position.

Board Policy Discussion Issues

None.

Issues for Next Meeting

A. Public Hearing.

1. As Necessary.

B. New Business/Unfinished Business.

1. Agency Budget - May
2. Asbestos Rule Public Hearing – May
3. Executive Director Performance Evaluation - May

C. Board Policy Discussion Issues.

1. As Necessary.

D. Meeting Date and Location.

1. May 3, 2018 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 3, 2018 at 3:00 p.m., Southwest Clean Air Agency, Vancouver, Washington.

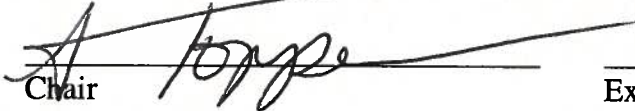


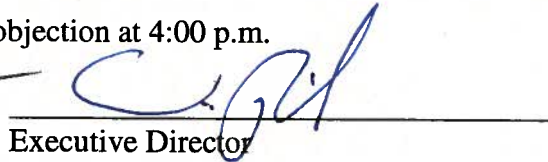
Board Meeting Attendance:

JURISDICTION	J 2018	F 2018	M 2018	A 2018	M 2017	J 2017	J 2017	A 2017	S 2017	O 2017	N 2017	D 2017
Clark County	+	+	+	A	+	+	+	+	+	+	+	C
Cowlitz County	+	+	+	A	+	0	+	+	+	+	+	C
Lewis County	+	+	0	+	+	+	0	+	+	0	+	C
Skamania County	+	0	+	0	+	+	+	+	+	+	0	C
Wahkiakum County	+	0	+	A	+	+	+	0	0	+	+	C
Cathlamet	0	+	+	+	+	0	C	+	+	+	+	C
Centralia	+	+	+	0	+	0	C	+	+	+	+	C
Longview	+	+	+	0	+	+	C	+	+	+	+	C
Stevenson	+	+	+	+	+	+	C	+	+	+	+	C
Vancouver	+	0	A	+	+	0	C	+	+	+	0	C
Member-At-Large	+	+	+	+	+	+	C	+	+	+	0	C

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

Ms. Topper adjourned the meeting without objection at 4:00 p.m.

  
Chair

  
Executive Director