

Southwest Clean Air Agency

Board of Directors Minutes

May 5, 2022

The regular meeting of the Southwest Clean Air Agency Board of Directors was held in the Southwest Clean Air Agency office, Vancouver, Washington on May 5, 2022.

Those present were: Bob Hamlin, Chair, Skamania County
Ryan Smith, Vice-Chair, Member at Large
Dr. Alan Melnick, Director, Clark County
Ruth Kendall, Director, City of Longview
Ben Shumaker, Director, City of Stevenson
Arne Mortensen, Director, Cowlitz County
Kim Harless, Director, City of Vancouver
Robert Stowe, Director, Town of Cathlamet
Lee Tischer, Director, Wahkiakum County

Excused: Max Vogt, Director, City of Centralia
Sean Swope, Director, Lewis County

Also Present: Staff: Uri Papish, Executive Director
Traci Arnold, Office Administrator

Guests: None

Call to Order

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

Board of Directors Minutes

Mr. Hamlin asked for consideration of the April 7, 2022 minutes. Dr. Melnick moved and Mr. Mortensen seconded that the minutes for the April 7, 2022 Board meeting be approved. Motion passed.

Consent Agenda

Mr. Hamlin asked for approval of the Consent Agenda including voucher numbers 306 through 348 in the amount of \$36,915.03 which have been approved for payment by the Executive Director, March 2022 Financial Statement, March 2022 Salaries and Benefits in the amount of \$154,375.82. Mr. Shumaker moved and Dr. Melnick seconded approval of the Consent Agenda. Mr. Mortensen abstained. Motion passed.

Mr. Mortensen asked for the word certify to be altered in the voucher approval language. He expressed concern that the use of the word certify attaches accountability to the board members. Mr. Papish said he would review the language and make changes as appropriate.

Changes to Agenda

None

Info Items & Public Comment

None

Public Hearing

None

Unfinished Business/New Business

Mr. Hamlin opened discussion on adoption of proposed Fiscal Year 2022/2023 budget and recognized Mr. Papish. Mr. Papish said the Southwest Clean Air Agency (SWCAA) is required by the Washington Clean Air Act (RCW 70.94.092) to utilize a budget year of July 1st through June 30th. This statute also specifies that SWCAA must have its budget adopted by the Board of Directors by the fourth Monday in June of each year.

The proposed Fiscal Year 2022/2023 budget of \$3,072,040 is a \$191,750 increase over the Fiscal Year 2021/2022 budget. The main drivers of the budget increase compared to the prior fiscal year are in the following expense categories: (1) an increase in the consultant/pass through money from anticipated increased spending of grant money for the Woodstove Replacement Program and expenditures on the new Spare-our-Air Grant awarded by the Department of Ecology, (2) an increase in total staff salaries after Board approved cost of living and salary adjustments; and (3) anticipated increases in medical insurance premiums, social security, and Medicare contributions. The increased expenses are partially offset by not having an audit by the State Auditor in the upcoming fiscal year.

On the revenue side the main drivers of the budget increase compared to the prior fiscal year are: (1) an increase in pass through Department of Ecology grant money for the Woodstove Replacement Program, and the new Spare-our-Air Grant; (2) an increase in registration and per capita revenue; and (3) an anticipated increase in asbestos permitting activity. The increases in revenue are partially offset by (1) a reduction in new source review fees; and (2) a reduction in non-AOP carry over funds.

SWCAA expects to end the current Fiscal Year 2021/2022 with a projected end-of-year cash balance of \$2,890,897. The agency's reserves, which have the purpose of maintaining the financial stability of the agency, include the depreciation reserve, liability reserve, Title V reserve, non-Title V reserve, and vacation/sick/retirement reserve. These reserves will be funded at \$125,000, \$110,000, \$60,000, \$696,817, and \$200,000 respectively. The agency's reserves which have the purpose of performing important projects also include the records management reserve and the air

quality improvement/diesel reserve. These reserves will be funded at \$175,000 and \$163,573, respectively, at the end of FY 2021/2022.

Fees collected in the current fiscal year and held for use in FY 2022/2023 amount to \$1,053,512 of the projected year-end cash balance. These funds will be carried forward into the FY 2022/2023 operating budget as the non-Title V fees fund. This fund will be used to meet fixed program expenses other than AOP. There will be \$56,104 in AOP carryover from Fiscal Year 2021/2022. The end-of-year cash balance of \$221,713 for non-AOP funds will be carried forward into the FY 2022/2023 budget as revenue to help meet FY 2022/2023 operating expenses. In addition, a reserve drawdown of \$20,000, of earmarked state grant money, is budgeted in case there is a qualified diesel or other air quality improvement project in the upcoming year.

The budget of \$3,072,040 is the funding amount required for SWCAA to maintain its current programs and an acceptable level of service through FY 2022/2023. The recent CPI fee increases along with SWCAA carefully managing expenditures and holding a position vacant have improved SWCAA's funding for 2022/2023. This has allowed SWCAA to increase some reserve funds in case of an economic downturn.

Mr. Hamlin asked about preparing for the rising fuel costs. Mr. Papish responded the agency fleet is comprised of hybrid vehicles and one electric car. Rising fuel costs were taken into consideration based on more inspections with the loosening of covid health restrictions as well as inflation.

Mr. Hamlin asked for a motion. Dr. Melnick made a motion to approve Resolution 2022-01 which adopts a Fiscal Year 2022/2023 Budget for SWCAA in the amount of \$3,072,040. Mr. Smith seconded the motion. Motion passed.

Mr. Hamlin opened discussion on adoption of proposed revision's to SWCAA's Consolidated Fee Schedule and recognized Mr. Papish. Mr. Papish explained SWCAA is proposing fee revisions to SWCAA's Consolidated Fee Schedule. There are two main changes proposed as described below:

Small Source Fee Restructuring

The proposed changes exempt small sources from the requirement to pay emission fees if their combined potential to emit air pollutants is less than 10 tons per year. This change would exempt emission fees for these smaller sources but would increase the emission unit fee these sources pay to make the fee change revenue neutral. As a result, some sources fees will go down while other will increase depending on their level of emissions compared to their number of emission units.

Gas Station Fee Restructuring

The proposed changes restructure gas station registration fees from an emission unit and emission fee model to a base fee and gasoline throughput fee model. The fees would be set at a level that would be revenue neutral to SWCAA and minimize the impact of the fee changes on individual gas stations. This change would result in a fee increase for some high throughput gas stations and a fee decrease for other low and medium throughput stations. This change is needed to maintain consistency in fees from one facility to another and maintain program funding as SWCAA updates permits and phases in new emission factors

with the removal of Stage II Vapor Recovery equipment. The fee change is revenue neutral to SWCAA and prevents future revenue losses resulting from permit changes.

SWCAA conducted a public notice on the fee proposals from March 16th until April 21st and held a public hearing at 6 pm on April 19th via a call-in phone line. Notice was posted on SWCAA's website and notifications were mailed to every registered and permitted source informing them of the proposed changes. SWCAA received no public comments and had no public attendees at the hearing. SWCAA's Hearings Officer Report is attached.

Mr. Shumaker asked if the fee restructure affects the small stations. Mr. Papish responded some stations will receive a slight increase and others a slight decrease. Additionally, there are a few very small stations that do not pay registration and only submit emissions.

Mr. Hamlin asked for a motion. Mr. Tisher made a motion to approved resolution 2022-02 amending SWCAA's Consolidated Fee Schedule as proposed. Mr. Shumaker seconded the motion. Motion passed.

Executive Session

None

Control Officer Report

Mr. Papish summarized the information provided in the Control Officer Report and offered to answer any questions.

Researchers Find Seasonal Link Between Pacific Northwest Fires and Respiratory Deaths in Colorado (April 19, 2022) A new study in *Nature Communications* has found new August air pollution peaks in the Central and Northeast U.S. and Canada that are tied to wildfires in the Pacific Northwest and has linked these fires to statistically significant increases in mortality outside the local area. The study, "New seasonal pattern of pollution emerges from changing North American wildfires" was authored by researchers from the National Center for Atmospheric Research, the University of Colorado Boulder, Colorado State University, Columbia University, China's Tsinghua University and NASA. They used satellite data to track carbon monoxide levels in the smoke from fires in the Pacific Northwest as it moved eastward, using carbon monoxide as an indicator of incomplete combustion that suggests the presence of chemicals such as furan, benzene and formaldehyde, as well as particulates and aerosols. "We found evidence that mortality due to chronic respiratory conditions has seen a statistically significant increase in August in the latter period. Although Colorado also experiences local wildfires, the local wildfire season is generally earlier and does not see differences between time periods... suggesting instead a relationship to the changing wildfire emissions transported from the Pacific Northwest". The paper notes the link between wildfire incidence and climate change, and suggests further research is needed to determine whether these wildfire smoke plumes may be seasonally exposing as many as 130 million people in the Pacific Northwest, Central U.S., Upper Midwest, and Canada to health-harming air pollutants. For further information: <https://www.nature.com/articles/s41467-022-29623-8>

EPA Proposes Ban on Ongoing Uses of Asbestos (April 5, 2022) EPA proposed, under the Toxic Substances Control Act, to ban the ongoing use of chrysotile asbestos, which is the only known form of asbestos currently imported into the U.S. and is a known carcinogen. Under the proposal, the manufacture, import, processing, distribution in commerce and commercial use of chrysotile asbestos would be banned for six categories of products: asbestos diaphragms, sheet gaskets, oilfield brake blocks, aftermarket automotive brakes and linings, other vehicle friction products and other gaskets. EPA is also proposing requirements for targeted disposal and recordkeeping that align with industry standards, Occupational Safety and Health Administration requirements and the Asbestos National Emission Standards for Hazardous Air Pollutants. There will be a 60-day public comment period following publication of the proposal in the Federal Register. For further information: <https://www.epa.gov/newsreleases/epa-proposes-ban-ongoing-uses-asbestos-taking-historic-step-protect-people-cancer-risk>

CASAC to Begin Ozone NAAQS Reconsideration (April 4, 2022)

The Ozone Panel of EPA’s Clean Air Scientific Advisory Committee (CASAC) will hold two virtual public meetings between the end of April and mid-June related to EPA’s reconsideration of the 2020 decision to retain the existing (2015) ozone National Ambient Air Quality Standards without revision. On April 29, 2022, the CASAC Ozone Panel will be briefed by EPA staff on the draft Policy Assessment (PA) to support the reconsideration. That will be followed by a four-day public meeting – on June 8, 10, 13 and 17 – during which the Panel will peer review the draft PA. There will be an opportunity for oral public comment to the Ozone Panel on June 8, 2022; those wishing to present a statement must make a request by June 1, 2022. Written statements will be accepted throughout the advisory process, however, for timely consideration by CASAC, such statements should be submitted by June 1, 2022. For further information: <https://www.govinfo.gov/content/pkg/FR-2022-04-04/pdf/2022-07014.pdf>

World Health Organization Says 99 Percent of World Population Still Breathes Unhealthy Levels of PM And NO2 (April 4, 2022) The World Health Organization (WHO) released findings from the 2022 update of its air quality database, which includes data for the more than 6,000 cities in 117 countries that now monitor ground-level air quality. According to WHO, the new database shows that people living in these covered areas continue to breathe unhealthy levels of fine particulate matter (PM) and nitrogen dioxide (NO2), with “almost the entire global population (99%) breathing air that exceeds WHO air quality limits and threatens their health.” As a result, WHO is working to highlight the importance of curbing the use of fossil fuels and taking “other tangible steps” to reduce air pollution. In particular, WHO is calling upon governments to rapidly intensify actions to, among other things, 1) adopt or raise national air quality standards based on the most recent WHO Air Quality Guidelines, 2) monitor air quality and identify air pollution sources, 3) support transitioning to the exclusive use of clean household energy for cooking, heating and lighting, 4) build safe and affordable public transportation and pedestrian- and cycle-friendly networks and 5) implement more stringent vehicle emission and efficiency standards and enforce mandatory vehicle inspection and maintenance requirements. Addressing the need for action, WHO Director-General Dr. Tedros Adhanom Ghebreyesus stated, “Current energy concerns highlight the importance of speeding up the transition to cleaner, healthier energy systems. High fossil fuel prices,

energy security, and the urgency of addressing the twin health challenges of air pollution and climate change, underscore the pressing need to move faster towards a world that is much less dependent on fossil fuels.” For further information: <https://www.who.int/news/item/04-04-2022-billions-of-people-still-breathe-unhealthy-air-new-who-data>

Mr. Stowe asked for information on the vehicle emissions program to compare data from before the program, during the program and after the program ended. Mr. Papish said the program was ended by the legislature and EPA conducted an analysis of the data to make that determination. He said he would research the emissions inventory and provide that information at an upcoming meeting.

Board Policy Discussion Issues

None.

Issues for Next Meeting

- A. Public Hearing.
 - 1. As Necessary.
- B. New Business/Unfinished Business.
 - 1. Presentation on Air Pollution and Geographic Distribution
 - 2. Review of SWCAA’s Merit Pool System
 - 3. CPI Fee Increases
 - 4. SWCAA 400 Rule Revisions
 - 5. Executive Director Evaluation Process
- C. Board Policy Discussion Issues.
 - 1. As Necessary.
- D. Meeting Date and Location.
 - 1. June 2, 2022 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 June 2, 2022 at 3:00 p.m., Southwest Clean Air Agency, Vancouver, Washington.

Board Meeting Attendance:

JURISDICTION	J 2022	F 2022	M 2022	A 2022	M 2022	J 2021	J 2021	A 2021	S 2021	O 2021	N 2021	D 2021
Clark County	+	+	+	+	+	+	C	+	+	+	+	C
Cowlitz County	+	+	+	+	+	+	C	+	+	0	0	C
Lewis County	0	0	+	0	0	+	C	+	+	0	+	C
Skamania County	+	+	+	+	+	+	C	+	+	A	+	C
Wahkiakum County	+	+	0	0	+	+	C	0	0	+	+	C
Cathlamet	0	+	+	+	+	+	C	+	+	+	+	C
Centralia	0	+	+	+	0	0	C	0	+	+	0	C
Longview	+	+	+	+	+	+	C	+	+	+	+	C
Stevenson	+	+	+	+	+	+	C	A	0	0	+	C
Vancouver	0	+	+	+	+	+	C	+	0	0	+	C
Member-At-Large	+	0	+	+	+	+	C	0	+	+	+	C

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

Mr. Hamlin adjourned the meeting without objection at 3:48 p.m.

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 Chair

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 Executive Director