

Southwest Clean Air Agency

Board of Directors Minutes

May 4, 2023

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 4, 2023.

Those present were: Ryan Smith, Vice-Chair, Member at Large
Ben Shumaker, Director, City of Stevenson
Lee Tisher, Director, Wahkiakum County
Robert Stowe, Director, Town of Cathlamet
Ruth Kendall, Director, City of Longview
Max Vogt, Director, City of Centralia
Arne Mortensen, Director, Cowlitz County
Kim Harless, Director, City of Vancouver
Richard Mahar, Director, Skamania County
Sean Swope, Director, Lewis County

Excused: Dr. Alan Melnick, Chair, Clark County

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

Guests: None

Call to Order

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

Board of Directors Minutes

Mr. Smith asked for consideration of the April 5, 2023 minutes. Mr. Mortensen moved and Ms. Kendall seconded that the minutes for the April 5, 2023, Board meeting be approved. Motion passed.

Consent Agenda

Mr. Smith asked for approval of the Consent Agenda including voucher numbers 364 through 409 and 411 through 414 in the amount of \$32,682.85 which have been approved for payment by the Executive Director, voucher 410 in the amount of \$10,957.36, March 2023 Salaries and Benefits in the amount of \$177,395.25. Mr. Mortensen moved and Mr. Vogt seconded that the Consent Agency be approved. Motion passed.

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Changes to Agenda

None

Info Items & Public Comment

None

Public Hearing

None

Unfinished Business/New Business

Mr. Smith opened discussion on the proposed budget for Fiscal Year 2023/2024 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 2023/2024 budget of \$3,134,020 is a \$61,980 increase over the Fiscal Year 2022/2023 budget. The main drivers of the budget increase compared to the prior fiscal year are in the following expense categories: (1) an increase in total staff salaries after Board approved salary adjustments; (2) an increase in depreciable equipment costs; (3) an anticipated increase in medical insurance premiums, social security, and Medicare contributions; and (4) an increase due to cost of the biennial audit by the State Auditor. The increased expenses are partially offset by (1) a decrease in pass-through consultant costs including a reduction in grant expenditures; and (2) a small reduction in insurance expenses.

On the revenue side, the main drivers of the budget increase compared to the prior fiscal year are: (1) an increase in permitting and registration revenue; (2) an increase in non-AOP (Air Operating Permit) carryover; and (3) an increase in Federal 105 grant money. These increases in revenue are partially offset by (1) a reduction in pass through state grant money; and (2) a reduction in AOP carryover funds.

SWCAA expects to end the current Fiscal Year 2022/2023 with a projected end-of-year cash balance of \$3,053,679. 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 also include the records management reserve and the air quality improvement/diesel reserve. These reserves will be funded at \$187,660 and \$163,573, respectively, at the end of FY 2022/2023.

Fees collected in the current fiscal year and held for use in FY 2023/2024 amount to \$1,233,256 of the projected year-end cash balance. These funds will be carried forward into the FY 2023/2024

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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 \$11,042 in AOP carryover from Fiscal Year 2022/2023. The end-of-year cash balance of \$266,331 for non-AOP funds will be carried forward into the FY 2023/2024 budget as revenue to help meet FY 2023/2024 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 \$3,134,020 is the funding amount required for SWCAA to maintain its current programs and an acceptable level of service through FY 2023/2024. The recent CPI fee increases along with SWCAA carefully managing expenditures and holding a position vacant have improved SWCAA's funding for 2023/2024. This has allowed SWCAA to increase some reserve funds in case of an economic downturn. Tables on the following pages provide detailed explanations for why and how the income and expenses are changing in Fiscal Year 2023/2024.

Mr. Shumaker asked what type of reserves the agency has. Mr. Papish said the agency has funds set aside for vacation/sick leave associated with staff retirement, as well as liability funds in the event of a lawsuit and/or insurance related issue. Additionally, there are funds set aside for equipment replacement and records management.

Mr. Smith asked for motion. Mr. Tisher made a motion to approve Resolution 2023-01 which adopts a Fiscal Year 2023/2024 Budget for SWCAA in the amount of \$3,134,020. Mr. Vogt seconded the motion. Motion passed.

Executive Session

None

Executive Session

None.

Executive Director's Report

Mr. Papish summarized the information provided in the Executive Director's Report and offered to answer any questions.

ALA's 2023 State of The Air Report Details Clean Air Progress, Growing Challenges (April 19, 2023) -The American Lung Association (ALA) has issued its 24th annual "State of the Air" report detailing ozone and particulate pollution exposures in the United States. It finds improvements in air quality that have led to 17.6 fewer Americans being exposed to unhealthy levels of ozone and particulates since the previous year's report was issued. However, the report also notes that nearly 36% of Americans—119.6 million people—still live in places with failing grades for unhealthy levels of these pollutants. By one measure – daily particulate exposures – progress had reversed from prior years, with 63.7 million living in counties with failing grades from ALA, the most ever reported under the current national standard. Using data from 2019, 2020 and 2021, ALA calculated daily ozone and both daily and annual particulate levels for

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metropolitan areas and counties and then assigned grades to these areas. Clark County is the only area within SWCAA's jurisdiction that was rated. The County was given an A for Ozone pollution and an F for 24hr Fine Particulates (due mostly to wildfire smoke). ALA noted that climate change is making it more difficult to ensure clean air for Western areas, with heat, drought and wildfires exacerbating pollution problems. For further information: <https://www.lung.org/research/sota>

Administration Announces Multi-Pollutant Emission Standards for Light- And Medium-Duty Cars (April 12, 2023) - EPA announced a proposed rule, titled "Multi-Pollutant Emissions Standards for Model Years 2027 and Later Light-Duty and Medium-Duty Vehicles," to establish new greenhouse gas (GHG), nitrogen oxide (NOx), hydrocarbon and particulate matter (PM) emission standards for MY 2027 through 2032 light- and medium-duty vehicles. The proposal applies to new cars, SUVs, vans, light trucks and medium-duty vans and trucks. With respect to GHGs, EPA proposes footprint-based standards for light-duty vehicles (LDVs) that would increase in stringency year over year from MY 2027 through MY 2032 and are projected to result in an industry-wide average fleet target of 82 grams per mile (g/mile) of CO₂ in 2032, which represents a 56-percent reduction from MY 2026 standards. EPA is accepting public comment on the proposed rule for 60 days following publication of the proposal in the *Federal Register*. For further information: <https://www.epa.gov/system/files/documents/2023-04/lmdv-multi-pollutant-emissions-my-2027-nprm-2023-04.pdf>

Second Administration Proposal Would Set "Phase 3" Standards to Reduce GHG Emissions from Heavy-Duty Trucks (April 12, 2023) - In tandem with EPA's proposed multi-pollutant car rule EPA announced a proposed rule, titled "Greenhouse Gas Emissions Standards for Heavy-Duty Vehicles – Phase 3." Under the "Phase 3" truck rule, EPA would establish new greenhouse gas (GHG) emission standards for heavy-duty (HD) vehicles and engines sold between model years (MYs) 2028 and 2032, building on the "Phase 2" truck GHG standards set in 2016 for MYs 2021 through 2027, and revise certain existing GHG standards for MY 2027 established under the Phase 2 rule to make them more rigorous. (The proposed truck rule does not include emission standards for any criteria pollutants or precursors.) In its proposed approach, EPA sets progressively more stringent new CO₂ emission standards for MY 2028 through 2032 vocational vehicles and short-haul (day cab) tractors and for MY 2030 through 2032 long-haul (sleeper cab) trailers, which represent the greatest amount of GHG emissions. The proposed standards are performance based and do not mandate the use of a specific technology. Instead, each manufacturer may choose what mix of emission control technologies is best suited for its fleet to meet the standards. EPA projects that one possible pathway toward meeting the proposed standards would include penetration of zero emission vehicles (ZEVs) at the following rates: 50 percent ZEVs for vocational vehicles in MY 2032 (which includes the use of battery electric and fuel cell technologies); 34 percent ZEVs for short-haul tractors in MY 2032 (which includes the use of battery electric and fuel cell technologies); and 25 percent ZEVs for long-haul tractors (which primarily includes the use of fuel cell technologies). EPA will accept public comment on the proposed rule for 50 days following publication of the proposal in the *Federal Register*. For further information: <https://www.epa.gov/system/files/documents/2023-04/hd-ghg-veh-phase-3-nprm-2023-04.pdf>

EPA Announces Public Comment Period for Draft ISA For Lead NAAQS Review; CASAC to Meet April 11 (March 31, 2023) - EPA published in the Federal Register (88 Fed. Reg 19,302) a notice announcing a 60-day comment period on the agency staff’s “Integrated Science Assessment (ISA) for the National Ambient Air Quality Standards for Lead (External Review Draft).” EPA staff will brief the Clean Air Scientific Advisory Committee (CASAC) Lead Panel on the Draft ISA on April 11, 2023, and the CASAC Lead Panel will meet to peer review the Draft ISA and provide a “consultation” for Review of the National Ambient Air Quality Standards for Lead, Volume 3: Planning for Quantitative Exposure/Risk Analyses.” EPA will accept public comments on the Draft ISA through May 30. For further information: <https://www.govinfo.gov/content/pkg/FR-2023-03-31/pdf/2023-05740.pdf>

Board Policy Discussion Issues

None.

Issues for Next Meeting

- A. Public Hearing.
 - 1. As Necessary.
- B. New Business/Unfinished Business.
 - 1. Updates to Civil Penalty Matrix
 - 2. Air Toxics Rulemaking Proposal
- C. Board Policy Discussion Issues.
 - 1. As Necessary.
- D. Meeting Date and Location.
 - 1. June 1, 2023 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 1, 2023 at 3:00 p.m., Southwest Clean Air Agency, Vancouver, Washington.

Board Meeting Attendance:

JURISDICTION	J 2023	F 2023	M 2023	A 2023	M 2023	J 2022	J 2022	A 2022	S 2022	O 2022	N 2022	D 2022
Clark County	+	+	0	+	0	+	C	+	+	+	+	C
Cowlitz County	A	+	+	+	+	+	C	0	+	+	0	C
Lewis County	0	+	0	0	+	+	C	+	+	+	0	C
Skamania County	+	+	+	+	+	+	C	+	+	+	+	C
Wahkiakum County	A	+	+	+	+	+	C	A	+	+	+	C
Cathlamet	+	+	+	+	+	0	C	+	+	A	+	C
Centralia	+	+	+	+	+	+	C	0	+	0	+	C
Longview	+	+	+	+	+	0	C	+	+	0	+	C
Stevenson	0	+	+	+	+	A	C	+	+	+	+	C
Vancouver	+	0	+	+	+	0	C	+	+	+	+	C
Member-At-Large	+	+	+	+	+	+	C	+	+	+	+	C

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

Mr. Smith adjourned the meeting without objection at 3:33 p.m.

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 Chair

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 Executive Director