



SPOKANE COUNTY
AIR POLLUTION
CONTROL AUTHORITY

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BOARD MEETING MINUTES

April 7, 2005 9:00 a.m.

SPOKANE COUNTY PUBLIC WORKS BUILDING
LOWER LEVEL HEARING ROOM

PRESENT WERE:

Mike Brewer
Commissioner Harris
Matthew Pederson
Commissioner Mielke

STAFF:

Eric Skelton, Director
Barbara Nelson
Lisa Woodard
Ron Edgar

WORK SESSION: The work session was called to order at 9:04 a.m.

FY-06 Budget Workshop

Barbara Nelson gave an overview of SCAPCA's budget for FY-06. The Oxygenated Fuel Program is expected to end this year, which will reduce the revenue by \$8,950. Grants are expected to stay the same and the local assessment is expected to remain the same as it has been since 1999. On the expense side, the biggest expense continues to be salaries and benefits, which are just over 79% of the budget, for the core program. Salaries and benefit costs include step increases and longevity, as well as projected payoffs for possible retirements in FY-07 and FY-08. All other expenses represent the basic operational needs for ongoing programs.

SCAPCA's reserve funds are divided into three different reserve accounts. First is the reserve fund balance, which are funds reserved for specific programs with supplemental environmental project (SEP) money, advance travel, and petty cash included in the fund. For this budget year, we expect to complete or exhaust the SEP money for the VERP and VAVR program. There are no other special projects currently identified so the remaining funds will remain in the reserve fund balance. The unreserved and designated fund balances include the project and equipment reserve accounts. We plan to reserve the annual \$10,000 for the equipment reserve, toward the future purchase of equipment and vehicles. In the project account, we have been setting aside money for an elementary school program. With the deposit this year we will have \$100,000 reserved for that program. The balance of the project account at the end of FY-06 will be \$268,991. This does include the \$100,000 that is reserved for the school program from the unreserved undesignated fund balance, we propose appropriating \$224,632 to balance the core program expenses. That will leave an ending balance of \$607,639. SCAPCA's fund balance will have a negative figure by FY-08, if the projected expenses shown come true and no additional revenue is secured.

Lisa Woodard highlighted some of the education programs for FY-06 education budget. In FY-05, the education budget was \$103,350, the proposed education budget for FY-06 is \$107,100, which is an increase of \$3,750. There are three program areas that we're proposing to have slight increases. In order to compensate for most increases, we have made decreases in other education program areas.

The three key areas are outdoor burning, with an increase of \$12,000; compliance assistance, with an increase of \$1,500; and the elementary school anti-idling program, with a shift in our school outreach program funding, which would result in a \$2,000 increase. The total of those programs reflects a \$15,500 increase and by decreasing \$11,750 in other programs areas, the education budget increase will be \$3,750.

The outdoor burning increase in the education budget will be targeted toward helping people to better understand the burning rules and the alternatives to burning. Outdoor burning must be phased out in urban growth areas (UGA) in 2007, by state law. We are proposing, with the \$12,000 increase, to develop a regional campaign and share the costs with other member agencies of the Northwest Air Quality Communicators. By pooling our resources, we can come up with a larger scale public awareness campaign about outdoor burning. Commissioner Mielke stated he was under the impression that we now prohibit burning in the UGAs. Are there exceptions in different areas of the County? Lisa replied that right now it is based on population but in 2007 it will extend to all UGAs in the state. Eric added that right now outdoor burning is banned in the UGAs of Spokane, Millwood, Liberty Lake, Airway Heights and Cheney. Medical Lake has a no-burn ordinance within their city limits and Fairchild Air Force Base has something similar. The other UGAs are surrounding the smaller cities and under state law it is a population-based phase out of outdoor burning.

For FY-05, we have \$7,250 set aside for compliance assistance and we're proposing an increase of \$1,500, targeting gasoline stations and dry cleaners. Gas stations account for 40% of our county total volatile organic compound (VOC) stationary source emissions. VOCs are a precursor to ground level ozone, which is a hazardous air pollutant at ground level, which is one of the six criteria pollutants regulated by EPA. Compliance issues we see at gas stations are on going maintenance of equipment, record keeping and lack of employee training. For FY-06, we will capitalize on a gas station tool kit that was developed by the Puget Sound Clean Air Agency in conjunction with the gasoline industry. Based on about a \$2,500 investment, we have approximately 200 gas stations and we will distribute the tool kit through compliance workshops.

The other compliance assistance area we want to enhance is dry cleaners. They account for 10% or 14 tons of our total stationary source air toxics. Compliance issues related to dry-cleaning includes equipment maintenance, employee training, record keeping and open containers. We are proposing to provide a workshop and a compliance calendar for dry cleaners.

The third area of our proposed budget increase is our school outreach. We have about \$5,000 we set aside each year for our school outreach program. We are proposing to take a year or two off from doing the teacher training and build on a pilot program that was designed by the DOE on idling. It's been piloted for two years in elementary schools throughout our state and it has been very successful in reducing idling by parents who are picking up and dropping off children at school. Vehicle exhaust is the leading source of hazardous pollution in our state and

children breathe 50% more air per pound of body weight than adults do, so children are especially susceptible to vehicle exhaust. The program we are proposing to implement at four schools includes signage that says "no idle zone" and packets which include parent pledge cards. Estimated cost for the four-school implementation is \$5,000.

For the past three years, we have requested from the Board an installment into a future large-scale countywide elementary school program. This is our final request to bring the account up to what we had as a goal, which is \$100,000. With these funds we are proposing to create an interactive school wide assembly program that would include classroom extension activities and to bring on other governmental partners and to seek matching grants. Ten years ago we developed a program with Water Quality and Solid Waste that toured the elementary schools. We will spend the next fiscal year putting together the partners, grants and doing the research and in the summer of 2006, we would be moving forward with the program.

Jeff Corkill, from SCAPCA's Advisory Council, gave a few thoughts in support of the education program from an advisory council member's perspective. He noted that the advisory council considers the education part of SCAPCA to be a vital role. SCAPCA has done a great job in going out to the community and explaining how everybody can play a part in helping promote public health in Spokane County. The more people that are aware, the more people will make good personal choices.

Ron Edgar gave an overview of SCAPCA's air monitoring program's short-term and long-term goals, beginning with the history of the program. During the 1970s, SCAPCA monitored Total Suspended Particulate (TSP) in as many as 20 locations at one time. Samplers were simple and cheap, quality assurance requirements were minimal and the time required to service each site was short enough to allow one technician to handle 20 sites. In 1985 there were new sampling requirements for the PM₁₀ standard, that increased the cost and work load of the staff. Because of our non-attainment status, daily samples were required. The TSP network was phased out when EPA revoked that standard. In 1999, new sampling requirements were established for PM_{2.5} that were more expensive and time consuming. The quality assurance took hours and filter handling and shipping and paper work also took more time. Because of the time and cost of monitoring, the number of sites was reduced to five. What used to be handled by one full-time technician now requires one full-time and one part-time technician. With the emphasis on bringing the area into attainment and completing the requirements of the initial PM_{2.5} sampling, smaller communities have been left out of the network and limited our air monitoring work to only the non-attainment areas of Spokane County.

The current network includes State and Local Air Monitoring Sites (SLAMS), which are reported to Ecology and EPA and Special Purpose Monitors (SPM), of which are for local use and special studies. The costs for the Crown Z site, at Freya and Ferry, are partially covered by the EPA PM_{2.5} Section 103 federal grant. The air toxics grant pays for the speciation, carbonyl and VOC samplers and the rest of the cost is covered by the Section 105 federal core grant. The Monroe and Wellesley site is funded by the 105 and local money. We have a carbonyl and VOC samplers that are funded by the air toxics grant. The Turnbull Wildlife Refuge site is funded by the 105 and local money. For the last two CO seasons, we have operated a CO monitor at the Hutton Building on Washington, paid for by the City of Spokane. The TSP sampler at the Waste to Energy facility has been serviced at minimal cost to SCAPCA. The equipment is surplus from

the old TSP network. Motors, brushes and filters are obtained at no cost from Ecology and EPA. The filters are turned over to the City for analysis. A special study, funded out of SCAPCA special project money at Liberty Lake, has been cut back to just PM_{2.5} for this year and we are planning to test a Dust Scan continuous fine particulate sampler at this location. This calendar year we have established two more sites just for the air toxics study. They are District 81 Maintenance facility in Hillyard and Orchard Center Elementary in Millwood. They are funded by the air toxics grant and will be discontinued at the end of the study. As the Spokane area comes into attainment with CO and PM₁₀ standards, we have been allowed to reduce sampling frequencies and reduce the number of PM₁₀ sites. This freed up staff time for other work. This year, that staff time is being directed to the air toxics assessment project. EPA has also placed one of the national speciation samplers in Spokane. If funding for the analysis of samples remains in place, SCAPCA can continue to operate the EPA speciation sampler at the Freya and Ferry site for an additional two years. This would be done at minimal cost to SCAPCA. We would pay for our staff time and electricity at the site. EPA would continue to pickup the expensive part of analyzing the samples. This will give us the three years of data normally needed for a statistically valid risk analysis.

Spokane's air monitoring data are available in near real time on SCAPCA, DOE and EPA's web pages. What is needed now is to expand the coverage of that real time data into the outlying smaller communities, to allow citizens to decide on daily activities based on local air quality readings of air pollution. This follows the new emphasis of EPA on real time air monitoring, reporting to the public, and forecasting.

This coming year, we would like to complete the additional year of speciation sampling, continue operation of the aethalometer, apply for grants to do additional toxics assessments, continue the Liberty Lake site and convert the site to a real time telemetry site. In addition, we propose to maintain existing Spokane sites and consider putting special project monies aside in the future for implementing telemetry improvements beyond those covered by the NEIEN grant currently being used by DOE for the new telemetry system. We are not proposing to replace or buy any new equipment this year. We need to continue to fund the 1.8 FTE Air Quality Technicians.

In the long term, three to seven years out, we propose to place more real time monitoring in outlying areas and communities impacted by outdoor burning and wood stoves. Cutting back on filter based samplers would decrease time and labor. We would begin the process of looking for new sites in air sheds and outlying communities where we have had complaints and reports of air quality problems (i.e., Little Spokane River drainage basin – Colbert and Chattaroy areas, Deer Park, Cheney, Rockford and Airway Heights). Capital costs would be from special project monies or grants, if they are available. The capital cost of these sites would range from \$7,000 to \$12,000 and would be automated so they would only need servicing every one to two weeks. Converting existing sites and adding new sites with real time monitoring would lower operating overhead.

Eric Skelton followed up on a question raised by Michele Pope at the last board meeting regarding the Section 401 Qualified Retirement Plan, administered by ICMA Retirement Corporation. The basis for establishing the 401 and the 457 Plan was Resolution 85-02, which was passed in January of 1985 and it was in response to the employee opt-out of Social Security.

The full amount of the employer contribution, which otherwise would be paid into Social Security, goes into that 401 Plan. In 1993, a new Administrative Services Agreement for the 401 plan was established and it established fees for the employer and employee. There was no employer fee for 1994, in 1995 the fee was \$500 and since it has been \$1,000. ICMA bills SCAPCA directly. There is also an annual account maintenance fee of \$25 that comes out of each employee's account. Michelle Pope's issue was that she felt that employees should pay the entire fee, both their own plan fee and the agency management fee.

On the cost-of-living adjustment (COLA), Eric pointed out that in years past, we would look at the consumer price index and bring a recommendation to the Board for a COLA. However, for the past several years we've looked at what the County has done for its employees and have matched what the County has done. In FY-05, which is the fiscal year we are currently in, there was no COLA for SCAPCA employees. We have been informed that in the current CY, County employees are receiving a 2% COLA. If we are going to continue the practice of following what the County does, then that would be at least a logical starting point for discussion.

Last summer, two Board members, John Roskelley and Michele Pope met with a committee of staff members to talk about the cost of medical insurance and other compensation issues. What prompted this, was SCAPCA was notified by the County that we could no longer participate in the County Employee benefit program for medical and dental and that we needed to find our own plans. We ended up going with the Public Employees Benefits Board (PEBB), which State employees and other municipalities are covered under. The Board affirmed in September that there would be no COLA for FY-05. In exchange, SCAPCA would continue to pay the full insurance premiums through FY-05, which ends this coming July 1. The employer/employee premium share would be determined for FY-06 as part of the budget process. In looking at an appropriate COLA for FY-06, some of the considerations that would be factored into the decision would be consideration of the employee contribution to insurance premiums. If a decision is made for SCAPCA employees to start paying a portion of their insurance premiums, that would be considered in looking at the COLA. We have a few employees where working spouses are double covered and that was another issue that was identified as something that needed to be talked about in this budget process.

Under PEBB, employees are now incurring greater out of pocket costs for medical and dental care than they did under the County's program. Some Board members felt it was important for employees to be paying more out of pocket costs than what was covered under the County program and that has happened.

SCAPCA's understanding of what Spokane County employees are now paying for their health plan, depending upon whether they choose a Premiera Plan or Group Health Plan is that if it's an employee only, the County is picking up the entire premium. If it is an employee and spouse, the employee is now paying \$30 a month for Premiera and \$20 for Group Health. If it is an employee and children, it is \$20 for Premiera and \$10 a month for Group Health. If a full family is covered, it is \$40 a month for Premiera and \$30 a month for Group Health. SCAPCA's costs for benefit premiums have actually gone down as a result of switching from the County's health benefits program to the PEBB program. The monthly premium that SCAPCA is currently paying on behalf of its employees is \$16,440 compared to the County plan in 2004 of \$17,062.

BOARD MEETING: The board meeting was called to order at 9:49 a.m.

Public Concerns

Chud Wendle, president of Wendle Motors, addressed the Board regarding HB 1397, the California Vehicle Emissions legislation.

He pointed out that his business has been in favor of clean air, as evident by their participation in the VERP program as well as the Commute Trip Reduction and some education seminars for the SNAP participants of the VERP. He then referred to a memo that was represented to legislators as SCAPCA's endorsement of HB 1397.

This memo was produced by Puget Sound Clean Air (PSCAA). When he met with Governor Gregoire, Senator Brown and others, to go through the economic impacts of this issue on the automotive business in Spokane, he found that this memo was almost what everybody resorted back to and said this legislation must be needed, because SCAPCA is supporting it. He referred to an e-mail from Chris Marr who is a fellow dealer in Spokane, that cites this memo as a "SCAPCA memo".

In particular, Mr. Wendle objected to the following statement in the memo: "We have consulted with Eric Skelton, Director of the Spokane County Air Pollution Control Authority (SCAPCA) to prepare this memorandum. Mr. Skelton agrees with the general conclusions regarding air quality and transportation related benefits".

In Mr. Wendle's opinion, whether this memo was written by PSCAA, if Eric's name was going to appear in it, it should have been addressed to the Board. There should be a process on how SCAPCA is going to be brought into lobbying or at least being involved with some legislation.

Mr. Wendle then recounted the history of the development of the PSCAA memo, based on information from a public records request, alleging there was more SCAPCA involvement in developing this memo/letter than just a simple review.

Mr. Wendle pointed out that he has always been behind SCAPCA and will continue to be behind SCAPCA. It's a very community oriented agency, it has programs that collaborate with schools and education. He's heard good things from SNAP, Avista and the VERP and as long as the funding is there for VERP, his business will participate. The recognition that SCAPCA provides for the CTR program is motivating to employees. But the bottom line through all of this was that he's left with some serious questions: Who is SCAPCA serving? Is there an individual that we are serving or individuals? We need to look at the whole community, including all businesses. Why is SCAPCA allowing a sister regional agency to prepare policy analysis regarding our regions future? We already have an inferiority complex in this area regarding King County and how much they control us, why make it worse? Why did the Department of Ecology have no involvement with area programs tied into this? Why not continue with these pro-active programs that we are talking about, the education, VERP and air toxics studies instead of rushing into this legislation? There is a current air toxics study underway. We don't have the results yet and we should wait. This kind of legislation shouldn't

be done until we have results from studies that we are funding. Finally, are we being controlled by individual agendas versus what is best for the community as a whole?

Commissioner Mielke stated that he thinks all of us recognize how we fund government services in this area and how much of that is relied upon sales tax collections. Most of us are aware of the Dave Smith ads and how much he is drawing from the northwest and from the nation. He asked Mr. Wendle if he had any idea how much of his sales were from Idaho, Montana, Eastern Oregon? Mr. Wendle replied that they did a three-year study and the average is 26% of his new business would be affected by this legislation. When you have a price of one of our vehicles, with California emissions, versus one of Idaho's, it's going to cost more. Commissioner Mielke stated his understanding is there is a quota or limitation with regard to the number of vehicles sold by category under the legislation. Mr. Wendle replied from what he understood, the quota part of this legislation was based on zero emission vehicles and partial emission vehicles in an overall mix, which would require that we hit a certain percentage in the first year. We sell close to 70% SUVs and trucks. What it would mean is that we would do a flip flop on our inventory, where we would have about 30% of our vehicles allowed to be trucks and SUVs, 70% being compact, sub-compact and hybrid vehicles.

Jeff Corkill, a SCAPCA Advisory Board Member, talked about the HB 1397. He stated that SCAPCA has constantly put forward a great program to involve the community and to improve the air quality in Spokane County, but the automobile industry represents one of the most organized lobbyists there is and effectively always oppose changes which may improve public health. They opposed the removal of lead out of gasoline, the introduction of catalytic converters, seat belts, real bumpers, etc., with the excuse that it would cost money and it would drive the prices of cars up, but it actually hasn't. This is not just a Washington issue, it's now an issue with northeast states and in California to prevent significant changes in issues of both greenhouse gases and air toxics. If you reduce auto emissions and truck emissions, that reduces air pollution which increases air quality, reduces the health effects on vulnerable people, does something about global warming and the greenhouse gases. He urged the Board not to oppose this legislation, in fact, maybe endorse this legislation. He referred to a precautionary principal of environmental science whereby there is a threat of serious and irreversible damage. The lack of scientific certainty should not be used as a reason for failing to take measures to prevent greater potential damage. This legislation is going through in California, the New England states, Washington and Oregon. They are all attempting to deal with automobiles by legislation and it's meeting stiff resistance from the automobile industry by claiming that the proposed targets are unattainable and costly. He concluded his remarks by stating that opposing this legislation is in the long-term interest of public health.

Grant Pfeifer, Air Quality Section Supervisor for the Department of Ecology (DOE) in Spokane, provided the Board with material that the DOE prepared on this motor vehicle legislation.

Commissioner Harris stated that when he was in Olympia HB 1397 was brought to his attention, as if SCAPCA supposedly supported it. He pointed out that he was on the Board and they had never discussed it. The problem he has with the bill is we're going to run all of our business, for larger vehicles, across the state line. California is having that problem. People are going outside of California and bringing the same type of vehicles into California and registering

them as used vehicles. DOE has to be very careful that they're not crossing the line and getting involved in something that's going to kill business. Washington State is already known as the most business unfriendly state in the United States of America.

Mike Brewer stated that he would like to make a motion that we table this subject until September or October. This gives the Board time to look at and think about the subject of whether or not we will want to be involved in legislative matters in the future and by then the legislature will have done whatever they have to do. Commissioner Mielke seconded for the purpose of discussion only but pointed out that we have a legislative session that's in motion right now and putting this off until September or October doesn't get us to where we need to go. He shares Commissioner Harris's concern and stated he was tired of seeing Spokane be the best economic development tool for Kootenai County. These issues are important and are best resolved in a global sense that our employers in this area have to live under the same rules as our competition and should not be put at an unfair disadvantage. Mike Brewer stated, his concern is that it appeared our SCAPCA staff had stepped out of line and the West Side was taking advantage of information a staff member gave them. If we're going to be involved in the legislature each year, we need to come up with a pattern of how we're going to handle it and we haven't got that at this point and that is what he was trying to get to.

Matthew Pederson stated there is a motion to table this issue until September, those in favor were Mike Brewer, and opposed were Commissioner Mielke, Commissioner Harris and Matthew Pederson.

Minutes of the March 3, 2005 Board Meeting

Mike Brewer moved to approve the February 3, 2005, board meeting minutes and Commissioner Mielke seconded it. Motion passed unanimously.

Public Information/Education Update

Lisa Woodard gave a brief summary of the activities for March. We were at EWU/WSU for their wellness fair. Our asbestos & home remodeling display and information is at Country Homes Building Supply. We presented air quality information to Mead High School Environmental students and to new employee transportation coordinators at a county training. We are developing and coordinating a Smart Moves campaign in April and kick-off is in March. Print materials and publications consist of web page updates, fact sheet update on air quality and reprinting of our outdoor burning guide. Special projects included the "Spokane Youth Environmental Conference" on March 2, at SCC of which we had several monetary donations from local businesses. The "Composting & Chipping Day" in north Spokane County at Fire Station #49. We are gearing up for the "It All Adds Up to Cleaner Air" summer program. Media activities include news releases on outdoor burning dates and rules, Earth Day, Smart Move campaign and the VERP "Top 50" award recognition. Interviews were conducted with KXLY TV on the dust storm and the outdoor burning season and Spokesman Review and KHQ covered the dust storm. We were contacted by KXLY regarding the Clean Air Legislation and conducted an interview on that.

Lisa asked the Board, in light of the discussion on legislation, when we are approached by either a member of the public or the television media that asks us about clean air legislation and how that would affect air quality in Spokane and we respond to that factually, are we to interpret that as an advocacy? Commissioner Mielke stated that he thought it was okay to continue to convey public information in the factual manner as described.

Voucher Approval for March \$221,780.78

Mike Brewer moved to approve the March 2005, vouchers and Commissioner Mielke seconded it. Motion passed unanimously.

Income/Expense Statement for Period Ending February 2005

Eric Skelton stated that SCAPCA is two-thirds of the way through the fiscal year. The income is at about 70% of projection and the expenses are at about 65% of projection.

Executive Session – Review the performance of a public employee.

Matthew Pederson asked all members of the audience to step outside of the room for approximately 20 minutes. The return from the executive session was at 11:24 a.m. The results from the executive session are that the Board will be drafting a letter to State Legislators. Commissioner Mielke stated there was a decision made to take no action with regard to performance of employees. It has become obvious that there was some misunderstanding with regard to SCAPCA's position regarding specific legislation that is currently before the legislature. We did make a decision to correspond with the legislature that while we participated in providing information that was incorporated into a document, we would once again clarify that we have not taken a position either for or against this piece of legislation. The Board continues to monitor it and they do have some concerns with regard to the big picture, when you take a look at the economics as well as other factors.

Board Concerns

There were no board concerns.

Commissioner Mielke made a motion to adjourn the meeting and Commissioner Harris seconded it. Meeting adjourned at 11:26 a.m.

The next Board Meeting will be June 2, 2005 at 9:00 a.m. in the lower level of the Public Works Building.

MATTHEW PEDERSON, CHAIR

ERIC SKELTON, SECRETARY