

Southwest Clean Air Agency

Board of Directors Minutes

May 1, 2025

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 1, 2025.

Those present were: Dr. Alan Melnick, Chair, Clark County
Ben Shumaker, Vice-Chair, City of Stevenson
Kim Harless, Director, City of Vancouver
Steve Rader, Director, Cowlitz County
Robert Stowe, Director, Town of Cathlamet
Ruth Kendall, Director, City of Longview
Andy Oien, Director, City of Centralia
Rob Farris, Director, Skamania County

Excused: Danielle Jokela, Director, Member at Large
Lee Tischer, Director, Wahkiakum County
Sean Swope, Director, Lewis County

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

Guests: Jeff Meyers, Law, Lyman, Daniel, Kamerrer & Bogdanovich

Call to Order

Dr. Melnick called the meeting to order. A quorum was confirmed to exist.

Board of Directors Minutes

Dr. Melnick asked for consideration of the April 3, 2025 minutes. Mr. Stowe moved and Mr. Oien seconded that the minutes for the April 3, 2025, Board meeting be approved. Motion passed.

Consent Agenda

Dr. Melnick asked for approval of the Consent Agenda including voucher numbers 392 through 429 in the amount of \$63,428.58 which have been approved for payment by the Executive Director, March 2024 Financial Statements, March 2025 Salaries and Benefits in the amount of \$186,168.44. Ms. Kendall moved and Mr. Stowe seconded that the Consent Agenda be approved. Motion passed.

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Changes to Agenda

Mr. Papish said he is adding an Executive Session to the agenda. SWCAA's attorney will be joining to provide the Board with an update on an enforcement case and potential litigation.

Info Items & Public Comment

None

Public Hearing

None

Unfinished Business/New Business

Dr. Melnick opened discussion on the Electric Vehicle Charger Project and recognized Mr. Papish. Mr. Papish said Southwest Clean Air Agency (SWCAA) requires infrastructure to charge electric fleet vehicles and provide access to the public. SWCAA is proposing to install two dual plug DC Fast chargers able to charge 4 vehicles simultaneously. Maximum charging speeds would be 250 to 300 miles of range per hour of charging. Providing level 3 charging is attractive for public use and fleet management.

The overall expense of the project is estimated below:

Expense

Four DC Fast Charger Plugs (Level 3)	\$65,000
New Electrical Infrastructure and system installation	\$45,000
PUD New Service (400AMP/480V)	\$10,000

Total Project Cost	\$120,000
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Revenue

State Grant Money (Awarded to SWCAA)	\$40,000
Net Cost after Grant Award	\$80,000
Federal Alternative Fueling Tax Rebate (30% of Project Cost) *	\$36,000
Net Project Cost after Tax Rebate*	\$44,000
Possible Annual Revenue based on \$10/plug/day**	\$14,600
Annual Software/Equipment Maintenance	\$ 3,000
Annual Net Charger Revenue	\$11,600

ROI

4 - 8 yrs

* Federal funding may get frozen for this program

**Assuming <5% usage (low estimate)

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Costs for this project have been incorporated into the current fiscal year budget so it will not have an impact on the proposed 2025/26 FY Budget.

Mr. Rader asked for clarification on the purpose of the EV charger project. Mr. Papish responded the main purpose of the EV charger project is for agency vehicles. The chargers would also encourage staff to consider electric vehicles and the chargers would be available to the public which is a grant requirement.

Mr. Farris asked if the employees would be required to pay. Mr. Papish said that has not been determined and would be part of the policy once the installation is done. Mr. Papish said electricity is about eight cents a kilowatt hour, so the cost to charge a vehicle is quite minimal.

Mr. Stowe suggested SWCAA install the longest cord possible since the short cords do not always reach the plug for trucks.

Ms. Harless suggested SWCAA install signage to remind people not to leave their cars on the chargers longer than the time necessary for charging.

Dr. Melnick asked for a motion to approve SWCAA to move forward with the EV charger project with a cost of up to \$120,000. Mr. Shumaker moved to approve SWCAA moving forward with the EV charge project with a cost of up to \$120,000. Ms. Harless seconded the motion. Motion passed.

Dr. Melnick opened discussion on the Budget for Fiscal Year 2025/2026 and recognized Mr. Papish. Mr. Papish said 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 2025/2026 budget (Attachment A) of \$3,371,077 is a \$113,124 increase over the Fiscal Year 2024/2025 budget. The main drivers of the budget increase compared to the prior fiscal year are in the following expense categories: (1) staff salaries have risen as a result of approved salary adjustments; (2) office lease expenses have increased following the conclusion of SWCAA's nine-month rent abatement period; and (3) the inclusion of costs associated with the biennial audit has contributed to the overall rise in expenditures. These increased expenses are partially offset by reductions in other expense categories: (1) there has been a decrease in Pass Through Consultant costs; (2) medical insurance costs have been reduced; and (3) the contribution rate to the Washington Public Employees' Retirement System (PERS) has been lowered.

On the revenue side, the main drivers of the budget increase compared to the prior fiscal year are: (1) an increase in non-AOP carryover revenue; (2) the asbestos program has generated higher revenue; and (3) collections from civil penalties have increased. These gains are partially

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offset by projected declines in other revenue streams: (1) a reduction in federal grant funding; (2) a decrease in revenue from new source review permitting; and (3) a decline in AOP fee revenue.

SWCAA expects to end the current Fiscal Year 2024/2025 with a projected end-of-year cash balance of \$3,974,400. 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, \$400,000, \$60,000, \$819,801, 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 2024/2025.

Fees collected in the current fiscal year and held for use in FY 2025/2026 amount to \$1,799,219 of the projected year-end cash balance. Pre-collected funds will be carried forward into the FY 2025/2026 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 \$58,966 in AOP carryover from Fiscal Year 2024/2025. The end-of-year cash balance of \$160,181 for non-AOP funds will be carried forward into the FY 2025/2026 budget as revenue to help meet FY 2025/2026 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 \$3,371,077 is the funding amount required for SWCAA to maintain its current programs and an acceptable level of service through FY 2025/2026. The recent inflationary fee increases along with SWCAA carefully managing expenditures and reducing lease expenses have improved SWCAA's funding for 2025/2026.

Mr. Farris asked why the civil penalties income is increasing. Mr. Papish said there can be large fluctuations in civil penalty revenue due to the nature of the violation. One penalty can be the equivalent of the entire budgeted amount. The base penalty was raised two years ago through Board approval and the agency has a new Compliance Manager.

Ms. Kendall wanted to confirm the staff pay increases are included in the budget and if the Board needed to take an action. Mr. Papish said the amount the Board approved at the prior meeting has been incorporated into the budget and no further action is required upon adoption of the budget.

Dr. Melnick asked for a motion to approve Resolution 2025-01 (Attachment B) which adopts a Fiscal Year 2025/2026 Budget for SWCAA in the amount of \$3,371,077. Ms. Kendall made a motion to adopt Fiscal Year 2025/2025 Budget for SWCAA in the amount of \$3,371,077. Mr. Stowe seconded the motion. Motion passed.

Executive Session

Dr. Melnick asked for the Board to go into Executive Session for the purpose discussing a civil penalty and potential litigation. He said the Executive Session will be utilized for discussion related to the litigation in accordance with RCW 42.30.10(1)(g). Any decision will be made during the open public meeting following the Executive Session. He

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requested Mr. Papish and Mr. Meyers remain while any members of the public are asked to leave during the Executive Session which he estimated would begin at 3:32 and last for 15 minutes.

Dr. Melnick reconvened the general meeting at 3:48.

The Board thanked Mr. Meyers for his attendance and information.

Executive Director's Report

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

Trump Executive Order Directs Department of Justice to Stop State and Local Climate and Clean Air Programs (April 9, 2025) - On April 8, 2025, President Trump signed a new executive order (EO) titled "Protecting American Energy from State Overreach." The order directs the federal government to stop state and local governments from enforcing their own laws, programs, or priorities related to climate change, permitting, environmental justice, or sustainable finance policies. The order directs U.S. Attorney General Pam Bondi to "identify all State and local laws, regulations, causes of action, policies, and practices (collectively, State laws) burdening the identification, development, siting, production, or use of domestic energy resources that are or may be unconstitutional, preempted by Federal law, or otherwise unenforceable." The attorney general is then directed to "expeditiously take all appropriate action to stop the enforcement of State laws that the Attorney General determines to be illegal." In particular, the attorney general is to "prioritize the identification of any such State laws purporting to address 'climate change' or involving 'environmental, social, and governance' initiatives, 'environmental justice,' carbon or 'greenhouse gas' emissions, and funds to collect carbon penalties or carbon taxes." The EO specifically references programs in New York and California and broadly refers to state "delays" in the review of permit applications for fossil energy projects and to states that have sued oil companies for climate damages. The order also asserts that some "States target or discriminate against out-of-State energy producers by imposing significant barriers to interstate and international trade." No local laws are identified in the order itself, although the Attorney General is ordered to include these in consideration under the order. The 22 Governors of the US Climate Alliance issued a statement in response to the EO: "The federal government cannot unilaterally strip states' independent constitutional authority. We are a nation of states — and laws — and we will not be deterred." For further information: <https://www.whitehouse.gov/presidential-actions/2025/04/protecting-american-energy-from-state-overreach/>

Trump Proclamation Waives Updated MATS Compliance for Coal Plants for Two Years (April 8, 2025) - President Trump has signed a proclamation granting a two-year exemption from complying with the current Mercury and Air Toxics Standards (MATS) updated in 2024, ahead of the effective date for compliance. On May 7, 2024, the Environmental Protection Agency published a final rule titled "National Emissions Standards for Hazardous Air Pollutants: Coal- and Oil-Fired Electric Utility Steam Generating Units Review of the Residual Risk and

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Technology Review”, (89 Fed. Reg 38508), which amended the existing MATS rule. That rule would enter into effect on July 8, 2027. The president’s order proclaims “that certain stationary sources subject to the Rule... are exempt from compliance with the Rule for a period of 2 years beyond the Rule’s compliance date. The effect of this Exemption is that, during this 2-year period, these stationary sources are subject to the compliance obligations that they are currently subject to under the MATS as the MATS existed prior to the Rule.” President Trump said that it would apply to 47 companies operating 66 coal plants in the country. No facilities in Washington are impacted. For further information: <https://www.whitehouse.gov/presidential-actions/2025/04/rregulatory-relief-for-certain-stationary-sources-to-promote-american-energy/>

Resolutions to Disapprove California Mobile Source Waivers Under the Congressional Review Act Introduced in House (April 2, 2025) - Republican members of the House Committee on Energy and Commerce have introduced Congressional Review Act (CRA) resolutions of disapproval to overturn the three California Clean Air Act preemption waivers that were transmitted to Congress by EPA in February 2025. H.J. Res. 88, introduced by Rep. John Joyce (R-PA), would repeal the waiver for the Advanced Clean Cars II program; H.J. Res. 87, introduced by Rep. John James (R-MI), would repeal the Advanced Clean Trucks waiver; and H.J. Res. 89, introduced by Rep. Jay Obernolte (R-CA), would revoke the waiver for the Heavy-Duty Low-NOx “Omnibus” rule. Whether Congress can invoke the CRA on these waivers is still uncertain; opinions from the Government Accountability Office (GAO) as recently as March 2025 conclude that the waivers are adjudicatory orders, not rules, and are therefore not subject to review under the CRA. The Senate Parliamentarian has yet to weigh in on this issue. For further information: <https://www.congress.gov/119/bills/hjres88/BILLS-119hjres88ih.pdf>

House Republicans Announce Review of GAO California Waiver Opinion (April 1, 2025) - The Chair of the House Committee on Oversight and Government Reform, Rep. James Comer (R-KY), and the Chair of the House Committee on Energy and Commerce, Rep. Brett Guthrie (R-KY), submitted a letter to the Government Accountability Office (GAO) requesting documents and information surrounding GAO’s March 6th formal opinion concluding that EPA waivers of Clean Air Act preemption for California vehicle and engine regulations are not “rules” subject to the Congressional Review Act (CRA) and are instead adjudicatory orders. Comer and Guthrie assert in their letter that “GAO arguing that Congress cannot use the CRA to repeal the waivers goes well beyond GAO’s advisory role and raises questions about the process, motivations of those involved in the decision, and the institutional understanding of the GAO’s role in the CRA process.” They request that GAO submit documents related to its decision by April 15, 2025, “in order to examine GAO’s commitment to its non-partisan mission.” For further information: <https://oversight.house.gov/wp-content/uploads/2025/04/Comer-Guthrie-GAO-California-waiver-040125.pdf>

Board Policy Discussion Issues

None.

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Issues for Next Meeting

A. Public Hearing.

1. As Necessary.

B. New Business/Unfinished Business.

1. SWCAA Budget (May)

C. Meeting Date and Location.

1. June 5, 2025 at 3:00 p.m. Southwest Clean Air Agency, 5105 NE 82nd Ave., Suite 102, Vancouver, Washington.

The next Board of Directors meeting will be held on June 5, 2025 at 3:00 p.m., Southwest Clean Air Agency, Vancouver, Washington.

Board Meeting Attendance:

JURISDICTION	J 2025	F 2025	M 2025	A 2025	M 2025	J 2024	J 2024	A 2024	S 2024	O 2024	N 2024	D 2024
Clark County	+	+	+	+	+	0	C	+	+	+	+	C
Cowlitz County	0	0	+	+	+	+	C	+	+	A	A	C
Lewis County	0	+	+	+	0	+	C	0	+	+	0	C
Skamania County	0	+	+	+	+	+	C	+	+	+	+	C
Wahkiakum County	+	+	+	+	0	+	C	+	+	+	+	C
Cathlamet	+	+	0	0	+	+	C	+	+	+	+	C
Centralia	+	+	+	0	+	+	C	+	+	+	+	C
Longview	+	A	+	+	+	+	C	0	+	+	+	C
Stevenson	0	+	+	0	+	+	C	+	+	+	0	C
Vancouver	0	0	0	A	+	+	C	0	+	0	0	C
Member-At-Large	+	+	+	+	0	+	C	0	0	0	0	C

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

Dr. Melnick adjourned the meeting without objection at 4:10 p.m.

DocuSigned by:
Dr. Alan Melnick
Chair
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DocuSigned by:
Uri Papish
Executive Director
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