

MINUTES
LANE REGIONAL AIR PROTECTION AGENCY
BOARD OF DIRECTORS MEETING
TUESDAY–JUNE 13, 2006
LRAPA Meeting Room
1010 Main Street, Springfield, Oregon

ATTENDANCE

Board: Dave Ralston, Chair–Springfield; Bill Carpenter–At-Large, Springfield; Glenn Fortune–Cottage Grove/Oakridge; Drew Johnson–Eugene; Earl Koenig–Eugene; David Monk–Eugene; Carol Tannenbaum–At-Large, General; Betty Taylor–Eugene
(ABSENT: Faye Stewart, Vice-Chair–Lane County)

Staff: Merlyn Hough–Director; Merrie Dinteman; Sandra Lopez; Sally Markos; Kim Metzler

Other: Russ Ayers, Chair–LRAPA Advisory Committee; Robert Houston and Kevin Matthews–LRAPA Budget Committee; Terry Connolly–Eugene Chamber of Commerce; Mike Bucci and Paulo Montenegro–Kingsford Mfg.; Amy Peccia–SierraPine; Becky Riley–Lower River Road Neighborhood Association

1. OPENING: Ralston called the meeting to order at 12:15 p.m.
2. PUBLIC PARTICIPATION: None
3. CONSENT CALENDAR:

ACTION: MSP(Taylor/Tannenbaum)(unanimous) approval of the minutes of the May 9, 2006 board meeting and the expense reports through April 30, 2006, as presented.

4. DIRECTOR’S REPORT: Discussion included several items.

A. Cascade Sierra Solutions (CSS). Hough reported that one of the more significant items regarding special projects this month was that EPA is very excited that Cascade Sierra Solutions (essentially Everybody Wins Phase III) provides the first opportunity to implement the EPA Smart Way package on long-haul diesel trucks. Hough said that Oregon Clean Cities had scheduled a workshop for June 22 in Portland, on the efficiency aspects of diesels, and EPA is planning to use that opportunity to announce an initial grant to be awarded to the West Coast Diesel Collaborative to start implementation of Smart Ways through Cascade Sierra Solutions. He said Oregon’s Governor and EPA’s Administrator may both be involved in that event. Hough said the Federal Highway Administration is also very supportive of the program and could also make an announcement regarding that agency’s assistance in kicking off the Cascade Sierra Solutions program. Hough said Cascade Sierra Solutions would be a West Coast solution, and EPA is excited about the potential for making this a nationwide program. He added that this new program shines a light on LRAPA because CSS is essentially Phase III of LRAPA’s Everybody Wins, but on a much larger scale.

Monk commented that both Hough and Banks had talked about some of the other partners in CSS being willing to provide some resources to pay for some of the time Banks devotes to CSS while she is still employed by LRAPA. He asked what the status was on those discussions. Hough responded that Banks’s time in CSS is being accounted for separately, and that expenses which are being incurred for CSS are temporarily being paid by Everybody Wins Phases I and II. He said the intent is to get all of those costs reimbursed by CSS. He added that he also accounts for any of his time that goes to CSS so that it can also be reimbursed.

Johnson asked if there is a separate coding mechanism for that, because he did not see anything in the budget document which would tell him what distinguished the three different phases of Everybody Wins. Hough explained that Phases I and II are probably not separated, because Phase II is essentially an expansion of Phase I. Phase I was the first 100 APUs, and Phase II covered the next 250 units, making these essentially the same program. Hough said he was not sure how the accounting is done for those two program, whether they are combined through the budget cycle, or whether they are kept separate and then combined later. Johnson commented that the Everybody Wins portion of the budget has some increases that look like they would support development of the non-profit, but he was not sure how they would be separated. He commented, further, that he assumed that legal fees, travel, and all expenses under Everybody Wins would be parsed out. Hough agreed and stated that, if Phase III had been smaller-scale and kept internally to LRAPA, it probably would have been absorbed into Phases I and II; but Phase III is being split off and accounted for separately.

- B. LRAPA Open Burning Rules. Hough reported that staff is beginning the process of revising the agency's open burning rules. He said staff members would be meeting with the Lane Fire Defense Board regarding the concepts of what is planned to clarify the rules and to include provisions for a buffer area around Florence now that the city has adopted a ban on backyard burning within the city limits. Another subject being addressed by the rule changes is the issue of recreational heaters that use wood, such as patio heaters and chimineas. Hough said that has been a gray area in the rules, as far as where those devices fit in with home wood heating and backyard burning. Hough said staff will talk with fire chiefs at the upcoming Fire Defense Board meeting on June 15. Following those discussions, the rules will be integrated into the standard rulemaking process where the specific changes will be drafted into the rules.

Ralston asked if the wood-burning patio warmers are legal, and Hough said that is the gray area. The current rules were written at a time when these devices were not anticipated, and they are not currently covered in either the open burning or home wood heating rules. Some of the questions staff wants to discuss with the fire chief include: on a no-burn day, for fire safety reasons, are these devices allowed or not; if it is in an area where backyard burning is prohibited, like Eugene, or in Springfield and the UGB on less than half an acre, how are the fire chiefs handling these devices? Staff wants to be sure that whatever language is put into LRAPA's rules is consistent with how the fire districts are dealing with them. Hough said he will keep the board apprised of how the discussions with the Fire Defense Board are going.

Fortune asked if propane heaters fall into the same category, and Hough said they do not. Propane or natural gas heaters would be different and would not constitute open burning. Open burning involves burning of woody material, which is why the devices that burn wood overlap into the open burning area.

Monk commented that, from his conversations with a fire chief, it is his understanding that unless the person is using the device to cook food, it is considered open burning and is illegal in the city of Eugene and any other municipality that has that same regulation.

Taylor commented that if people want to have a bonfire, as long as they have a couple of hotdogs out, it is considered to be okay. She said she has complained about smoke from this type of fire and been told that it is legal because they are cooking. She said that needs to be clarified.

Carpenter noted the number of civil penalties assessed by LRAPA to people who are doing illegal open burning. He said the range of fine amounts is extreme by an order of four or five times. He asked how

much it costs to get an open burning permit. Hough said that for normal residential burning they would get a permit from the fire district, not from LRAPA. Board secretary Dinteman said the fees for those permits generally range from one to five dollars and are good for the entire open burning season. Hough said if the person needs to get a permit from LRAPA, there is a minimum fee of \$50, and that the total amount of the fee is based on the amount of material to be burned, at \$4 per cubic yard. Carpenter asked if there is a maximum fee, and Hough said there would not be a maximum because there is an initial fee, plus the price per cubic yard. Carpenter said he wants to be sure that the amount of the fines is at least greater than any kind of permit avoidance fee so that LRAPA does not allow a person to achieve economic gain by avoiding the rules. Hough said he and Lopez were talking about the best way to make sense of enforcement. He suggested that board members flag anything they see in the enforcement report that looks inconsistent to them, and let him know about it. He said each case is somewhat unique, and the rules provide a framework for working through the cases in a consistent manner. He suggested that staff could walk through the cases flagged by the board, at a board meeting, to demonstrate how the fines are calculated and why some of these cases that appear to be similar might end up with substantially different fines. Hough said he would be sure to have the staff members who handled those cases present at the board meeting to provide the information to the board.

6. PUBLIC HEARING AND ADOPTION OF LRAPA BUDGET FOR FY 2006/07: [*Sharon Banks was not able to be present at this meeting; however, she was able to participate by telephone during a break in an event at the Port of Seattle which she was attending to give a presentation regarding CSS. This agenda item was moved up to take advantage of her availability by phone so that she could answer any questions board members might have regarding the proposed budget.*]

Monk had several questions for Banks.

- A. On page 24 of the proposed budget document, on the left-hand column which shows the previous three years of budgeted funding, in looking at, say, Airmetrics, all those number matched up perfectly. However, when he looked at the General Fund, at the grants, those numbers did not match up. Specifically, he said that in the 2005/06 budgeted year, total grants budgeted is \$476,807. But in the expense report through April 30, 2006, the figure is \$1,187,000. He asked for an explanation of why the expense report figure is so much larger than the budgeted number.

Banks explained that, at the time the 2005/06 budget was adopted, the only grants which were known at that time added up to \$476,807. During the year, as she has been successful in getting supplemental grant funding, such as Everybody Wins or Clean School Bus USA, those funds have been added to the current budget by board resolution. These are specific projects with their own budgets, as specified in the grants. They are included in the monthly financial reports because they are actual and have been added to the budget. They were not included in the base budget which was adopted into the original budget prior to the beginning of the current fiscal year. Monk asked where he could find these projects in the proposed budget, and Banks explained that there are none in the proposed budget because they are special projects, and it is unknown at this time what special project funding might become available during the course of the next fiscal year. Any special projects which are awarded during the 06/07 fiscal year will have their own budgets and will be added to the agency budget, one at a time, as they come up. For clarification, Hough said that the actual number for 2004/05, stated on page 24 of the proposed budget, includes everything that was in the base budget, as well as everything that was approved by specific resolutions during that year. Banks said that was correct. When it shifts over to actual, then whatever accrued to that fund is included, including all the special projects. But it is not included in the

“budgeted” figure. At the end of the fiscal year, an appropriation schedule is added which is turned in to the auditor. It includes the base budget and all the additions, and it gets reconciled that way. Hough said the column which says “Year 2005/06 budgeted,” is what the agency started with on July 1 of 2005, and the budget is dynamic. The agency is still in that fiscal year, and those figures will not be finalized and moved over to the next column (Actual) until after the end of the current fiscal year. Banks said that was right, adding that costs associated with those grants are not included in the budget, either. So it is an addition to the revenue and an addition to the expenditures.

Monk said that explained the discrepancy for him, but he was concerned that, for those board members who are not trained in accounting, they are being asked to adopt a budget that he does not fully understand. He said he wondered if there would be a way that, in the future, that could be more readily available so that board members could understand those grant monies that come in and where they go. Banks acknowledged that it can be confusing. She said the columns on the left are used to compare with the proposed budget, as of that point in time. There could be more additions to the proposed budget, as special projects get approved and grants awarded. Consequently, comparing the 05/06 budget with the 06/07 proposed budget is like comparing apples and oranges. At this point last year, the figure in the budget was what was projected. At this point this year, staff is projecting just about \$4,800 less than what the agency got last year. Part of that is due to the state General Fund contribution being reduced. The federal grant increased, but not as much as the General Fund decreased.

Monk said he assumed the far-left column represented the same thing as what is in the monthly expense reports. He said he understands that one column represents what was being budgeted for as of July 1 of 2005, and that he understands that this is a dynamic budget; however, the revenues in the expense report are over \$2-million and the revenues projected in the budget are \$1,320,000. Banks explained that there were some big grants which got appropriated as if all the work were going to be accomplished during the current fiscal year. But all of that work probably will not be accomplished by the end of the current fiscal year. There will be carry-over. It depends on what stage the project is in at the end of the fiscal year. For example, the Clean School Bus USA grant will need to be extended another six months because there were back orders in equipment, and they were not able to get everything on when they thought they could. About half of that grant is going to be carried over into the 06/07 fiscal year, but Banks will not know what that figure is until after the end of the fiscal year. The easiest way to handle that is to just leave it out of the proposed budget, because it is a completely special-purpose project that really does not affect LRAPA’s base grant.

Monk asked whether the far left column in the expense report which says, “budget,” is the number developed on July 1 of 2005, and Banks said it was the budget that was proposed last year as of this same time. Hough said he thought Banks and Monk were looking at two different things—Banks at the proposed budget and Monk at the expense report through April 30, 2006. Monk agreed. Banks said the expense report is what the budget has grown to, after adding all the special-project grants by resolution at board meeting throughout the fiscal year. Monk then asked what the term, “actual,” means, and Banks told him the term represents the funds the agency has taken in as of the April 30 financial report. Monk said that explained the problem for him.

Hough explained further that, after the proposed budget gets adopted, any change in those figures will require a resolution adopted by the board. If the change is significant, it will require a supplemental budget with a public hearing. Banks confirmed that.

- B. Monk then asked about personnel expenditures in the monthly expense report. He said the figure in the budget is \$1,050,000, and the figure in the expense report is \$1,073,000 and that he assumed that the \$23,000 extra in the expense report is a function of some appropriation that the board passed to expend an additional \$23,000. Banks confirmed that that was the case. She said a lot of the grants have associated personnel costs, and the agency tries to cover all of the personnel costs that the special projects require. Sometimes that allows budgeted dollars to be added to personnel, which is very helpful.
- C. Monk said he thought his questions had been answered and explained that he was trying to take his responsibility for passing the budget for LRAPA very seriously, and that it is very difficult for someone who is not trained in accounting to understand exactly what it is that the board is being asked to approve. Monk said he would like to have a discussion to break the numbers down for the people who are not trained in accounting, to help them understand the budget.

Monk then stated that there are significant travel expenses associated with Everybody Wins Phase III, as well as some website development costs. He asked if the travel expenses were for Banks's travel and if the \$7,000 in the budget for website development is for Everybody Wins.

Banks responded that the travel expenses include travel for her and for Gordon Griffin, but those expenses are still well within the budget of Everybody Wins. She said the money which has been generated by the special project is more than enough to cover any of the costs that are being incurred.

- D. Monk noted that the expense report includes \$288,000 under "actual" for Everybody Wins, and asked if that was an increase to the fund balance. Banks responded that it was. To clarify, Monk asked if that is money derived from Everybody Wins, Phases I and II which has gone into the agency's fund balance. Banks said that was not the case. She explained that, with the tax credit, the general revenue is more heavily weighted on the front end of the project than on the tail end. The project has a multi-year operating cycle. Those dollars have to be set aside to cover costs. Once all of the equipment has been installed, the costs will come down significantly. Personnel costs will drop to more of an accounting and collection function. Costs for materials and for services (installation costs) will also go away. But until the loans are all paid off, the capital costs will continue. Banks said she has analyzed the model, which runs over about a five-year period, and that the program is doing very well. The program was set up to anticipate about a 10 percent default rate, in the event that some of the drivers are unable to pay. To date, the program has not experienced any real losses. Three truck drivers have gone out of business, but they all turned their equipment in, and that equipment has been resold and installed on other trucks. Banks stated that the retained earnings in the budget for Everybody Wins cannot be seen as money that can be reallocated for other purposes. There probably will be about \$200,000 to \$300,000 left at the end of the project, based on the experience the program has had with collections, to date. That money can be added into LRAPA's fund balance, but not until the end of the project.

Hough suggested that, if there were interest among board members, Banks could walk through the multi-year graph showing the income and the expenses and illustrating the explanation she just gave in response to Monk's question. He said it could be done in a smaller group if some of the board members wanted that additional information. Banks said that is something that requires some study, and it would not work too well in a time-constrained environment. Monk agreed but stated that the problem was that the board was being asked to adopt the budget today. Hough said that, for him, what was helpful was when Don Hampton focused at the last budget committee meeting on the changes from the current base budget to the proposed budget, and the discussion the board had regarding those differences. Hough

stressed that anything that changes from the proposed budget would require board action to adopt a resolution to make the change in the budget. Hough added that those changes are relatively few, as far as base budget from last year to the proposed budget from this year. Monk indicated he understood.

Koenig noted the local dues included on page 24 of the proposed budget and asked if those are estimates or if they are official figures approved by the various participating entities. Hough responded that Lane County approved the dues as requested but were not able to set aside air quality project funding from the civil penalty fines it receives from LRAPA, as LRAPA requested. He said the city of Eugene has approved the full amount requested, and that the LRAPA request is still in the Oakridge budget. Fortune confirmed that the LRAPA dues request is still in Oakridge's budget. Hough said he had spoken the previous day with Richard Meyers of Cottage Grove, and the city is planning to make a cash contribution to LRAPA for the coming fiscal year, although it may be only \$8,000 rather than the \$8,500 which LRAPA requested. Taylor commented that the city manager had put a lower amount in Eugene's proposed budget, but a letter which Hough sent to the city manager detailing the services the city has received from LRAPA during the current fiscal year, together with Taylor's urging at a council meeting, lead to the amount being raised to what LRAPA requested. Hough thanked Taylor for her help and stated that, now that he is aware of the city of Eugene's budget timing cycle, he will hopefully be able to work with the city earlier in its process regarding the amount the city contributes to LRAPA.

Johnson pointed out that in the budget, the staffing plan for Everybody Wins is budgeted at \$110,000, and in the detail sheet on page 30 of the budget the personal services amount of \$157,500. He asked if the difference is because the figure on page 30 includes benefits and the other figure does not. Banks confirmed that the figure on page 20 does not include benefits, but the figure on page 30 does. Monk asked if the same is true with any of the personnel expenses, and Banks said it is. She pointed out that the detail sheet on page 31 shows how the benefit are broken out.

Monk commented that last year's budget did not include money for website development and maintenance and asked if the \$7,000 in the proposed budget for website use is for LRAPA's website or for development of the Everybody Wins Phase III website. Banks said the chances are that the \$7,000 will not need to be spent on website development. She said Everybody Wins does have its own website which requires money for periodic updating. The original website was done in FY 04/05 and cost \$2,500, and there has been a small amount of additional expenditure on that for updating. Monk commented that, hopefully, those expenses are being tracked separately, and LRAPA will be reimbursed at some future date.

Banks said the new website for Everybody Wins Phase III will cost about \$25,000, but most of that will be paid by the manufacturers that will be displaying and selling their equipment at the CSS showcase facilities. Banks said she had in mind using the \$7,000 to include a database on the Phase III website to report the progress on emissions reductions achieved through the efforts of Everybody Wins Phases I and II and when those reductions occurred, as well as fuel savings achieved by use of APUs.

At that point, Banks had to discontinue her participation in this board meeting to give a presentation at another meeting.

Monk noted that the minutes of the May meeting included discussion of website resources, planning and management, and the board voted at that time to direct the LRAPA Advisory Committee to review the agency's current website and present the data to the board for approval. He asked what the status was on that. Hough said staff has talked to the website manager and to the advisory committee. The website

manager is making some changes to the website in response to the comments presented at the budget committee meeting where that discussion took place. The advisory committee will test the search engines on the website and suggest improvements. Monk asked if there is money budgeted for that in the General Fund, and Hough said the changes staff anticipates will not be more expensive than what was already budgeted for website maintenance.

Ralston then opened the public hearing on the proposed budget, at 1:00 p.m., and asked Staff for a brief description. Hough reported that the budget hearing was properly noticed in the Eugene *Register Guard* on June 4. He placed the published notice into the hearing record. Hough said staff was asking the board to adopt LRAPA Resolution Number 06-11, adopting the proposed budget and making appropriations for a General Fund of \$1,441,482, Special Projects enterprise funds of \$1,591,652, Airmetrics enterprise fund of \$1,436,240, and Title V fund of \$492,121 for the coming fiscal year. Hough said Airmetrics has been doing well and should provide another strong sales year. Hough said staff is working with DEQ to try to increase the amount of state General Fund available to LRAPA for the biennium beginning next year, although that will not affect the proposed 06/07 budget.

Ralston then asked if anyone present wished to speak either in support or in opposition to the proposed budget for FY 06/07. Hearing no response, he closed the public hearing at 1:02 p.m.

MOTION: Taylor MOVED adoption of the proposed budget for FY 06/07. Tannenbaum SECONDED THE MOTION.

Discussion of Motion: Monk had more questions for Hough. He said there is airshed planning and emissions inventory under the senior environmental scientist. He said there is roughly \$28,000 earmarked for both airshed planning and emissions inventory, and another item on today's agenda asked the board to set aside funds to hire someone for emissions inventory work. He said he wondered whether the \$28,000 was comparable to what was spent last year in salary for that staff person for airshed planning and emissions inventory, and the year before that, and perhaps the year before that, and whether the agency is any closer to having an emissions inventory. Hough responded that emissions inventory at the current time is at a higher level of plantsite totals, rather than the emissions source specific. Every third year, the agency is required to submit a more detailed emissions inventory to EPA, and that will be due in June of 2007. In order to do that, LRAPA needs to provide more details. The air toxics emissions inventory and the PM2.5 emissions inventory are the ones that need the most attention because they are relatively new and the agency does not have as comprehensive information in those as in point source emissions. He said yes, there has been emissions inventory work, but more at the plantsite level. It needs to be done in more detail, in addition to preparing the air toxics and PM2.5 inventories, to meet the every-third-year EPA requirement.

Monk said it was his understanding that if, in fact, that was what this staff person has been doing, the cost should be paid for out of Title V fees if it is major source emissions work that Hough is suggesting needs to be done. Monk wanted to know if the title V program is adequately funding the work of that staff member if it is major source work that is being done. Hough said LRAPA has the ability for individual staff members to charge time to the appropriate category, depending on what they are doing. If it is area source inventory, which is a big part of the emissions inventory, that work would not be in Title V. If it is point source work, that would be charged to Title V. It is really more the time accounting system where that gets fit in, and the time/funding assigned to each position in the budget are necessarily fairly broad estimates, by position, of the amount of work, according to the different funding categories. Hough said the actual time accounting is in detail, and that needs to be reconciled with the budget to be sure that things are lining up properly.

Monk said he thought that a lot of what he was having difficulty with was not only not being able to comprehend the budget fully—which he acknowledged as his own shortcoming—but also the fact that the board has talked about the need to do strategic planning with a budget earmarked to accomplish the goals of that planning. He said it is difficult for him, not understanding what the goals are for the agency, to vote to adopt this budget. He said he does not have that connection well thought through and does not think the agency does, either, at this point. He said he would suggest that, hopefully, the strategic planning will move forward as rapidly as possible so that the board will have a sense of what the agency is trying to accomplish and what personnel are needed to do that work, so that board members will know those sorts of things as they are being asked to adopt the budget.

Hough responded that the initial goal setting was done last fall. The more detailed strategic planning is planned for this fall, and he said he thought that might make a lot of this information mesh better.

Ralston noted that there was a motion and a second on the table. He began to ask those in favor to signify so when Johnson said he would like to ask a follow-up question to Monk's question. He asked if the Airmetrics temporary position included in the staffing plan would fund an emission inventory position, stating that it was not reflected in the budget. Hough said it should be in the budget. Johnson noted a Tech II temporary position funded by ACDP and Title V programs, and Hough said he believes that is the emissions inventory position, with ACDP covering the point sources and Title V covering the larger sources.

Johnson acknowledged that he is on a long learning curve to understand budgeting; however, he said he has been looking for what is happening in the future. He said LRAPA needs to figure out new, creative mechanisms for bring in money to fund the agency's programs, and that a lot of what he sees is what is "downstream" and how does that translate into the environmental benefits and meeting the objectives the agency needs to meet. Johnson said he hopes that, with strategic planning, LRAPA will get to a point where the downstream expenses and costs of the agency are as transparent to the board as what is happening on the revenue side.

VOTE: Seven in favor of adoption (Carpenter/Fortune/Johnson/Koenig/Ralston/Taylor/Tannenbaum) and one opposed (Monk).

5. **ADVISORY COMMITTEE:** Metzler reported that the committee will be evaluating the agency's website and discussing updates and possible changes to the site. Committee chair Russ Ayers commented that this subject is being discussed by the committee at the request of the LRAPA Budget Committee. Metzler said another matter the committee has been working on is descriptions for the different categories of representation under which members are appointed to the committee. The board asked for this action last year because some committee members were being appointed to general public positions when they would have been more appropriately appointed to represent other areas, such as industry. Metzler said the committee had, as a result of those discussions, changed the representation of two members. There is now an additional industrial representative, and another position which has been recognized by the committee as representing environmental concerns has been changed to the general public category. This change was made because the category of environment is not one of the categories required under the state statute.

Carpenter asked if the number of industrial representatives on the committee is set by LRAPA rules. Metzler responded that it is not. The state statute requires only that the committee include one representative from industry. Ayers said that, currently, four of the thirteen members of the committee represent industry. Monk asked for a breakdown of representation from small and large industries. Metzler and Ayers said that the large (Title V) industries represented are Country Coach and Weyerhaeuser, and the small industry representative

is from Hynix. [A subsequent review of the membership revealed that there are three industrial representatives instead of four.]

Carpenter noted that the advisory committee has been discussing possible revisions to the script for the outgoing message on the agency's message and complaint phone line. He asked if that will come to the board for approval, and Metzler replied that if the board wants to see that, it will be brought to them. Carpenter said he is neutral on the subject; but it is an important contact for the agency to make with the public, and it might be worthwhile to have the board approve it. Hough explained that the subject of that outgoing message first came up when the advisory committee was evaluating the customer survey cards that had come in. One of the things mentioned by a number of people is that they did not get a call back from LRAPA. In following up with staff, it was found that these individuals had not provided phone numbers to receive return calls. The committee thought it would be a good idea to ask people to leave their phone number if they would like a call back.

Monk said he is glad to hear that the agency's open burning rules are under discussion. He also said he is delighted that there has been discussion about the asbestos violations and that it seems that others agree with his assessment that the fines do not seem to be adequate to deter the activity. He referred to a comment made by staff member Tom Freeman at an earlier board meeting, that the nature of asbestos violations can easily result in fines of \$10,000, making staff reluctant to issue a civil penalty at all in some cases. Monk said it seems to him that the rules are not adequately worded to allow an inspector to levy a fine that is more appropriate to the offense. He said it should be done on a case-by-case basis, with understanding of all the circumstances of the specific case taken into account. Monk said he wondered if the advisory committee could be asked to evaluate that and determine whether they feel the current rules are adequate or whether they need to be revised to deal more effectively with asbestos violations.

Advisory committee chair Ayers commented that LRAPA's rules must be at least as stringent as the state's rules and asked if what Monk suggested wouldn't be a relaxation of the state rules, which would not be allowed. Hough responded that dealing with asbestos is complicated, because LRAPA's rules include some requirements at the residential level that DEQ did not include in the final stage of its asbestos rules. He said that is part of the conflict, and staff could bring that to the advisory committee and ask them to tackle it.

7. ADOPTION OF RESOLUTION NO. 06/12, MAKING APPROPRIATIONS TO THE AIRMETRICS ENTERPRISE FUND (FY 05/06):

MOTION: Fortune MOVED to approve Resolution 06/12. Koenig SECONDED THE MOTION.

Discussion of Motion. Carpenter said he did not understand what the board was being asked to do and asked for an explanation. He asked how Airmetrics makes more money selling things and has to charge more costs. He asked if there is a time delay in getting the money in this year, and then next year those revenues will come in. Hough said that was not the case. He said staff needs to change the amount that the board has authorized to be spent in Airmetrics because the company has been selling a lot of samplers. The costs are fully covered, and there is no question about collecting the money that is due from customers to fully cover the costs. Staff simply needs to make an appropriation to spend more money to make the samplers that are being sold.

Tannenbaum added that it is because the budget did not originally allow the amount to be this high, and that is why the change is needed. Hough said that was correct. Carpenter asked why staff plans to take \$80,000 out and subtracting personnel. He asked, if the total cost is \$150,000 and staff is making more samplers, how

is less being spent on people. Hough said the easiest way to do this adjustment is to recognize that Airmetrics is more efficient, resulting in lower personnel costs, and transfer that money to materials and services for parts. Then the total increase only needs to be \$70,000 instead of \$150,000. The \$150,000 is needed for parts, but there are also less personnel costs because of the efficiency of the individuals doing the work. For clarification, Carpenter paraphrased what Hough had said, stating that staff would have had to come to the board with an agenda item decreasing personnel costs, and what is being done, here, is to combine both actions in one resolution. Hough agreed that was correct.

Johnson said if there was a position that was left vacant. Hough said it was a position that was budgeted for a new employee; however, a work-study student who was working for the agency, who has technical and scientific training, has been able to do the job at a much lower cost than the originally budgeted position.

Johnson then noted that the proposal for next fiscal year is for a million dollars just in materials and services, and that seems like a lot of money and a lot of potential savings on the cost end, depending on how pricing and contracts are administered. He said he was curious as to how that million dollars in materials and services is managed with Banks doing other things. He said it sounded like there is a part-time student handling sales, and he wondered how that money is being managed. Hough said LRAPA's Monitoring & Data Analysis staff are integrated into Airmetrics, and there have been continuous improvements in the process resulting in less expense to get the work done. He said an inflationary factor would suggest what a sampler should sell for. Johnson asked if the cost per sampler has been tracked over time, and if the price has gone up or down over time. Hough said he had not looked at it in that way, but he could do that. He said he found it easier to simply look at the net cost and how that has changed over time.

Monk said perhaps everyone understands the arrangement between Airmetrics and LRAPA and how the two budgets interface; however, he does not understand that well, and he wondered if the rest of the board members do understand it well. He said if that is the case he would follow up separately with Hough. But if the other board members do not understand it, perhaps it should be put on the board's agenda when time allows as a kind of refresher to be sure that all board members understand how it works, what the contractual agreements are, and how the money is tracked.

Ralston suggested that new members should be given that information as part of their orientation. He said he believes the other board members do understand it, and he is reluctant to take board meeting time to go over it again. He said it probably would not take long for staff to go over this process with any interested board members either before or after a board meeting. Monk said he would follow up with staff outside of the board meeting time.

VOTE: SIX IN FAVOR (Carpenter/Fortune/Koenig/Ralston/Taylor/Tannenbaum) and TWO OPPOSED (Johnson/Monk). The motion carried.

8. OLD BUSINESS:

Status of J. H. Baxter Odor Complaint Situation. Hough said the number of complaints during the most recent reporting period (mid-April to mid-May) was only 19, which is lower than the number of complaints received during the same time period in 2005. He said the level of complaints has been staying roughly half of what it has been in the last few years, month-to-month. Hough said staff was to have a telephone conference after

this board meeting with the manufacturer of Eco-Sorb (Alternative Number 2). Staff had some concerns raised by neighborhood spokespeople, regarding masking. Hough said staff planned to ask a series of questions designed to gain a better understanding of whether the product is a masking agent or if it actually results in emissions and odor reductions. He added that Paul Engelking from the LRAPA Advisory Committee had offered to join staff for that teleconference. Hough said he believes that, after this issue is resolved, LRAPA will be close to an agreement with Baxter, and will then be able to talk about a specific implementation schedule. Hough said staff will keep the board advised, or as actively involved as they want to be, as the process continues.

Taylor speculated that the reduced number of complaints is the result of sheer exhaustion on the part of the people living near the plant. She asked if LRAPA is reaching out to the individuals who have been the most active in complaining. Hough said staff is keeping in contact with those individuals. Staff responds to complaints when people call, to try to confirm the odor's presence. Staff also makes its own observations, and staff's observation is that the odors are substantially reduced, consistent with the reduction in the complaint volume the agency is receiving. Hough added that the air monitoring, the complaints received, staff observations, and the actual controls and the calculated emission reductions as a result of those controls are all giving LRAPA a consistent pattern. He said if just one or two of those things were indicating odor reductions, he would be less confident; but with all of those factors consistently showing odor reduction, he is confident that the actions taken are making a difference. He added, however, that LRAPA is not done, yet, with its efforts to reduce the odors from the J. H. Baxter facility.

Taylor said that when she said, "reaching out to," she meant—whether those individuals call LRAPA or not—is LRAPA getting in touch with them to see how things are going. She also pointed out that it is not really summer, yet, so the open-window season has not yet begun. Hough said when staff compares numbers, they try to be as consistent as possible, comparing the same month in previous years to the current complaint counts. He agreed they will fluctuate, month-to-month, depending on weather and other factors.

Fortune asked if a record is kept of where the calls come from, and whether the 18 calls are all separate incidences from different people, or it is 18 calls from the same person. Hough said staff identifies the complaints by address. He said several of the calls are probably from the same person, but there are other individuals who call, as well. Hough added that one thing that staff will probably shift to in the future is talking about, not only the total complaints, but going back into the database to extract historical information and talk about the number of persons who have been affected, as well.

Fortune then asked if it is possible to make distinctions, among the 18 calls, if they are all because of J. H. Baxter, or if some of the odor incidences could perhaps be from McFarland Cascade. Hough said that the process of following up on these complaints includes comparisons of addresses with wind data from the time of the call. If the wind direction compares with the address, in proximity to the plant, the complaint is deemed "suspected." If a staff member can go out to the area when a complaint comes in and smells the odor, the complaint is deemed "confirmed." If the wind data shows the wind coming from a direction that is not in line with the plant and the complainant's address, the complaint is deemed to be "unconfirmed." However, an unconfirmed complaint is not necessarily blamed on another source. It is noted in the complaint that the wind direction and time did not indicate that the actual source of that particular odor incident was Baxter. Tannenbaum asked if it would be included in the 18 complaints. Hough said it would because the person calling believed it was Baxter and they specifically mentioned that source in the complaint. Hough said the

last time he looked at the complaints, it appeared that about 80 percent are either confirmed or suspected. In only about 20 percent of the complaints did the complainant seem to have confused the odor with some other source.

Carpenter said Hough said the historical data indicate the number of people affected. He asked if staff is going to ask each complainant how many persons are in the household. Hough said staff had not anticipated doing that. He said the information is being used to determine, out of 20 calls in a month, are those all coming from the same household, or are they from a number of separate households. Carpenter said the question the agency has to eventually deal with would be, if someone is calling and it is in a household and there are three children and another adult, the odor is actually probably affecting five people rather than just the caller. He added, however, that it might be better not to do that, because then you get into demographics and other issues.

9. LRAPA RESPONSE TO COMPLAINTS REGARDING EXCESSIVE EMISSIONS FROM MOTOR VEHICLES: Hough presented information to give the board a broad overview so that when the group talks about smoking cars or inspection and maintenance programs, board members can see how it fits into the overall spectrum of what can be done on motor vehicle emissions.

Priority of Specific Pollutants Relative to Motor Vehicle Emissions. Hough spoke about the criteria pollutants monitored in Lane County and how the requirements of the standards for those pollutants affect what LRAPA should do about motor vehicle emissions. He pointed out that EPA's proposed new particulate standard will be tighter than what has been the case in recent years. Because of that, PM2.5 is a high priority for Lane County, and additional improvements in particulate levels will be needed in Oakridge. Efforts will also need to continue in Eugene/Springfield in order to stay in compliance with the PM2.5 standard.

Lane County has been in compliance with ozone standards for a long time, but there is not as much margin of safety as there is for some of the other criteria pollutants. Ozone is a medium priority for Lane County's airshed.

Carbon monoxide levels have been well below the standards for a long time. Hough said that when the parking garage was built at Sacred Heart Hospital, LRAPA added a second monitor and found that CO levels were slightly higher, as was predicted; however, CO levels have been well below the health standard. In addition, CO has been monitored at the Amazon Park location, to determine whether woodstoves create enough CO to be a problem. The levels have been lower at that location than at the downtown site.

With the phase-out of lead in gasoline, lead levels have been reduced to undetectable levels, and LRAPA no longer monitors for it. Lead is not a priority at all for Lane County.

Regarding air toxics, Hough said trends are not as clear as they are for criteria pollutants. DEQ is currently working to establish benchmarks for where the standards for air toxics should be; however, that is still a gray area. At present, California has different numbers than EPA has, and the Oregon group has numbers generally in between California and EPA. Regardless of where the acceptable levels for those pollutants end up, it is clear that benzene levels in Oregon are well above any of the current benchmarks, and benzene is primarily from motor vehicles. Consequently, benzene is a pollutant of higher concern for Lane County and all of Oregon.

Ralston asked what causes benzene, and Hough said it is in gasoline and comes out either in the exhaust as unburned fuel or from evaporated gasoline. Hough explained further than some of the more complex hydrocarbons are partially combusted, and benzene is one of the by-products of that combustion. Ralston asked if there is anything that would significantly reduce benzene, and Hough said benzene content in the fuel can be reduced. He said EPA is considering tightening the benzene standard nationwide, and local agencies such as LRAPA have provided some supporting comments for that reduction, based on the ambient benzene data that is being measured by LRAPA. Hough added that the benzene in Northwest fuel is higher than the national average because this area gets poorer quality raw crude from Alaska than comes from other areas. In addition, Northwest refineries are less sophisticated than those in California or some of the other states. Hough said it is of special concern that the EPA proposal would drop benzene levels in half, but that benzene levels in Northwest fuel is so much higher than the national average that the proposal is not enough to get Northwest benzene levels down to an acceptable level. He added that it is a national issue under EPA control.

Monk asked if a car that was running more efficiently, regardless of its age and horsepower, would emit less benzene than if it were running poorly. Hough said staff has had conversations with LCOG about this subject. LCOG does emissions modeling using an EPA model that has the ability to model air toxics, including benzene. LCOG has not had a chance to do that, yet, but they are willing to do so to help LRAPA sort that out. Hough said he believes, however, that the reduction in benzene would be similar to the reductions seen in other hydrocarbons. He said he would expect that, if the modeling shows that there have been substantial reductions in hydrocarbons, then benzene would likely be reduced, as well. Both LRAPA and LCOG are interested in seeing what the EPA model would reveal about that.

Monk also asked if, based on Hough's professional judgement, Hough thought EPA would modify their proposed rule, to encourage Northwest refineries to reduce the benzene level. Hough said that, if EPA receives comments just from LRAPA, it probably would not make much difference; however, Puget Sound has expressed similar concerns, as has Oregon DEQ. In addition, the National Organization of Clean Air Agencies (formerly two organizations, state directors—STAPPA—and local directors—ALAPCO) made the same comments to EPA. All of those entities have pointed out that this is the opportunity for EPA to provide equity for the Northwest with the rest of the country, to reduce health impacts from benzene for Northwest residents. Hough said the combination of all those comments might result in lower benzene than the Northwest would otherwise have.

Carpenter commented that, even if the engine is running well, if the evaporative emissions control system is not working you can still see higher hydrocarbon emissions. Hough said that is another thing the modeling will reveal because it splits out the exhaust from the evaporative losses.

Johnson asked whether there have been any discussions with STAPPA/ALAPCO or Washington agencies about setting other rules that cannot be done under Interstate Commerce, or whether everyone is just stuck with whatever EPA does regarding benzene standards. Hough responded that everyone is stuck, to one degree or another, with what EPA does; however, there is some ability, within the Clean Air Act, for areas to opt into reformulated requirements and do some other things, if they need to do it to meet Clean Air Act standards. The problem with that, Hough said, is that it complicates the fuel supply. Some have argued that there are too many "boutique fuels," and EPA has just finished a report on those fuels and logical ways to simplify it. One or more of their alternatives would actually result in an overall emissions reduction, and the common denominator would be something like California clean-burning gasoline. Hough said Lane County

is pretty well stuck with whatever EPA does, because we do not have the compelling reasons of ozone or CO violations to opt into these other programs under the Clean Air Act.

Contributions to Pollution Levels from Different Vehicles, Grouped by Age. Hough said LCOG was very helpful to LRAPA in providing information regarding transportation system improvements. He showed a chart that depicted the relative emissions per mile of different age groups of vehicles. The groups included pre-1983 (over 100 grams per mile), 1983-1996, and 1996-present (less than 20 grams per mile), illustrating just how much difference new car emissions standards and fuel standards have made over time. Hough said new car standards have continually tightened over time and that new cars are over 90 percent cleaner than they were back in the '70s.

LRAPA Budget Committee member Kevin Matthews asked if the information on the chart includes standards issues and maintenance issues. Hough replied that the chart represents in-use emissions, as estimated by the EPA model, and does take a certain amount of degradation into account.

Carpenter asked how fuel economy affects the information in this chart, because he couldn't see a low-mile/gallon Hummer vs. a 20-year-old Toyota Corolla getting 28 miles/gallon having those kinds of different reductions. Hough said the actual vehicle registration data for Lane County goes into LCOG's model, so those things will be factored in. The fuel efficiency standards have not changed much in a decade or more, and there has been talk of tightening the efficiency standards more for new cars. Carpenter speculated that the buying public has actually dropped in fuel economy because of the way people were buying their cars three years ago, or something. Johnson said he suspects that if everyone were driving smaller vehicles—if there were fewer SUVs and other heavy passenger vehicles on the road—the amount of emissions per mile would be a fraction of what it is.

What Can State and Local Groups Do? Hough noted the recent issue was whether Oregon should opt into the California low-emission vehicle. The state of Washington did that, but it was dependent on Oregon following suit. Hough said Oregon's Governor is strongly supportive on that action, and the state is moving in that direction but has not yet adopted it. [Note: *The Oregon Environmental Quality Commission adopted the Oregon Low-Emission Vehicle requirements, identical to California and Washington requirements, at their meeting on June 22, 2006.*]

LRAPA has been involved in a lot of innovative things which have been done locally with regard to cleaner fuels, including getting Ultra Low Sulfur Diesel in this area ahead of the time when it is mandated, encouraging the use of biodiesel and biodiesel blends, and now partnering with others on ethanol distribution in Lane County. LRAPA has been a leader in the area of idle emissions reductions for diesel trucks, with its Everybody Wins program. Hough explained that the APUs which have been the focus, for both emissions and fuel use reductions when trucks are idling, in the first two phases of Everybody Wins are just one of the options for fuel use reduction, and Everybody Wins Phase III will combine with EPA's Smart Way package to provide greater fuel use reductions by streamlining diesel trucks for greater fuel efficiency while the trucks are operating. Some areas, such as California, have also enacted idling restrictions. Diesel trucks are also being retrofitted with fuel-saving and emissions-reducing equipment. Hough explained that automobiles change over frequently enough that retrofits would not be practical; however, diesel trucks are on the road for much longer and do benefit from the retrofit equipment. Another alternative for getting older automobiles off the roads is to buy up the older ones and destroy them, which California has done.

Hough said there is a state statute prohibiting excessive smoke from motor vehicles that can be enforced by both state and local police. The statute is being used by law enforcement, but in relatively small numbers compared to the thousands of traffic-related citations issued, overall.

Inspection/Maintenance Programs. Hough said the information he presented at this meeting was to provide background for options to deal with smoking vehicles, which the board has discussed at several meetings. An alternative in which some board members have expressed interest is an Inspection/Maintenance (I/M) program.

There are 33 states that have I/M programs, but that is because they were required to have those programs in order to meet Clean Air Act requirements. Oregon's I/M program in the Portland area was the first in the country, in 1975. I/M was also instituted in Medford in the mid-'80s, in order to meet Clean Air Act Carbon Monoxide (CO) standards by the December 1987 deadline. The technology mix they had at that time reduced CO emissions by about 25 percent. On worst-case days, those two areas had CO up to 20 parts per million, and the I/M programs resulted in reductions of several parts per million CO on those worst-case days.

Based on what is the case for the Portland and Medford I/M programs, if I/M were expanded to Lane County it would require about 15 or 20 people to operate the program. It would require two multiple-lane stations, based on DEQ's perspective on what it take to serve an area of this size. The cost in Medford is about \$10 per vehicle, and the cost in Portland is about \$20 or \$21 per vehicle. The per vehicle cost for Lane County would be somewhere in that range. If you multiply that by 200,000 or 250,000 vehicles—depending on where you set the boundaries—the program would require about a \$1- to \$3-million annual budget. That is about the size of LRAPA at this time.

The technology mix today would result in about a 15 percent emissions reduction, not quite as much as when the Portland program began. The more significant thing, Hough said, is CO in Lane County is so far below the standards, the further reduction possible with I/M would result in only a fraction of a part per million, compared with the several parts per million reduction achieved in the early years of the Portland and Medford programs.

DEQ is looking at 1996 and newer vehicles that have on-board diagnostic systems which are part of the EPA requirements for the '96 and newer vehicles, and exploring ways for people to self-certify using a \$50 gadget that's a one-time investment which can be connected to a computer to test the vehicle. It might even be possible for people self-test and renew their vehicle registration online. Hough said DEQ is looking at that for the future, once they are well within standards in all areas of the state and can focus just on the '96 and newer vehicles. Hough showed a chart that illustrated worst-case CO concentrations in Portland, Eugene and Medford, pointing out that Eugene is on the cleaner end of the range.

LCOG modeling shows that about 20 percent of the cars on the roads now are pre-'83. But they drive less, according to the EPA model factors, at about 3 percent of traffic. Because they have heavier emissions, they account for about 17 percent of the emissions. At the other end of the spectrum are the 1996 and newer vehicles with the on-board diagnostic systems. Most of the vehicles on the road now fall into this category, accounting for about 70 percent of the traffic. Because those newer vehicles are cleaner, they account for less than 40 percent of emissions. DEQ and some other states have determined that, if they are going to keep I/M programs, they should focus on the newer vehicles, because they will be the increasing part of the total

vehicles on the road. Hough added that there are also motor vehicle emissions reductions related to transportation system improvements done over time, coordinated by LCOG as the Metropolitan Planning Organization (MPO).

Conclusions.

There has been much air quality progress over the past 20 or 30 years.

Benzene and diesel particulate matter are the two motor-vehicle-related pollutants of most concern in this area.

Medium priority would be motor-vehicle-related precursors (VOC and NO_x) related to ozone formation.

Carbon monoxide and lead are not very high concerns.

Existing programs continue to be effective. This is evidenced by the fact that emissions continue to go down, even though traffic is increasing.

Recommendations.

- Write a smoky car letter to alert motorists that they can be cited for excessive smoke and asking them to work with their mechanic to correct the problem.
- Track how the on-board diagnostic systems work. DEQ recommends that, if they were in LRAPA's situation, they would explore these other options and wait and see what happens with them.
- Expand existing public education efforts to be sure people are doing everything they can to reduce emissions. With fuel economy concerns what they are right now, this may be a great time to expand the public information program.

Tannenbaum asked if there is some percentage of the vehicles in the group between 1983 and 1995 which could be expected to be in the smoky car group, or would all of the smoky cars be expected to be in the pre-1983 group. Hough said he thinks it would be more likely that the smoky cars would be in the pre-1983 group, but there are some in the mid-group as well. Tannenbaum said it would not matter how old the vehicle is because the pre-'83 group and the mid-group represent 60 percent of the emissions. Hough agreed.

Ralston said that, after having this explained to him, the only thing he would support at this time would be asking law enforcement agencies to enforce the state statute more strictly. He said it is such a subjective thing that the average person reporting a smoking vehicle would make misjudgements about what was observed. He said lots of vehicles have puffy emissions coming out the exhaust, some more than other, but do not exceed the ORS requirements. He said he does want LRAPA to become a complaint department, and he does not want LRAPA to be spending additional time on this type of complaint and having to be connected to DMV to take the license number and find out to whom a smoky car letter needs to be sent.

Carpenter said he likes the letter concept and would suggest that there be an extra provision in the letter to state that if LRAPA receives, say, three complaints on a vehicle over a period of time, LRAPA will send a copy of the letter to the police department in whose jurisdiction the car is registered. He said he agreed with Ralston that the way the statute is written is fairly complex with regard to opacity and length of time of observation, and the average person probably would not make an accurate determination to qualify for a violation. On the other hand, Carpenter said, most cars do not have visible emissions once they are warmed up. So if you are following a car and it's accelerating onto I-105, and it is emitting blue smoke for ten seconds, it seems pretty clear that the vehicle would not pass an emissions test. He said depending on police departments to write citations is also a problem, because the average police officer probably would not do that. It would be the traffic patrol officers who would write those citations. In addition, it would be difficult to determine emissions after dark, so it would be limited to daylight hours.

Ralston said Carpenter's suggestion runs on the assumption that everyone is a reasonable person; however, Ralston can see a case where a neighbor goes out every morning to report their neighbor, resulting in three letters from LRAPA and then trouble with the police department, when there may not be a real problem at all.

Johnson said he wanted to make an assumption that a lot of the citations written by the police departments have been on diesel vehicles. He said you see them warming up sometimes, emitting black smoke, and speculated that only a few of the citations went to gasoline vehicles. Fortune asked how it is possible to speculate that and suggested that maybe they had gasoline engines that needed ring jobs and were burning oil.

Monk agreed that taking complaints on smoking vehicles, with no way to recover the costs of doing so, would be difficult for the agency. He said he thinks it is inappropriate to expect law enforcement agencies to do this, because they're always saying they are under-staffed as it is. Monk said that, even though Hough said that ozone is of moderate concern, it seems to him that the ozone levels get high at times and the area violates the standards sometimes in the summer months. He said that, with the ozone problem and, potentially, the benzene problem, he does not have much faith that the federal government will do much to help with that. He said the federal government loves this kind of trading mechanism, and this is their new proposed rule to deal with benzene; and he thinks they will keep that trading mechanism and will allow the Northwest refineries to continue to produce the high-benzene fuel that the area gets. Monk said he sees the benzene numbers staying high, and LRAPA should do whatever it can, locally. With the population in this area continuing to grow, Monk said his sense is that LRAPA should not discount the idea of an I/M program for this area. Monk said he understands that I/M would be a very large undertaking and would require time and consideration to put it together; but he suggested that LRAPA continue to look at the possibility and begin thinking about what it might look like and how long it would take the ramp up such a program. Monk further suggested that the letters be done as a first step, and that the process be evaluated over a six-month period to see how many calls come in and how much staff time is involved in taking those complaints. He suggested further that the agency might be able to apply for a grant to help with those costs.

Taylor said she would not suggest that anything regarding I/M be decided at this meeting, but she proposed that Hough come back to the board with all the possible actions that the board could take, including a letter, and that it be on the board's agenda within the next three months. She said she thinks that the fact that the area is not violating the standards does not excuse LRAPA, because the agency's job is to make the air as clean as possible. If there is anything LRAPA can do to improve the situation, the agency should do it.

Tannenbaum said she would like to add to what Taylor had suggested, that there be a cost/benefit analysis associated with each of the options Hough presents to the board.

Johnson asked if there is a public education component and, if not, what are the options. He said he would like to see an option that is more focused on public education than receiving complaints, because he agreed with Ralston that the extra complaint management work would be a drain on staff. He suggested something more proactive, like television ads, to try to inform the public about the value of maintaining vehicles.

Koenig asked if the states that currently have I/M inspections also incorporate safety inspections with those. Hough said that some do, but Oregon does not. If LRAPA were to do an I/M program in Lane County, probably the most efficient way would be to ask DEQ to expand its other I/M program to Lane County. It would be difficult to add safety here if it weren't already a part of the Oregon I/M program.

Koenig complimented Hough on the tremendous amount of information he had generated in answer to the board's interest in what to do about smoking vehicles. Other board members agreed, stating that it exceeded their expectations and really helped with their understanding of the issue.

Ralston commented that he does not believe an I/M program is necessary in this area, because the area does not violate the standards. He added that it would be difficult to have that kind of program, because it cannot be done without approval of other agencies. Hough confirmed that the Environmental Quality Commission would have to approve it. In addition, if LRAPA were to ask DEQ to operate the program, it would require Legislative approval for the necessary staff and budget to do it.

Monk commented that there are many people on the industry side who will say that Title V and large emitters are a very small part of the air pollution problem, and that is is automobiles and woodstoves that are the major contributors. For that reason, he said it is disingenuous to say that automobiles are not an air quality problem, especially given the information Hough presented about benzene levels being many times above what DEQ is supposedly planning to set as a benchmark. Ralston argued that nothing that is being discussed here would reduce the benzene levels, besides reduction in the amount of benzene in the fuel the area uses. Monk said he questions whether maintenance of vehicles wouldn't also reduce the benzene levels significantly.

MOTION: Taylor MOVED that Hough bring back to the board, without judgement, all possible actions that the board could take, along with the cost, for discussion at a meeting in the next few month at which there is adequate time on the agenda for discussion. Monk SECONDED THE MOTION.

Discussion of Motion. Carpenter said the issue is that there are interstate clause requirements, on when you want to tell a refiner in Washington that they can't ship motor fuel to Oregon because it doesn't have the proper benzene content. He said the directive to Hough needs to be limited, rather than just, "anything goes." Taylor said that could be discussed at the time the information is presented. Carpenter said he does not think Hough can provide that option without getting a legal opinion about whether LRAPA can impose conditions on what another state ships to Oregon.

Johnson said maybe an option would be to explore possible relationships with STAPPA and ALAPCO and Washington people, to take a look at legislative options, rather than waiting for EPA.

Hough said he would probably bring an outline to the board, first, of what he needs to present, so that he can be sure of what the board actually wants to know.

VOTE: FOUR IN FAVOR (Johnson/Koenig/Monk/Taylor) and FOUR OPPOSED (Carpenter/Fortune/Ralston/Tannenbaum). THE MOTION FAILED.

10. NEW BUSINESS:

- A. Monk asked about a staff walk-through of enforcement cases in which board members have a particular interest. Hough said he would do that if board members tell him which cases they are interested in.
 - B. Hough said the only new business he had was to remind board members of the June 22 workshop in Portland being offered by the Clean Cities group regarding the efficiency aspects of diesel. He said if any board members are interested in attending, it would be a good opportunity, and he would be happy to help arrange to get them to the event. He said it begins at 9:00 am. and runs through 3:00 p.m. Hough said the Governor would be making an announcement at 11:00 a.m. during the workshop, regarding Cascade Sierra Solutions. Tannenbaum asked if the group will get some funding from EPA, and Hough said EPA is expected to provide \$100,000 to \$200,000. More significantly, Hough said, if Federal Highways comes through, it would be to provide the funding for a lease-back program for Cascade Sierra Solutions similar to what the Everybody Wins program has for APUs.
 - C. Koenig asked about the performance evaluation for Hough which is to be on the July agenda. Staff provided a packet of information for each board members for the evaluation process.
11. ADJOURNMENT: The meeting adjourned at 2:15 p.m. The next regular meeting of the LRAPA Board of Directors is scheduled for Tuesday, July 11, 2006, 12:15 p.m. in the LRAPA meeting room, 1010 Main Street, in Springfield, Oregon.

Respectfully submitted,

Merrie Dinteman
Recording Secretary