

MINUTES
LANE REGIONAL AIR PROTECTION AGENCY
BOARD OF DIRECTORS MEETING
TUESDAY–FEBRUARY 9, 2010
LRAPA MEETING ROOM
1010 MAIN STREET
SPRINGFIELD, OREGON

ATTENDANCE

- Board: Glenn Fortune, Chair–Oakridge/Cottage Grove; David Monk, Vice-Chair–Eugene; Bill Brommelsiek–At-Large (Springfield Area); Brian Forge–At-Large (General); Drew Johnson–Eugene; Scott Lucas–Eugene; Andrea Ortiz–Eugene; Dave Ralston–Springfield; Faye Stewart–Lane County (via phone) (ABSENT: None)
- Staff: Merlyn Hough–Director; Merrie Dinteman; Max Huefle; Matthew Lee; Sally Markos; Nasser Mirhosseyni
- Other: Earl Koenig, Chair, Amy Peccia, Vice-Chair–LRAPA Advisory Committee; Landa Gillette–LRAPA Budget Committee; Barbara Allen; Sharon Banks–Cascade Sierra Solutions; Bill Carpenter; Jim Daniels–Rosboro; Richard Meyers–City of Cottage Grove; Dale Riddle–Seneca Sustainable Energy; and Others

1. OPENING: As 2009 Vice-Chair, **Fortune** called the meeting to order at 12:15 p.m.

2. PUBLIC PARTICIPATION:

- A. **Richard Meyers, City Manager, City of Cottage Grove.** **Meyers** said he was at this meeting to speak to the board at the request of Cottage Grove Mayor **Gary Williams**. He said **Williams** would have attended, but he had to be at another board meeting today. **Meyers** said the mayors of some of the cities in Lane County have discussed consideration and examination of the makeup of the LRAPA board. He said there are a number of jurisdictions in Lane County that want to be a part of this regional organization and make a regional attempt to address the air protection needs and issues associated with Lane County. **Meyers** said the mayors believe that to make LRAPA work effectively, some adjustments need to be made to the makeup of the board. On their behalf, he requested that the board consider such an examination and possibly making a recommendation to the next Legislative session, for some adjustments to the statutes that prescribe membership of the board.

Monk asked which other cities were making this request, and **Meyers** said Mayor **Williams** has talked with the mayors of Coburg, Creswell, Junction City and Veneta about this subject. **Monk** asked if Florence would also be interested in participating in LRAPA, and **Meyers** responded that the Florence area is different, but they have expressed some concerns and will likely need to participate at some point. He said now is the time for them to begin getting involved and being a part of LRAPA.

- B. **Oregon Toxics Alliance.** **Hough** said he had received an e-mail from **Lisa Arkin** of Oregon Toxics Alliance, stating that she would like to address the board at its March or April meeting. She had asked that **Hough** pass her request on to the board. **Hough** said he had assured her that the Public Participation agenda item is a regular feature on the board’s agenda, and OTA would certainly be welcome to speak during that time.

3. CONSENT CALENDAR:

A. Approval of Minutes of January 12, 2010 Board Meeting.

MOTION: Ortiz MOVED adoption of the minutes of the January 12, 2010 meeting, as submitted. Ralston SECONDED THE MOTION.

Discussion. **Monk** noted one correction that needed to be made. On page 8, under Motion Number Two, the minutes reflected that **Monk** voted in favor of the motion when, in fact, he had voted against that motion. There were no further corrections requested.

VOTE: The motion to approve the minutes, as corrected, PASSED, BY A VOTE OF SIX (Fortune/Lucas/Monk/Ortiz/Ralston/Stewart) IN FAVOR and TWO (Forge/Johnson) ABSTENTIONS.

B. Approval of Expense Reports Through December 31, 2009.

ACTION: Ralston MOVED approval of the expense reports through December 31, 2009. Ortiz SECONDED THE MOTION, WHICH MOTION PASSED BY A VOTE OF FIVE (Forge/Fortune/Ortiz/Ralston/Stewart) IN FAVOR AND THREE (Johnson/Lucas/Monk) ABSTENTIONS.

C. Six-Month Budget Review. The budget review report for the first six months of the current fiscal year was included in the board's agenda packets. **Monk** asked if **Hough** had intended to go over the review in detail at this board meeting. **Hough** said the first quarterly review, which was done following the end of the first quarter of the current fiscal year, was discussed in detail at the board meeting. He said he and **Mirhosseyeni** had made notes of board comments regarding the format and information presented, to improve the reporting for future quarterly reports. The current report is for the first two quarters of the current fiscal year and is the same type of information as was presented with the first report. He said, unless the board had questions or comments, he did not intend to discuss it in detail. Board members did not ask questions about the report.

4. APPOINTMENT OF AT-LARGE (SPRINGFIELD) BOARD MEMBER: *(Note: As an at-large member, Forge could not vote on this appointment.)*

MOTION NUMBER ONE: Monk MOVED appointment of Barbara Allen to the At-Large board position representing the Springfield area. Ortiz SECONDED THE MOTION.

Discussion of Motion Number One. **Monk** said he had expressed at the January meeting his reasons for supporting **Allen**, and he would not take additional time at this meeting to reiterate that.

Ralston said he was perfectly satisfied with a couple of the applicants interviewed at the January meeting. He reiterated his statement at the January meeting, that in his opinion **Allen** is too much of an activist for him to support for appointment to this board.

VOTE ON MOTION NUMBER ONE: THE MOTION FAILED ON A VOTE OF FOUR (Johnson/Lucas/Monk/Ortiz) IN FAVOR AND THREE (Fortune/Ralston/Stewart) OPPOSED.

MOTION NUMBER TWO: Ralston MOVED reappointment of Bill Carpenter to the At-Large board position representing the Springfield area. Stewart SECONDED THE MOTION.

Discussion of Motion Number Two. **Ortiz** said that, while **Carpenter** has done a good job on the board, and she appreciated his efforts as 2009 chair, she feels that it is always good to try to bring other people in and encourage the rest of the community to get involved on boards and committees. For that reason she said she would not support reappointing **Carpenter**.

Fortune said he would continue to support reappointment of **Bill Carpenter** because **Carpenter** has served the board well and has the knowledge to provide continued support of the goals of LRAPA.

VOTE ON MOTION NUMBER TWO: THE MOTION FAILED ON A VOTE OF FOUR (Fortune/Lucas/Ralston/Stewart) IN FAVOR AND THREE (Johnson/Monk/Ortiz) OPPOSED.

MOTION NUMBER THREE: Stewart MOVED appointment of Bill Brommelsiek to the At-Large board position representing the Springfield Area. Ralston SECONDED THE MOTION.

VOTE ON MOTION NUMBER THREE: THE MOTION PASSED BY A VOTE OF SIX (Fortune/Johnson/Lucas/Ortiz/Ralston/Stewart) IN FAVOR AND ONE (Monk) OPPOSED..

Before moving on to the next agenda item, **Stewart** told **Carpenter** he was sorry he could not be at this meeting to say, in person, that he really appreciated being able to work with **Carpenter** and getting to know him, and appreciated his service to LRAPA and Lane County. He said he believes **Carpenter** has done an excellent job in his service to the LRAPA board, and he wanted to thank him for that. **Fortune, Monk** and **Ralston** also expressed their thanks to **Carpenter** for his service on the board.

5. ELECTION OF CHAIR AND VICE-CHAIR FOR 2010:

A. 2010 Chair. **Ralston NOMINATED Fortune to serve as chair for 2010. Ortiz SECONDED THE NOMINATION. There were no further nominations. FORTUNE WAS ELECTED TO THE OFFICE OF CHAIR FOR 2010, BY A VOTE OF EIGHT IN FAVOR AND ONE (Brommelsiek) ABSTENTION.**

B. 2010 Vice-Chair. **Johnson NOMINATED Monk to serve as chair for 2010. Ortiz SECONDED THE NOMINATION. Monk** said next year will be his last year on the LRAPA board, as his second term will expire at the end of 2011. He said he would enjoy serving as chair again before leaving the board.

Stewart NOMINATED Johnson to serve as vice-chair for 2010. Ortiz SECONDED THE NOMINATION. Stewart said it is appropriate for Eugene to be up next to serve as chair, and he would like to give the opportunity to someone who has not yet served as an officer. **Johnson** thanked **Stewart** for the nod, but said this is his last term as a Eugene appointee, and it will expire in October of this year. He added that he thinks his attendance during the rest of this year might be a little spotty. He respectfully declined the nomination.

There were no further nominations.

VOTE ON NOMINATION OF MONK TO SERVE AS VICE-CHAIR IN 2010: MONK WAS ELECTED TO THE OFFICE OF VICE-CHAIR FOR 2010, BY A VOTE OF EIGHT IN FAVOR TO ONE (Brommelsiek) ABSTENTION.

6. DIRECTOR'S REPORT: **Hough** reviewed a few of the items in the written report.
 - A. Portland Air Toxics Solutions Effort. **Hough** reported that the Portland Air Toxics Solutions effort has been in a holding pattern for the last several months, but the group will begin meeting again soon.
 - B. LRAPA's Second Air Toxics Monitoring Site. **Hough** reported that the air toxics monitoring station in West Eugene is up and ready to go. He said he had not yet heard whether the first samples had been collected following completion of quality assurance checks on the canisters by the DEQ laboratory. He said particulate matter information has been collected from the site as of late January, and staff looks forward to having the first-year data from the site to compare with the existing air toxics monitoring site in South Eugene. **Hough** added that the city of Eugene has been very cooperative in the agreement for locating the monitor in the park, and EWEB was also very cooperative in getting power installed in a timely manner.
 - C. Enforcement.
 - (1) Smoke from Lube It USA. **Monk** asked what the smoke was from Lube It USA in South Eugene. **Markos** responded that they have a permit to burn used motor oil in a heating unit in the shop, and there was a problem with the burner which needed to be adjusted for it to operate without smoking. **Monk** asked why they are allowed to burn oil, and **Markos** said it is burned both to dispose of it and for heat. **Johnson** added that this is a common practice and that almost all oil shops have permits to burn used oil through space heaters. **Johnson** said they are usually clean-burning. He said he had seen the smoke from Lube It USA facility and wondered about it, but he has seen them burn with no visible emissions.
 - (2) Odor from J. H. Baxter Facility in West Eugene. **Ortiz** noted that there has been a flurry of conversation going around the west side of Eugene, regarding J. H. Baxter. She said she believes the facility is doing a better job of controlling odors from its processes, but there are a lot of people who don't know where to go for help with the odor situation. She asked if LRAPA should be doing some outreach to remind people that LRAPA is the agency that will take their complaints. **Hough** said the agency's complaint process would be discussed in more detail during the following agenda item.
 - (3) Refunded Portions of Civil Penalties. **Monk** noted several cases in the enforcement report where a portion of the civil penalty was refunded after it had been paid to the agency. He asked why that was done. **Hough** said there have been a few refunds. In some cases, it is based on a request for a reduced penalty amount. The case **Monk** referred to, specifically, was where someone who had violated the same rule had requested and gotten a reduced penalty. This person had simply paid the penalty and acknowledged responsibility, and staff decided, for the sake of goodwill and consistency, to refund the same portion of that person's penalty as had been refunded to the person who requested the reduced amount.
7. INFORMATION ITEM-LRAPA COMPLAINT RESPONSE PROGRAM: **Hough** said complaint response is a key part of LRAPA's service goal to the community and also supports the agency's air quality,

involvement, and partnership goals. He said there are several key people who are responsible for complaint response. It is helpful to have members of the community contacting the agency to let staff know about air quality situations of which we might not otherwise be aware. **Hough** said he has been very impressed with LRAPA's complaint response program and believes it is the best program of its kind in the state. He said he thought this would be a good time for the board to hear more about the program, given the recent e-mail string regarding J.H. Baxter which has involved several board members and some local officials, to which **Ortiz** had referred earlier, and to involve the entire community and make people aware of the best way to participate in the complaint program.

Hough referred to the complaint information that is included in the agency's annual reports, stating that the number of complaints fluctuates from year to year. There are, however, some predictable categories that will likely generate high number of complaints, such as field burning and some individual industrial facilities such as J. H. Baxter in West Eugene and the Monaco Coach facility in Coburg. Another source that generates high number of complaints is open burning, for which complaints have been pretty steadily increasing over the years. There are over a thousand complaints received by LRAPA each year, most of which involve direct staff work. The one exception to that is field burning, for which the agency takes complaints but forwards them to the Oregon Department of Agriculture because that is the agency responsible for that program.

Markos reported that, over the last nine months, LRAPA has had its website totally redesigned. The project went over budget, and the updates have been done slowly, as funding has allowed. The new design was completed and all the information from the old site integrated into the new site. One of the projects that has had to wait is the complaint page, which is a dedicated page for complaints, where people can fill out an e-mail form and sent it to a new e-mail address at LRAPA, complaints@lrapa.org. The complaints will go to selected staff members for investigation and response. **Markos** said she is also working on getting information about the program into neighborhood newsletters in the city of Eugene, because that is the easiest way to get through to people. She said it has been suggested that LRAPA send out postcards or newsletters to all Lane County residents; however, such a mailing would be extremely expensive and beyond LRAPA's available budget.

Ortiz asked how staff plans to get the information to people outside of Eugene, and **Markos** said there are several rural newspapers which LRAPA has used to advertise board positions. Those can be used to get information about the complaint program out to rural residents. She said she will also look for other venues in the outlying areas. **Ralston** said he does not believe Springfield has neighborhood associations and newspapers like Eugene done, but he will ask about that.

Hough described the complaint program in more detail. He said when a person calls in a complaint during business hours, the receptionist will fill out a complaint form and forward it to the appropriate staff person for investigation and response. He said the more detailed information a complainant gives staff, the better able they are to determine the cause of the problems and what can be done about it. One of the most critical pieces of information is contact information—the complainant's name and telephone number. That way, if the investigator gets to the location and is unable to detect the problem, there is a way to contact the complainant to get additional information. It is very frustrating for staff when we don't get enough information from the caller to be able to investigate the situation as fully as we like to do.

Johnson asked if the new complaint page on the website will enable staff to track locations to help identify clusters of complaints, or areas where outreach and enforcement should be focused. **Hough** responded that staff already does some sorting by areas. For example, at the end of a field burning season, staff generates a report of all the complaints received for that season, with breakdown not only by date but also the areas of

Lane County from which the complaints came. **Markos** described the process she follows in tracking down a complaint source, giving an example of a complaint she had received the previous day from a man who smelled tar. She went to the agency website to the data graphing page to get the wind direction and wind speed, and then drew a line from the complainant's address in the direction from which the wind was coming at the time of the complaint. The line went right through an asphalt plant. **Markos** said she gave the complainant the information, and he was very pleased to know what the source was. The wind had shifted, and the odor was gone. The source of another complaint turned out to be a combination of sources—the Halsey mill and Lane Forest Products' composting facility in Eugene. Staff sees patterns and tracks those patterns so that we know where the problem areas are. Then the next step can be taken, and LRAPA can educate people about what is going on in their neighborhoods. **Markos** said once she determines the source of the problem, she turns the information over to the field staff for follow-up and possible enforcement action.

Forge asked why there is such a large deviation between years in the numbers of open burning complaints, noting that they went from 169 in 2006 to 390 in 2007 and 293 in 2008. **Hough** responded that the numbers of complaints were pretty steadily increasing over the previous decade. The number of burn days each year has probably been pretty consistent from year to year. There were some changes implemented as part of the open burning rule amendments the board adopted a couple of years ago, such as not allowing open burning in the Eugene-Springfield Urban Growth Boundary during the period between November 1 and the end of February.

Monk said he has always been impressed with LRAPA's complaint response and agreed with **Hough's** statement that LRAPA complaint response program is better than what DEQ is able to do in the rest of the state. He commented that it is very labor intensive and asked if the funding for that program comes from the dues paid to the agency by the local government participants. **Hough** responded that most of it would come from the General Fund but some comes from other funds. For instance, if the source is industrial, it would be appropriate to charge that to either the Title V permit fees or to ACDP fees. **Monk** said the reason he asked was because he had made a recommendation during the open burning rulemaking that the agency consider charging a fee for open burning, as a means of discouraging people from burning those materials and encouraging them to take advantage of the businesses that are recycling the material. He said he still thinks that is a reasonable conversation for the board to have, to see about cutting down on open burning as a means of disposal. **Monk** said it would be an opportunity to try to create private/public partnerships with some of the local businesses.

Johnson agreed and added that he would imagine that a lot of the complaints LRAPA receives are about burning that is allowed under LRAPA's rules. Charging a fee to do open burning would be a way to offset the costs of responding to complaints and doing public education and outreach to people. He agreed that charging a fee for open burning would give LRAPA the mechanism to work with business partners who do recycling and chipping. He said the current program seems to be a drain on the agency's resources.

Fortune asked how many people are responsible for the complaint response, and **Hough** explained that **Markos** handles home wood heating and general complaints, and **Tom Freeman** and **John Morrissey** handle industrial complaints and other types of complaints. **Freeman** and **Morrissey** do a lot of routine industrial inspections, totally independent of complaint response, which are key parts of the agency's compliance assurance program for industries that are permitted by LRAPA. All three do a lot more than complaint response, but complaint response is a part of each of those jobs. **Fortune** noted that a thousand complaints per year would mean that these three people are handling nearly a hundred complaints every month, and he wondered how much of a drain that is on their time. **Hough** explained that **Freeman** and

Morrissey are out in the field a lot of the time on inspections; and they take the complaint information and follow up in the field, or by phone, as they can work it around their other scheduled work.

8. ADVISORY COMMITTEE:

- A. Committee Activity Report. **Koenig** was delayed in arriving at today's meeting, and **Markos** began reporting on the committee's activities during the previous month. She said they had continued their discussion of the enforcement rules, going into more detail regarding the concept of Expedited Enforcement Offers (EEO). Committee members had a lot of questions which were answered by staff members **Freeman** and **Morrissey**. **Koenig** arrived and added that the committee had voted unanimously to approve the principle of EEO but want to have further discussions because it is felt that some guidance should be established before the concept is adopted into the rules.

Johnson asked why DEQ put EEO forward and asked if staff knew why they developed this program. **Hough** said it was meant to streamline the enforcement program. For certain types of violations, the inspector in the field can cite someone and indicate that if they cooperate with the EEP, they could send a check for the prescribed fine within 30 days and close the enforcement action. It would be much less complicated than going through multiple steps of issuing them a Notice of Violation in the field, then issuing a letter assessing a civil penalty, and giving them the three options (to respond by paying the penalty, contesting the case, or acknowledging the violation and asking for a settlement at a reduced amount). **Hough** explained DEQ started the program when he was still working for that agency in the underground tanks program. DEQ staff had to inspect two to three thousand tanks in a three-year period, and the EEO program was intended to streamline the program so that they could identify the violations, identify corrections needed, get the penalties paid, and then move on and not overload the entire enforcement system. It worked well for that program, and the EQC then adopted a framework that allows DEQ to use it in other programs. **Hough** said DEQ has not yet done that in other programs. If LRAPA adopts EEO, staff would do what DEQ would need to do for air quality, which would be to identify the guidance, which violations it would be applicable to, and how it would work for that particular program. Before EEO could actually be implemented, the guidance would need to be in place so that some of the enforcement decisions could be dropped down to field staff to resolve the violations in the field. The guidance would need to be clear enough for the agency to have clear confidence that EEO is being applied consistently, even with multiple inspectors involved. **Hough** added that, if a respondent did not agree to EEO, the case would follow the existing process.

- B. Committee Appointments. Several committee members' terms had expired or were about to expire, and three of them (**Russ Ayers**, **Hugh Larkin** and **Amy Peccia**) had applied for reappointment. **Koenig** commented that that the three people who had applied for reappointment have been very valued members of the committee, and they have a great depth of experience. He said the committee would like to see them all reappointed, if that was what the board would like to do.

Fortune asked if the board wished to advertise the positions and have the committee members who have applied for reappointment compete with new applicants, or reappoint them at this meeting. He pointed out that **Russ Ayers** had retired from industry and was reapplying for appointment as a member of the general public.

MOTION: Ralston MOVED reappointment of Larkin and Peccia and appointment of Ayers to represent the general public. Ortiz SECONDED THE MOTION.

Discussion. **Ortiz** asked how LRAPA would go about getting an industrial representative, if **Ayers** were to represent the general public. **Hough** replied that the statute requires only that one members of the committee represent industry. The committee currently has Amy Peccia (if she were reappointed) who represents major (Title V) industry and **Diana Bollenbaugh** who represents smaller (ACDP) industry. The board could appoint an additional industrial representative if they chose to do so, but the statutory requirements would be met even with the current membership.

Monk said he supported the motion but did have a little problem with **Ayers** being appointed to represent the general public, because he was a long-time employee of International Paper. **Monk** said his hope is that the general public brings more of the neighborhood voice of people who have not been engaged in the kind of work **Ayers** has done. **Monk** said **Ayers** has served the committee well, and he did not oppose reappointing him; but he did have a problem with his representing the general public.

Monk also said that he thinks it would be good for the board to look at LRAPA's advisory committee and look at how DEQ uses its advisory committee. He said LRAPA may need more public health professionals on the committee so that the agency can seek advice from people who have the kind of skill set that will help LRAPA determine whether the data LRAPA gets from its air toxics monitor should be of concern for LRAPA, since it is in many cases many times over what DEQ has determined to be a safe exposure level. **Brommelsiek** pointed out that there is a physician on the committee, and **Monk** agreed, stating that he believes that is all the statute requires.

Ralston noted that if all three members were reappointed, the committee would total 14 people. He asked what the maximum allowed would be, and **Monk** said 15 would be allowed. **Ralston** said he understands **Monk's** point about **Ayers** serving as a representative of the general public. He said he did not know if it would be possible, but he would not have a problem reappointing **Ayers** to continue to represent industry, even though he is retired, because that is where his experience and expertise are. There would still be one position available for a general public appointee if a good candidate were to apply.

Johnson said he would support the motion. He said **Ayers** undoubtedly has a level of technical expertise that will be helpful to the work of the committee. **Johnson** agreed with **Monk**, that the board should look at the configuration of the committee and at how LRAPA uses the committee. At some point, the board might want to think about having different advisory committees to do different things—to handle different focused projects and tap into the community expertise that's available. **Johnson** also questioned why **Chuck Gottfried**, a former LRAPA employee who now works for the city of Springfield, was appointed to represent agricultural interests.

Ortiz said she liked the conversation and appreciated **Ralston's** suggestion to leave **Ayers** as an industry representative, because of his level of expertise. **Ortiz** commented that the committee currently has eight members from Eugene, four from Springfield, and one, each, from Lowell and Veneta. She said she would like to see more people from the outlying areas on the committee because a broader base is better than a narrower one.

RESTATED MOTION: Ralston RESTATED HIS MOTION, to reappoint Larkin and Peccia and appoint Ayers to represent industry rather than the general public position for which he applied, thus freeing up another general public position for new applicants. Ortiz AGREED TO THE RESTATED MOTION.

Discussion of Motion. **Brommelsiek** asked if anyone else had applied for these appointments. **Markos** responded that notice was not published regarding these positions. She said notice was put out last spring, and a number of people applied at that time. There were also some applications on hand from a previous notice period. **Markos** said she contacted people last year who had applied previously but were not appointed at that time, and asked them if they wanted to reapply. Those individuals did reapply, and two of them were appointed to the committee. **Markos** added that, as part of the last recruitment effort, she had placed ads in all of the rural newspapers, for someone to represent agricultural interests, but no applications were received.

Markos said that **Larkin** and **Peccia** were both applying to be reappointed for a second term (eligible for automatic reappointment under board's policy), and **Ayers** has served several terms.

Forge commented that he had had the good fortune to serve for a year with all three of the people who had applied for reappointment, and he liked the idea of reappointing **Ayers** to represent industry because of his expertise in industry and because he also has the background of being the chair of the committee for several years. He said he fully supported reappointment of all three people.

VOTE ON RESTATED MOTION: THE MOTION PASSED BY UNANIMOUS VOTE and Ayers, Larkin and Peccia were all appointed to new three-year terms on the LRAPA Advisory Committee, Ayers and Peccia both representing industry and Larkin representing the general public.

9. INFORMATION ITEM—CASCADE SIERRA SOLUTIONS: **Sharon Banks**, the CEO of Cascade Sierra Solutions (CSS), was present at this meeting to describe CSS and its accomplishments to the board.

Background and Status of CSS. **Banks** said CSS was started at LRAPA, growing out of Everybody Wins, a program which was started to upgrade tractor-trailer trucks with fuel-saving technology. In 2005 LRAPA was contacted by one of the air quality control districts in California, asking they would have to do to have a program like LRAPA's in their district in California. The program continued to grow, and as more and more agencies indicated a desire to be involved, it became clear that it would be too big to handle from inside LRAPA. CSS was formed as a separate non-profit, to expand the program to include Oregon, California and Washington. **Banks** said the emphasis is still primarily on the West Coast; however, CSS now has projects in 22 different states, as well as projects in different countries around the world. For example, **Banks** said, CSS has upgraded 80 garbage trucks in Guangzhou Province in southern China in the past few months.

CSS has private and public partners, all working together to save fuel, improve air quality, and slow climate change. Its efforts are totally focused on heavy-duty diesel engines. They identify, promote and finance technology to save fuel and reduce pollution from trucks under a very broad mission which requires a lot of funding and a lot of work.

Banks said one of the purposes of the outreach centers is, first, to break down the awareness barrier by letting people know how to save fuel and reduce emissions, what products are available and where they can get them, and what the cost will be. **Banks** said CSS goes after whatever funding is available, and it could be from private sources, or foundations or federal agencies such as USEPA, USDOE or Federal Highways. The trucking industry has been heavily impacted by the economic downturn, and access to capital to make the necessary upgrades is extremely difficult to get. In response to that need, CSS is working on several large financing programs and also helping truck owners to get government help to pay for the upgrades. **Banks** explained that getting access to capital for after-market upgrades is especially difficult now, because those

trucks are probably already financed, and they need to get a second mortgage on the truck which is subordinated to the first mortgage. Not many banks are willing to do that. CSS takes applications for grants and loans and financing and submits them for the customers.

Banks said CSS has five basic strategies to accomplish its mission:

- (1) Implement the EPA SmartWay upgrades on trucks. The “poster child” for this strategy has increased its miles per gallon from 5.8 to 8.2 , getting return on its capital investment in just two years. That company is used by CSS to demonstrate how much can be saved if all the upgrades are made to the equipment.
- (2) Provide affordable trucks that are already upgraded. Most of these trucks are available, so far, in Seattle and the ports in California, and some will be available in Oregon soon.
- (3) Promote brand-new EPA-certified tractors and trailers which are already designed to be more fuel efficient and come standard with a diesel particulate filter.
- (4) Promote alternative-fuel vehicles. Part of the CSS fleet in California is fueled by liquid natural gas (LNG), and the CSS fleet includes the very first LNG trucks built by Kenworth.
- (5) Promote cleaner and renewable fuels.

CSS has a ten-member board with both the private and public sectors represented. In addition, CSS has about twenty people on an advisory team and fifteen technical advisors who look at products and decide whether CSS should promote them in the CSS showroom centers along the I-5 Corridor.

Banks said CSS has a lot of key partners, the most important of which is EPA. EPA has provided significant funding for projects along the I-5 Corridor. In addition the Department of Energy has provided a grant to CSS to do a truck stop electrification project. **Ralston** asked who will pay for the electricity at the electrified truck stops, and Banks said the drivers will pay about a dollar per hour for plugging into a hookup that is like an RV hookup. That amount is much less than having to pay for the fuel to keep the main engine running during the driver’s down time.

Federal Highways has granted CMAC funding in quite a few different areas along the I-5 Corridor. Other key partners include the manufacturers, truck original equipment manufacturers, and the American Trucking Association. There are also more and more banking partners as CSS builds and tries to help people get financing for these projects. **Banks** said Umpqua Bank was the first in Oregon to provide capital for CSS, and the non-profit now has an \$8-million line with them—quite a feat for a company as young as CSS. Other banking institutions which have provided capital for CSS projects include ShoreBank Pacific, Superior Finance Group, Bank of the West, Navister Global, Volvo, GE Capital and government loan providers.

Banks said the work CSS does is important because it works to protect the environment and human health, but also because it helps small businesses become more sustainable and more efficient in their operations. She said there are rules coming down in California that will require many of the products that CSS provides, such as diesel particulate filters, certain tires, trailer skirts, and gap fairings. CSS does outreach to help owners and operators of trucks to understand various regulations to which they are subject and what they need to do to comply by the deadlines imposed by those regulations. If the owner of a truck does not have

the money to put on the required equipment, and no one will give him the financing for it, he won't be able to meet the requirements of the new regulations, and his livelihood will be in jeopardy. CSS tries to fill that gap without putting its own money at risk. **Banks** said there are a lot of small minority businesses that cannot afford the upgrades and who do not use much credit and so cannot get financing. CSS is working constantly to raise funds for its revolving loan fund, which helps them get access to capital.

CSS is looking to help save about 5,000 gallons of fuel a year for one long-haul truck. For a whole fleet, that translates into substantial amounts of fuel saved.

CSS has about \$5-million-worth of applications right now for exhaust retrofits which will reduce particulates from the exhaust pipe by about 85 percent. The retrofits are diesel particulate filters or diesel exhaust catalysts. **Hough** asked what is the motivation for the truck driver or owner to install that equipment, and **Banks** said it is different in different areas. In Seattle the program is voluntary, and there is a grant to help pay for it. Those truck owners only have to pay for the installation. In Seattle, if the exhaust retrofits (Level II) are put on now, the truck is grandfathered in so that they will not be required to put on a more expensive Level III device later. In California, it is about compliance with the new laws which are going into effect. If they don't comply with the laws, they will likely have to move out of state, many to Oregon where they aren't required to have that equipment. **Forge** asked of those same requirements will go into effect in Oregon, and **Banks** said she does not think so because Oregon lacks the public will and the air quality issues present in California which triggered their more stringent laws.

Ortiz asked if California's laws will apply to trucks that belong to people who don't live in the U. S. **Banks** said there is a twenty-mile zone between Mexico and the U. S. where trailers are transferred between the two countries, where the laws likely will not apply. But everyone else who drives the heavy-duty diesel trucks in California must comply. **Banks** said CSS is helping a lot of small minority businesses in California to get the necessary equipment.

Banks said CSS has a number of new Kenworth trucks fueled by Liquid Natural Gas as part of the fleet which it leases to drivers. The LNG trucks are part of CSS's GreenLease program, and funding was granted by the Port of LA to pay for those trucks. **Johnson** asked if LNG is only available in California, and **Banks** said it is at present, mostly in the LA Basin, and that Houston has some of it. It is very expensive to get the infrastructure in place, and the trucks are very clean but very expensive. She said at present it is difficult to make that program go because it is too expensive without large subsidies. She supports it as an alternative fuel, but the cost has to come down before it will be a viable alternative. **Banks** stressed that it must work for business, or it won't work at all.

CSS has a DOE grant for which trucking companies in Lane County will be eligible. There will be a \$6,200 rebate on one of the electric refrigeration units that can plug into the grid, using the electrification at the truck stops. There will also be a \$2,000 to \$2,500 rebate on an Auxiliary Power Unit. All of the upgrades under this particular grant from DOE must be able to plug into the electrification network that will be put in the ground in the truck stops. **Ralston** asked if there will be a charge for that, and **Banks** said they just need to be able to plug into the grid to use the network that DOE is paying for. It is like an RV that you can hook up to the grid. There will also be a \$4,000 rebate for cold plates for refrigeration trucks, where you plug the whole trailer in and it makes a block of ice in the floor to keep the load cold. It uses electricity rather than diesel power.

Ralston commented that inverters are available that hook into the battery and can furnish any kind of voltage that's needed. **Banks** said the refrigeration units draw too much power for an inverter. Most of the trucks now do have inverters which they use to operate "hotel" needs such as their stereos, laptops, and other appliances.

Another part of the DOE grant will furnish "safe connection" upgrades on trucks. There is enough in the grant to provide about 1,500 of those, at no cost to the customer. The safe connection ensure that the truck can plug into the grid at an electrified truck stop without worrying about the safety to the vehicle or any of its systems.

In response to questions, **Banks** said the electrification is starting in California because the California Energy Commission is stepping up to provide the 50 percent match required by the DOE grant. About 20 stops will likely be done in California, and then some will probably be done in Oregon. In Oregon, CSS can use the Business Energy Tax Credit, and perhaps another grant, here and there, for the match.

CSS has applied for thirty more grants from EPA and, if those grants are awarded, the money will go for truck replacement rebates. An upgrade to a 2004 to 2006 model-year engine will get a \$5,000 cash rebate. An upgrade to a 2007 model that has a diesel particulate filter will get \$7,500. An upgrade to a 2010 engine, which has the NO_x controls and SCR (selective catalytic reduction) technology will get \$10,000 cash rebate. If the grants are approved, this will be nationwide, depending on which regions grant the funds and which do not. CSS has also applied for \$12-million more toward the SmartWay equipment financing program which it has in place now.

Ralston asked if the money is just to replace the engine or for a new truck, and **Banks** said it could be for both. **Ralston** said it seems like so much energy is used to create a new truck, that a lot of money could be saved by just replacing the engines. **Banks** said CSS thought that, too, originally; however, the engine holes on the older trucks are too small to accommodate and 2007 or 2010 engines. The cost to modify the existing truck in order to accommodate the new engine would be \$75,000, and they decided it would be better in those cases just to buy a whole new truck. Consequently, CSS is pretty much sticking with truck replacements.

Banks said another program CSS has right now is to put some of the people who did not get grants into a 2006 model year truck without a retrofit, on a three-year payment plan, with the intent of rolling them into a 2008 in three years. The 2006 model cuts the emissions in half, even without the retrofit because the engines were designed so much better. There were three or four regulatory requirements on the production of the engine, by 2004. By trading from 1980s or 1990s model years to a 2006 model, the air pollution is still cut in half.

Johnson asked how CSS decides who gets the grants—if they use some kind of economic criteria to help the smaller, independent operators first. **Banks** said there are different criteria. For instance, when CSS applies to the California Air Resources Board for these grants, CARB calculates how much pollution reduction there will be per dollar spent and awards the grants on that basis. That process tends to favor small businesses because they're the ones with the older, dirtier trucks that run a lot of miles, and they can't afford anything better. She said that tends to work really well.

Fortune asked if all new trucks, currently coming off the line, have all the new technology she described, and she said not everything does. They have emission controls, but they don't necessarily have an APU. **Banks** said trailers are the biggest challenge, because the trailer is not necessarily owned by the person who

owns the truck. If the owner of the trailer puts aerodynamic equipment on the trailer, the truck driver is the one who gets the benefit of that.

Fortune asked if there is any legislation regarding resale of old trucks, through dealers, and **Banks** said there is not in Oregon. In California, pretty much all of those old trucks are worthless because they won't comply with the new laws. CSS is helping to put as many as possible in the scrap yards. The Port of Seattle has given CSS a "Cash for Klunkers" kind of program which has been highly successful. CSS just got a contract in November of 2009 and has already scrapped 70 trucks. Those highly polluting 1980s and 1990s vintage trucks have been dismantled and are gone.

Johnson asked what the consequences of those programs are for Oregon, if Oregon does not have the same programs. He wondered if Oregon will become the dumping ground for pre-94 trucks. **Banks** said she does not know about that. She said some of the drivers CSS has been working with in California have moved out of California, and she does not know where they are going, but they are moving the pollution to other states. She said she would love to see some kind of national program to prevent that from happening, but there also need to be solutions and financing to offer those individuals so that they don't lose their livelihood.

Fortune said that all too often it is the small driver that subsidizes the bigger outfits because of the cost of fuel and the price of tires and the price of newer vehicles. The purchasing power of the bigger outfits allows them to purchase those items at discounted rates, whereas the small business has to pay full price. **Banks** said some of the big fleets are helping by letting CSS buy trucks directly from them when they are ready to turn over, and that saves a lot of money. In the past year, some of the big fleets have down-sized, and CSS was able to get some of those \$130,000 valued tractors that were less than a year old for \$75,000. She said CSS did 150 of those last month. **Banks** added that the State of California changed their legislation to allow CSS to participate in a California program, so that when CSS helps a small business get a loan, the state gives CSS a loan guarantee for 14 percent of the value of that loan. **Banks** said she does not think CSS will need that money because they have experienced less than one percent default; but it does help CSS get the banks on board because they know CSS has this cash account set aside for people who don't pay the loans.

Banks commented that, even though it seems like CSS is taking in lots and lots of money, all of it is dedicated for the work CSS does and not to pay staff. CSS is always scrambling to be sure there is enough money to pay the staff and make sure there are enough people to do the work and keep the mission moving forward. She described some of the additional funding CSS has secured:

- California has also awarded about \$700,000 from its Assembly Bill 118 Fund, which is to help with financing.
- Oregon has engine tax credits and retrofit tax credits which help. Originally the retrofit tax credit could only go to trucking companies that operated 50 percent of their miles in Oregon; and that was hard for long-haul trucking companies to meet. But that requirement is going to sunset after three years, and **Banks** said she is hoping to be able to use the retrofit tax credit for trucks which are Oregon based, with Oregon plates.
- CSS got a \$2.5-million grant from CMAC to put retrofits on trucks in the Puget Sound region, and that has been very successful.
- Business Energy Tax Credits are also used for a portion of the CSS projects.
- The Proposition 1B Program in California has granted about \$32-million this year for small businesses.

Banks also described some of the progress CSS has made on its mission. She said people can go to the CSS website and click on “Progress Report,” to see updated and current information.

- Over 800 trucks have been replaced. Over 150 a month between now and May need to get done because they’re operating right now on an extension from the State of California, contingent upon truck replacements.
- About 8-million gallons of fuel have been saved. Right now, the changes made through CSS are saving about 13,000 gallons of diesel fuel every day.
- Emissions reductions include 44 tons of NO_x, 127 tons of PM, 80,000 tons of CO₂ (year-to-date).

Reimbursement of Funds to LRAPA. **Monk** thanked **Banks** for attending the board meeting and updating the board on CSS’s activities. He reminded **Banks** of the conversation the board had when Everybody Wins was expanding, regarding whether or not it should remain within LRAPA. He said he assumed the reason **Hough** had invited her to come to the board meeting was to have a discussion about the starting of CSS and the financing it received from LRAPA in the beginning. **Monk** said he believed it was a unanimous board decision that whatever public monies were utilized from LRAPA to help get CSS started would be reimbursed to the agency. He said that has not necessarily taken place.

He noted that CSS received some passthrough from the ethanol distribution each month. **Hough** responded that CSS has been doing most of the work on that. **Monk** asked why LRAPA is receiving \$28,000—whether it is a reimbursement for the money used to start CSS. **Hough** said he and **Mirhosseyani** had met with **Banks** to look at who would be doing which work on the project, and there was a regular monthly base amount split between LRAPA and CSS. He said he believes LRAPA got the bigger chunk of that monthly amount. In addition, there was an hourly rate for the estimated hours to accomplish the work that was being done, primarily by CSS—and those two amounts were put together into a split that is not exactly 50:50. **Monk** asked if that split has any relationship to what he referred as a debt CSS owes to LRAPA. **Monk** stressed that he believes this is a board decision, not a staff decision. He said he did not think there was ever anything besides Everybody Wins that was going to help with establishing CSS, and there were no line items in the agency’s budget.

Banks said the costs **Monk** referred to were about \$14,000 or \$16,000, and **Hough** agreed. **Banks** said a lot of the costs were incurred in consulting with agency attorneys about what to do with the expanded Everybody Wins that had grown out of the original Everybody Wins Phases I and II. At the time those costs were incurred, CSS did not yet exist, and LRAPA staff were trying to figure out how to separate Everybody Wins Phase III from LRAPA. **Banks** said if CSS had existed then, she could have used the services of the two attorneys who are on the CSS board, and the costs would have been far less than using LRAPA’s attorneys. She said she did not understand, at the time, that those charges would be charged back to the new entity.

Monk said, from what **Banks** had just said, it sounded like there is a difference of opinion regarding whether it is CSS’s responsibility to reimburse LRAPA for legal fees incurred to assess whether to keep Everybody Wins Phase III in-house or split it off to a separate non-profit.

Banks responded that she had offered to take Everybody Wins with her, but that did not happen. She had to recreate that program after CSS was formed. She said there were some website costs for Everybody Wins Phase II, but CSS never used that site. CSS has its own website, the setup of which was paid for by the Washington Department of Ecology. **Banks** said if the board wished to put together a proposal for

reimbursement, she could bring it to the CSS board. **Banks** reminded the board that LRAPA has an ex-officio seat on the CSS board which guarantees that LRAPA will always be a member of the CSS board. None of the other partners has that.

Johnson said the board had recently received a legal opinion about how public funds are used, and what happens if there is a private benefit. He asked if CSS is a private non-profit. **Banks** responded that CSS is a public benefit corporation and a non-profit. **Johnson** said it is privately controlled, and **Banks** said it is controlled by its board of directors. She said no one profits from CSS. All of the money goes back into the mission. If CSS is lucky enough to have some excess money, it gets reinvested into the mission. **Banks** said her vision is to grow CSS's revolving loan fund to a much bigger pool, to be able to do more trucks and to be able to help more people

Hough said when he scheduled this discussion for today's board meeting, he tried to separate the two issues: to give the board a pretty good understanding of what CSS is and what it is doing; and then to schedule a later discussion and decision regarding whether or CSS is to reimburse any funds to LRAPA. **Hough** said he has some other ideas he'd like to discuss with the board at its March meeting, before any decision is made. He'd like to provide a historical review to clarify some of the points where there have been different details and remembering exactly what the understandings were along the way.

Monk said he would like to take that up at a later date. He said he thinks he is not alone in believing that there was a bit of a stand-off at budget time last year, because some board members think it is their fiduciary responsibility to oversee the finances of LRAPA. For these types of decisions, the board should be fully informed of what staff is thinking. He said, until **Banks** had said her recollection was not the same as his, he never questioned that CSS owes that money to LRAPA. He said website development and legal costs were identified in board discussions as the principal costs to be reimbursed by CSS. He indicated he believed **Banks** was to bring a proposal to the LRAPA board. **Monk** added that he believes **Hough's** being on the CSS board puts him and the agency in a difficult position in a dispute over what **Monk** called "a very small amount of money."

Banks said she would not call it a dispute. She just thinks CSS and LRAPA need to look at it further. She repeated that the costs were incurred before CSS even existed—at a time when she was still planning to run Everybody Wins Phase III out of LRAPA. **Monk** said he had never heard **Hough** or **Mirhosseyini** indicate in any way that **Banks** had a different view of this situation than what **Monk** was hearing from them.

Hough said he wanted to be clear that there are no decisions being made without the board's knowledge. He said he has always intended that it would be up to the board to decide what to do about the costs that LRAPA had documented as related to the startup of CSS. Where there was a difference of opinion was how pressing an issue it was, time-wise. These dollars are relatively small, compared to some of the other issues the board and staff have been dealing with; and this has been pushed back in favor of other, more urgent issues. **Hough** said it was not staff's intention to forget about this issue, and it was always intended to be brought back to the board for a decision. **Hough** said it is staff's intent to bring this back to the board and frame it to allow the board to make the decision what to do with those documented costs. He said that is what he would like to bring back to the board at its March meeting.

Ortiz thanked **Banks** for coming to this meeting to provide information about CSS. She said she is glad to hear that LRAPA was a seed-bed for this kind of project because she believes it is positive, not only for Lane County and the whole West Coast, but for everyone. **Ortiz** said she was not opposed to discussing the

finances further, but she is not concerned about the amount of money in question. She said she will have an open mind about this subject and looks forward to continuing the conversation. **Ortiz** added that she does not believe **Hough** tried to hide anything from the board but does appreciate knowing what is happening. Other board members also thanked **Banks** for presenting the information.

10. RESPONSE TO OREGON TOXICS ALLIANCE REQUEST FOR CONTESTED CASE HEARING REGARDING PERMIT ISSUED TO SENECA SUSTAINABLE ENERGY: **Hough** explained that this agenda item was a follow-up to the legal advice given to the board during an executive session at the last board meeting. He said staff concluded that the appropriate action on this specific request would be to recommend that the board decline to initiate contested case proceedings. **Hough** added that the appropriate venue for a third party to appeal a permit issued by LRAPA would be the courts.

MOTION: Ralston MOVED that the board approve staff's recommendation to decline to initiate contested case proceedings, as requested by OTA. Stewart SECONDED THE MOTION.

Discussion of Motion. **Ortiz** noted that legal counsel had advised staff and the board, several times, that the LRAPA board is not the body that OTA should be petitioning for this action. She asked why the board needed to take any action on the request. **Hough** responded that by taking formal action, the board will close this subject by making it clear that it intends not to grant OTA's request in this matter. **Johnson** added that, if OTA were to go the courts and someone were to tell them should have gone to LRAPA, OTA could tell them that they did, in fact, exhaust its remedies with LRAPA. This board action would be proof of that. **Monk** reminded board members that the board ended the executive session at the January with an agreement to make this decision.

Forge asked if the board had not already voted on the request from OTA, and **Johnson** explained that OTA first requested a declaratory ruling, which the board voted in December to decline to do. The current action involves a second request for a contested case proceeding.

VOTE ON MOTION: THE MOTION PASSED BY UNANIMOUS VOTE.

11. INFORMATION AND DISCUSSION ITEM—APPOINTMENT OF BUDGET COMMITTEE MEMBERS: Four board members need to reappoint incumbent budget committee members or appoint new people to those positions prior to the beginning of the budget process in April. Those four include: **Forge, Monk, Ortiz** and **Ralston**.

Monk asked if his nominee must come from Eugene or can be from anywhere in Lane County. Staff responded that each board member must nominate a resident from within the jurisdiction which the board member represents on the board. **Monk** then passed along to **Ralston** an application from a **Martin Desmond** who had applied earlier to be on the board. **Desmond**, from Springfield, seemed to be well qualified for the budget committee, having a degree in accounting and having passed the CPA exam, and managing a \$3.5-million company. He suggested that **Ralston** contact **Desmond**.

ACTION: Ortiz NOMINATED Juan Carlos Valle to a three-year term on the LRAPA Budget Committee, representing Eugene. Monk SECONDED THE NOMINATION, AND VALLE WAS APPOINTED BY UNANIMOUS VOTE.

Forge, Monk and Ralston said they would work to have nominations at the March board meeting.

12. OLD BUSINESS

- A. Legislative Discussion–LRAPA Board Makeup.
- B. Board “Retreat” on Collaborative Approaches.

The two items under Old Business blended into the same discussion. At the beginning, **Monk** suggested that the board form a committee to determine what, if any, legislative changes might be needed regarding the makeup of the LRAPA board. The committee would work on the possibility of additional Lane County cities’ becoming directly involved in LRAPA, as well as fair representation between rural and urban interests.

Ortiz said she would hope the board would look at item B under this agenda item and have a larger conversation with more people than just board members, in a more informal arena than a regular board meeting. She said at times she feels board members have such differences that they tend to villainize each other, and there needs to be conversation where they can talk about what their concerns are and how they can work together better. **Ortiz** said board members are charged with a responsibility to the residents of Lane County, and they need to be able to work together to that end.

Johnson agreed with **Ortiz** and said he thinks the two issues under Old Business are tied together. He said working together to decide whether statutory changes should be recommended to the Legislature should also help with the board’s general manner of working together on a regular basis.

Stewart spoke to the subject as a citizen and not as a Lane County Commissioner, because the commissioners had not discussed the subject of LRAPA board makeup, and he could not speak to what Lane County would want to do. **Stewart** said he has some concerns regarding different aspects of the board’s composition. He said, even though he believes the full board should work together to resolve the board makeup issue, he supports the idea of a committee to develop some recommendations for the board to discuss and agree upon. **Stewart** said the board should explore all the options for membership in LRAPA and representation on the board, including the issues of regional representation and the equity in representation that is in place now. Another aspect he would like to see explored is whether or not different board makeup could generate increased fees to LRAPA, because LRAPA will need additional resources to operate in the future. Another suggestion **Stewart** made was to consider having the LRAPA board be elected by the citizens of Lane County, similar to a fire board or a water board. He also agreed that the two items under New Business this month are tied together, and resolving one issue could help with the other.

Monk agreed with what other board members had said and noted that the board has almost a whole year to come up with a proposal for reconfiguring the board. He said he would like to bring a lot of people in to join in conversations with the committee before the committee members sit down to develop a proposal for the board to discuss. He said he wants the committee to go out into the community to give everyone an opportunity to provide input into the process. He agreed that the current board has not been working well together, and it would be better if they could find a way to do that.

Ralston said he is elected to represent not only his constituents, but the businesses that operate in Springfield, and that is what he will do. He said board members may be disagreeing because there is a higher percentage of people on the board who have Eugene interests than rural Lane County or Springfield. **Ralston** said there are basically five different directions the board could go, including being an elected board, reducing the

number to a smaller board, adding more cities to have a larger board, keeping a nine-member board with the same representation, or having no agency at all. He agreed that there is almost a year to determine the best way to go; however, he said he has been hearing a lot of dissatisfaction with the way this board represents Lane County interests, and a lot of people would be just as happy to eliminate the agency altogether. **Ralston** commented that the non-elected appointees to this board have different responsibilities than the elected officials on the board. There are two Springfield representatives on the board, but they are outnumbered by the four from Eugene.

Johnson stated that the theory of negotiation and mediation is that each person has his position that they bring to the table. If the board had a well-facilitated conversation, they would likely find that there is actually a lot of common ground. For example, he said one of his favorite parts of the air pollution control work he did previously was helping businesses understand the regulations and figure out ways to comply with them. There is common ground there, but board members see the issues on the agenda and form positions and then vote against each other. He said he thinks that if the board takes the issue of board representation as an opportunity to work together to reach agreement, they would find some really interesting things. **Johnson** said everyone on the board wants a vibrant community, and they also want clean air. He said he hopes the board can find a good facilitator to help them move beyond their individual positions and find common ground; and he disagreed with the notion of the committee of a few board members.

Ortiz said she was hopeful, with what she was hearing board members say at this meeting, because she believes the board can move along and do the job they are expected to do. She said LRAPA is important to all residents of Lane County—not just to people in Eugene. **Ortiz** said listening to **Banks** talk about California air regulations and the deadlines businesses have to comply made her want to work proactively in Oregon to avoid having to do that in the future. She would like that to be done by LRAPA, rather than DEQ, and involve the community in those conversations, to help people get to where they need to be. **Ortiz** added that she has tried to work with DEQ regarding the railroad issues in West Eugene, and it has been challenging for her. People get letters in the mail, and if they want to get further information they have to go in and look in large volumes of printed information to try and figure it out for themselves. She wants to maintain the local program which is more responsive to people's needs and not have to deal with outside government entities coming in and telling people they didn't do what they were supposed to do and have to make big changes because of that.

Brommelsiek observed that legislators make the decisions as to whether or not to enact new rules, and the regulators are simply implementing what the legislators tell them they must. He cautioned the board not to lose sight of that.

Regarding getting a facilitator to help the board overcome its differences and work better together, **Ortiz** said she had forwarded to **Hough** contact information for the group the city of Eugene had used. She asked what he thought of the information. **Hough** said he had reacted favorably to what he had read. He also talked with city staff, who were similarly positive to **Ortiz's** direct experience, and found that working with a consensus group over the past couple of years had been very helpful for council dynamics. **Hough** said he had two issues for the board to consider. One is that hiring a consultant such as the one used by Eugene is likely to result in significant expenditure of resources, and that needs to be factored into the budget for the coming fiscal year.

The second issue **Hough** said he wanted to raise with the board was the fact that a facilitated meeting would take a time commitment by board members. **Hough** said he believed the city had done this process over a two-day period, and **Ortiz** said it was done in different phases. **Ortiz** said the city had many issues to talk about during its process, and LRAPA has an air quality focus and could probably complete the session in perhaps six-to-eight hours on one day.

Johnson suggested that LRAPA consider putting together a Request for Qualifications, and said he is aware of a lot of people who are very good in this field. **Ortiz** said she was hoping that **Hough** would have reviewed the information she had forwarded and then send it on to the rest of the board, because this was his opportunity to read about the group that worked with the city of Eugene. She said they have been doing this work for about twenty years, and what resonates with her is that they have done a lot of environmental work in the Klamath Basin, with the fishing and agriculture water rights issues. **Ortiz** recommended that individual highly but said she was not opposed to looking at other facilitators. She asked that **Hough** send the material on to the rest of the board members. **Ortiz** said the board didn't need to make any decision at today's meeting but did need to agree on whether or not to have a work day to try to resolve the board's issues.

Monk suggested that **Hough**, or someone on LRAPA staff, draft a Request for Proposals to bring to the board in March. He noted that the difficulty with that is identifying exactly what the board wants the consultant to do, and he suggested that **Hough** could illuminate that. He said **Hough** should also determine approximately what the cost might be for a one-day facilitated retreat. **Monk** also acknowledged that the schedules of the elected officials on the board would probably be the most difficult to accommodate a whole day for this. He suggested that the cost be established, then a consultant chosen, and then schedules coordinated.

Stewart had to leave the meeting at this point to go into executive session. He supported the effort to establish a better working relationship between board members and said it is not a matter of "if" it should be done, but how it can be made to happen.

Brommelsiek commented that the problem needs to be clearly stated before staff can ask a consultant to help resolve it. The board needed to determine how to state the problem. **Monk** agreed. He asked **Hough** to draft something that he believes covers the issues, and the board can discuss it in March and determine whether it defines the problem or not. **Fortune** objected to putting the responsibility onto staff to develop this information since this is board-driven activity rather than a staff-driven one.

Fortune said he liked the idea of a committee to look at board makeup, stating that the committee could contact the other cities in Lane County to see whether they want to participate directly in LRAPA. He said he has received information from the mayors of the small cities, that this is a desire on their part, regarding the makeup of this board; however, that needs to be checked with them to be sure before any action can be taken to include them. He also agreed that the subject is part of the discussion of board dynamics and being able to get along together. **Fortune** also agreed with **Ralston**, that at times the dynamic of this board seems to be Eugene against everyone else on the board. **Fortune** said he does not like the idea of Eugene representatives making air quality decisions for all the other cities in the county, adding that decisions to make regulations stricter drive industry away and keep industry from coming in. He said he is all for clean industries and clean air; however, it does not appear to him that some of these decisions have been focused in that direction. If a board member feels that they have no say because there is a group that dominates the board, why should that board member be here.

Johnson said he thinks this board has two problems—organizational dynamics and decision-making processes—that they are not working on collaboratively. The board is voting on issues without taking the time to find out where their interests overlap. He said he thought the statement of the issue the board should ask a facilitator to help with would be helping the board to understand how to use collaborative decision making and, as a test, help the board to see if they can find a consensus on board makeup. **Johnson** said he agreed that this is a board-driven issue, and he is fine with having a committee of board members to work on trying to resolve the issue of board makeup. **Johnson** added that the board needs to figure out how to reach a broader constituency and get their input for consideration.

Monk said the issues of board configuration and working better together are two separate issues. He again suggested that the board form a committee, today, to look at board configuration. That group could report back to the larger board regularly regarding its progress in reaching out to local governments, reaching out to the larger public, and reaching out to business interests that are regulated by LRAPA, and any other groups that might be appropriate. He suggested that another committee look at the costs of a facilitated meeting or meetings to help the board work more collaboratively.

Johnson said the committee that works to reach out to local governments regarding board makeup should be as transparent as possible. He volunteered to conduct those interviews, confidentially, but then share the comments with board members. He said he would provide a list of the individuals contacted and share the comments but not attribute comments to specific individuals. He said he would be happy to chair that process and do an initial assessment of what the issues are. He said his second, and final, term on the board will expire in October of this year; consequently, he has no interest in the outcome of this process, one way or another.

Fortune said he would like to form a committee of four to tackle the issue of board configuration. He asked **Johnson** if he would like to serve on the committee, and **Johnson** confirmed that he would. **Fortune** asked **Lucas** if he would like to be a part of it, and **Lucas** said he would be happy to do that and that he assumed **Fortune** would also be a member of the committee. **Fortune** confirmed that he would. **Ralston** said he would also like to be on the committee. **Lucas** also said there are other board members who have been on the board for a few years and have more experience with the issue. He said he would gladly step aside if someone else would like to serve on the committee. **Ortiz** suggested that it might be a good idea to have both of the two new board members serve on the committee with two more seasoned members. **Brommelsiek** said he would like to serve on the committee, but that would bring up the question of a quorum of the full board. **Ralston** agreed, stating that there can only be four members without having to hold a public meeting. **Brommelsiek** said he would rather work on the issue of how the board members work together.

Ralston said he was looking at elected officials to be on the committee, because ultimately the makeup of the board is determined by three major jurisdictions—Eugene, Springfield and Lane County—any two of which could decide to end LRAPA, making board makeup moot. **Ralston** said he is hearing more and more that people are more willing to get rid of LRAPA than to deal with it right now. He suggested that the committee members talk to the three major jurisdictions to find how where they are leaning with regard to continuing to participate in LRAPA.

Ortiz responded to **Ralston**'s comments, stating that she has also heard the same things but also knows where the heart of the majority of the county is. She is not concerned about people wanting to do away with LRAPA. She said threats like those voiced by **Ralston** are like little bombs board members throw at each

other. She said that is the kind of thing that makes her stomach tie up in knots and that she came away with a stomach ache from nine of the eleven LRAPA board meetings she attended last year. She does not see why anyone would make those kinds of threatening statements, which undermines the work the board does together. **Ortiz** said that people who work together on a board need to take the time to hear each other's worst outcomes and also their best outcomes. She also commented that she took from **Fortune's** earlier comments that he feels that because the Eugene board members care about the environment and want to hold businesses accountable, that they are anti-business. She said that is not the case. She wants to have businesses to provide jobs for people, but she also wants them to be safe. She acknowledged that there are some philosophical differences, but said that does not mean the board members cannot work together to resolve the issues facing the agency. She said she feels like the board does move things along, but it sometimes feels like they're carrying a ton of bricks behind them. She does not expect everyone to agree with her all the time or tell her she's doing a good job, but she also does not want to be made to feel that she's doing something wrong.

Ralston stated that the problems of this board are philosophical problems, which makes the problem more difficult to define and resolve. **Monk** agreed. **Ralston** said that if it would cost \$10,000 he would not be interested in doing it because of the agency's tight budget. He added, however, that he would be willing to participate if the board could work out a time slot that he could make work for him because just about the only time he has right now is on weekends. **Ralston** also suggested consultant **Stan Biles** as a possible facilitator, because **Biles** has worked with LRAPA before and has worked with the city of Springfield.

Following all the discussion, board consensus was to establish a committee of board members, as suggested by **Monk**. **Over the remainder of 2010, the committee is to develop suggested legislative changes to which board members, and legislators, can agree, to make sure that the LRAPA board represents the interests of all Lane County residents.**

Fortune made four appointments to the committee, including himself, Johnson, Lucas and Ralston.

Ralston said he will be contacting people like **Gary Williams** and **Richard Meyers** from Cottage Grove to gather information regarding interest among other cities in Lane County, in participating in LRAPA. He said he would like to include as many people as possible in this decision-making process.

Fortune asked if the board members appointed to the committee thought they could come back to the board with some recommendations within 120 days, and they said that sounded reasonable.

Lucas asked **Johnson** to repeat his description of the problem to be resolved with the help of a facilitator. **Johnson** said the problem is organizational dynamics and collaborative decision making. The board members need to listen to each other and hear each other's concerns.

Johnson said there are a lot of really good organizations that do this kind of facilitation. He suggested Community Mediation Services, Oregon Consensus Program, and the National Policy Consensus Center. He also suggested an organization trainer at the University of Oregon, named **Carrie Hetzel**, who focuses on doing work for groups like the LRAPA board. **Johnson** volunteered to assist **Hough** to outline an RFQ and suggest some places to advertise for facilitators.

Fortune said he appreciated the discussion under this item. He said he thinks that, all too often, members of a group such as this have their own agendas and vote on items without taking the time to find out what other members of the group think. He is encouraged by the open discussion.

13. NEW BUSINESS:

Budget Preparation for FY 2010/2011. **Monk** commented that the budget process did not go as smoothly last year as he would have liked. He said the board needs to be more engaged in the development of a budget proposal, and he will once again be preparing a budget proposal for the board to discuss, in addition to the one proposed by staff. **Monk** said he will send his proposal out to board members as he is developing it so that when staff presents its proposal in April, the board can compare the two proposals in greater detail.

11. ADJOURNMENT: The meeting adjourned at 2:55 p.m. The next regular meeting is scheduled for Tuesday, March 9, 2010, 12:15 p.m. in the meeting room at the LRAPA offices, 1010 Main Street, Springfield, Oregon.

Respectfully submitted,

Merrie Dinteman
Recording Secretary