

**Minutes of the 390<sup>th</sup> regular meeting of the Oregon Environmental Quality  
Commission**

Boardman and Hermiston  
*Port of Morrow offices: Riverfront Room*  
*2 Marine Drive*  
*Boardman, Oregon*

**Wednesday, Aug. 17, 2016: 8 a.m. to 5 p.m., 5:30 to 6:30 p.m. evening session**

*Chair O'Keeffe convened the meeting at 8 a.m.*

- **Present:** Chair O'Keeffe, Commission Johnson, Commissioner Rider and Commissioner Eden

**A. Action item: Meeting minutes**

Commissioners reviewed proposed draft minutes from recent regular and special EQC meetings.

Action: Approve the meeting minutes with typo corrections as noted

Move: Commissioner Johnson

Second: Commissioner Eden

- *The commission unanimously approved the motion*

**B. Public forum**

At approximately 8:10 a.m., Chair O'Keeffe opened a 50-minute public comment opportunity. People were able to present comments in-person at the Boardman meeting venue, or via telephone conference call at three DEQ offices.

Bend: 475 NE Bellevue

Eugene: 165 E. 7<sup>th</sup> Avenue

Portland (headquarters): 811 SW 6<sup>th</sup> Avenue, 10<sup>th</sup> floor

Three people presented comment in Boardman and one person presented comment by phone from Portland.

1. Kathryn VanNatta, Northwest Pulp and Paper Association, presented comments regarding the development of air quality rules and permits. VanNatta submitted a copy of her testimony. Commissioner Rider requested that the DEQ staff working on the air quality program updates receive a copy of the comments presented today.

2. Mike Freese, Associated Oregon Industries, presented comments regarding DEQ's development of air quality rules and permits. He stressed that many of the AOI members are manufacturers, and they may be affected by the program updates in uncertain ways. Freese noted several concerns and questions for DEQ regarding the air quality program updates and revisions.

Commissioners asked clarifying and informational questions of VanNatta and Freese, who provided additional detail on their comments. Pete Shepherd, interim director, provided additional clarification about the comments presented.

3. Dale Feik, Hillsboro Air and Water, presented comment regarding the Cleaner Air Oregon program and DEQ's updates to air quality rules and programs. He provided a copy of his testimony.

4. Bala Seshasayee, presented comments regarding a proposed NPDES permit for Lost Valley Ranch near Boardman.

**C. Informational item: Process updates regarding director's recruitment**

Commissioner Eden provided an update on the process, status and potential next steps for the recruitment of DEQ's permanent director. Enrique Sama, State of Oregon Executive Recruiter, provided additional detail and clarification by phone. Interim Director Shepherd recommended a potential process for the commission to move forward with scheduling of recruitment processes. Commissioners discussed their options for next steps.

**D. Action item: Scheduling special meetings for fall 2016**

Commissioners discussed potential dates for special EQC meetings in the fall. Commissioner Eden recommended a short special meeting, to be held by phone, for the purposes of making decisions regarding next steps in the director recruitment process.

*The commission agreed to meet for a brief meeting on Wednesday, Aug. 24, 2016, at 9 a.m., by telephone conference call for the purpose of next steps in the director recruitment process. The meeting is expected to last one hour or less.*

Enrique Sama, State of Oregon Executive Recruiter, provided additional information about potential next steps in the process. Commissioner Eden requested that staff begin the engagement processes, as laid out in the attachment for item C, immediately to ensure the recruitment process continues moving forward. Interim Director Shepherd provided additional clarifying detail, including a request from DEQ's labor union representatives to directly engage with candidates as part of the hiring process in lieu of the Labor Management Committee's engagement meeting.

Commissioner Eden recommended that the commissioners consider the process options and adopt final processes for recruitment as part of the Aug. 24, 2016, special meeting. Larry Knudsen, the commission's legal counsel, provided clarification on the legal wording for a meeting announcement. Commissioner Rider expressed concern about the timelines for recruitment and hiring, particularly the lack of transition or overlap time between Interim Director Shepherd's departure and any new director's start date.

The commissioners discussed potential dates for a special meeting to consider permanent rules for colored art glass manufacturers. Stephanie Caldera, commission assistant, provided clarifying information about proposed scheduling options.

*The commission agreed to convene on Thursday, Sept. 29, 2016, at 9 a.m., for a special meeting to review and potentially take action on proposed permanent rules for colored art glass manufacturing.*

Commissioner Rider requested that the commission receive information on the proposed changes prior to the special meeting, either as a briefing or through written communications. Interim Director Shepherd noted that the commissioners could be briefed as part of the Sept. 21, 2016, Portland Harbor tour.

#### **E. Action item: Annual self-evaluation survey results**

Commissioners reviewed the results of the annual self-evaluation survey for EQC. The survey is a Key Performance Measure for DEQ and must be submitted with its Agency Request Budget on Sept. 1, 2016.

Greg Aldrich, Office of Policy and Analysis manager, presented the overall score, a 95 against a target of 100, and the general feedback from the survey. Commissioners discussed the survey results and their comments or other feedback. Commissioner Rider requested a future update about how the agency will improve its communications to commissioners, and generally.

Action: Approve the survey results as presented

Move: Commissioner Johnson

Second: Commissioner Rider

- *The commission unanimously approved the motion*

#### **F. Informational item: Director's report**

Interim Director Shepherd presented a verbal update on items of interest to the commission and other agency activities, and noted that he will provide a written report for this item. Commissioners asked clarifying and informational questions about the content presented by Interim Director Shepherd.

#### **G. Informational item: Portland General Electric fuels and plant conversion**

Randy Jones, Eastern Region Regional Solutions Team member, introduced the item and representatives from Portland General Electric and other project partners. Brendan McCarthy presented an overview of PGE's work across the state, including its resource mix for energy generation across Oregon. He noted that PGE continues to work with DEQ staff on the Clean Power Plan and what Oregon's response may be under that plan.

McCarthy described the research and development being done by PGE related to torrefied biomass as an alternative fuel source for energy generation in lieu of coal and other petroleum-based sources. Wayne Lei and Matt Krumenauer provided additional clarification about torrefaction and PGE's work in Oregon. The commissioners asked clarifying and informational questions about the process and next steps for this type of project.

#### **Lunch**

Chair O'Keeffe recessed the commission from approximately 12:10 to 1 p.m. for lunch.

#### **H. Action item: Rule revisions for the Oregon Clean Fuels Program**

David Collier, Air Quality manager, and Elizabeth Elbel, Climate Change specialist, presented proposed rule revisions to some elements of the Oregon Clean Fuels Program. Collier and Elbel presented the proposed permanent rules by phone and noted that the proposed rules would make permanent changes and corrections to several typographic errors and also would correct a miscalculation of how the clean

fuel standards and the carbon intensity values of two fuel pathways are calculated. Elbel described the changes that would occur if the commission approves the permanent rules.

Commissioner Johnson asked general questions about the Clean Fuels Program and recent media coverage of the program. Collier and Elbel noted that the issues raised will be discussed with the program's advisory committee, as part of broader policy discussions. Bill Peters, Clean Fuels Program staff, provided additional clarification regarding Commissioner Johnson's questions.

Action: Adopt the proposed rules in Attachment A as part of Chapter 340 of the Oregon Administrative Rules.

Move: Commissioner Johnson

Second: Commissioner Eden

- *The commission unanimously approved the motion*

### **I. Action item: Rule revisions for water quality bacteria standards**

Debra Sturdevant, Water Quality Standards Program manager, and Aron Borok, Water Quality Standards Program staff, presented proposed rule revisions for Oregon's water quality standards for bacteria. Borok explained that the proposed revisions would incorporate new federal rules and update other elements of the existing bacteria standards. He presented an overview of the current and proposed rules, including the maps that outline where the proposed rules would apply and additional detail about DEQ's reasons for updating the standards.

Commissioners asked clarifying and informational questions about the proposed revisions.

Action: Adopt the proposed rule amendments in Attachment A to Chapter 340 of the Oregon Administrative Rules.

Move: Commissioner Rider

Second: Commissioner Johnson

- *The commission unanimously approved the motion*

Following the commission's action, they discussed the streaming video test being done at the meeting and any next steps for implementing video feeds at future EQC meetings. Clint Bollinger, IT manager, provided some detail about the test and considerations related to implementing video feeds for EQC and DEQ meetings.

*This item was taken out of order*

### **L. Informational item: Commissioner reports and agenda planning**

Commissioners presented verbal updates on their recent activities.

- Commissioner Johnson will attend the NPDES workgroup this fall
- Commissioner Rider discussed her work chairing the Air Quality Technical Workgroup, which convened national air quality technical experts to gather information regarding technical issues associated with industrial air toxics regulations. She noted that she is now on the board of the Wetlands Conservancy, and there is an event Sept. 11, 2016, to support that group's work.
- Chair O'Keeffe explained that she chaired the Woodsmoke Advisory Committee, which is finalizing its report to the Legislature. She thanked Rachel Sakata, DEQ, for her excellent work on the committee and discussed the feedback from communities across the state.

- Commissioner Eden noted that she has been involved in the director recruitment activities for the past month.

#### **J. Informational item: Budget and legislative updates**

Greg Aldrich, Office of Policy and Analysis manager, Palmer Mason, Senior Legislative Advisor, and Mark Brown, Financial Services manager, presented updates on agency, state and federal budget and legislative matters of interest to the commission. Commissioners discussed the content and asked many clarifying and informational questions. The presenters provided more detail, in addition to clarification from Interim Director Shepherd.

Palmer Mason led the commissioners through a discussion of how to best involve the commission in budget and legislative development processes in the future. He noted that he will follow up with each commissioner individually, in addition to today's discussion. The commissioners discussed how they could, and would like to, be involved in the budget and legislative development process for the 2017-19 Oregon Legislative Session.

#### **K. Action item: 2017-19 Agency Request Budget certification**

Mark Brown, Financial Services Manager, presented DEQ's 2017-19 Agency Request Budget for commission approval and the chair's signature as certification of the budget information.

Action: Authorize Chair O'Keeffe to sign and certify the DEQ 2017-19 Agency Request Budget on behalf of the commission

Move: Commissioner Rider

Second: Commissioner Johnson

- *The commission unanimously approved the motion*

*Part of this item was discussed earlier in the meeting, as seen above*

#### **L. Informational item: Commissioner reports and agenda planning**

Greg Aldrich, Office of Policy and Analysis manager, presented potential items or planning ideas for future EQC meetings. He noted that the Land Conservation and Development Commission has confirmed its liaison to the commission, to start in late 2016 or early 2017, and he will be working with staff and commissioners to set up preliminary meetings to discuss coordination. Aldrich reviewed the meeting dates for the remainder of 2016 and the proposed dates in 2017, and commissioners noted their known conflicts and stated that they will confirm dates via email and at a later meeting.

- Commissioner Johnson noted a conflict with the proposed dates for March 21017
- Commissioner Eden noted a conflict with the proposed dates for June 2017

*Chair O'Keeffe recessed the commission from 4:30 until 5:30 p.m. The commissioners reconvened at 5:30 p.m. for an evening meet-and-greet session at the SAGE Center.*

#### **M. Evening session**

From approximately 5:30 to 6:30 p.m., the commission held an informal meet-and-greet session at the SAGE Center. During this session, commissioners, DEQ staff, invited guests and others discussed local projects and environmental concerns in an informal setting.

*The commission recessed at approximately 6:30 p.m. until Thursday, August 18. Some commissioners and DEQ staff attended an informal self-pay dinner in Boardman. No commission business was held at the social dinner.*

**Thursday, Aug. 18, 2016, 8 a.m. to 4:30 p.m.**

- *A joint meeting with the Water Resources Commission*

*Item N was presented at Hermiston City Hall*

**N. Informational item and tour: Innovative water projects in the Hermiston area**

Representatives from the City of Hermiston and project partners presented an overview of water recycling and other innovative water quantity and quality improvements being used in the Hermiston area. Following the informational session, commissioners and staff went on a tour of some of the projects described.

*Items O and P were held at the Hermiston Conference Center*

**O. Informational and discussion item: Joint meeting of the Water Resources Commission and EQC**

John Roberts, Water Resources Commission chair, and Jane O’Keeffe, EQC chair, convened the joint meeting at approximately 11:25 a.m. They discussed the shared areas of interest for the two commissions, and DEQ Interim Director Shepherd and WRD Director Byler provided additional opening remarks.

Alyssa Mucken, Water Resources Department, and Jennifer Wigal, DEQ, presented informational overviews on several water-related projects, including the state’s Integrated Water Resource Strategy. Commissioners and staff discussed areas of shared responsibilities, current challenges for water quality and quantity and potential next steps for the agencies, commissions and state. Water Resources Commissioner LeJeune and EQC Commissioner Johnson discussed their roles as liaisons to their respective commissions.

*Chair O’Keeffe adjourned the commission at approximately 12:40 p.m. Following adjournment, the two commissions shared an informal lunch.*

**P. Executive session**

The commission met in executive session from approximately 1:45 until 4:30 p.m. for further inquiries of the candidates in the recruitment for the permanent director. This session was held pursuant to ORS 192.660(2)(a) and ORS 192.660(7).

**2016 and proposed 2017 meeting dates**

November 2-3: Ashland (partly a joint meeting with the Board of Forestry)  
January 18-19 (location TBD)  
March 15-16 (location TBD)  
June 21-22 (location TBD)  
August 16-17 (location TBD)  
November 15-16 (location TBD)